



NGÂN  
HÀNG  
THƯƠNG  
MẠI CỔ  
PHẦN  
QUÂN ĐỘI

Digitally signed by  
NGÂN HÀNG  
THƯƠNG MẠI CỔ  
PHẦN QUÂN ĐỘI  
DN: c=VN, i=HÀ NỘI,  
cn=NGÂN HÀNG  
THƯƠNG MẠI CỔ  
PHẦN QUÂN ĐỘI,  
o=0.9.2342.19200300.1  
873  
Date: 2025.03.30  
18:16:18 +07'00'

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM

Độc lập - Tự do - Hạnh phúc

THE SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom - Happiness

Số/No: 327/MB-HĐQT

V/v: công bố thông tin báo cáo tài chính hợp  
nhất kiểm toán năm 2024

Re: disclosure of information of Audited  
Consolidated Financial Statements for the year  
ended 31 December 2024

Hà Nội, ngày 30 tháng 03 năm 2025

Hanoi, 30 March 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 hợp nhất kiểm toán năm 2024

Content of Information disclosure: Audited Consolidated Financial Statements for the year  
ended 31 December 2024

Thông tin trên đã được công bố trên trang thông tin điện tử MB [www.mbbank.com.vn](http://www.mbbank.com.vn) -  
Mục Nhà đầu tư -- Phần Thông báo.

The above information was disclosed on MB website at [www.mbbank.com.vn](http://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](http://www.mbbank.com.vn)



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

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

Trân trọng cảm ơn!

Best Regards!

**Nơi nhận/ Recipients:**

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

**CHỦ TỊCH HỘI ĐỒNG QUẢN TRỊ**

**BOD CHAIRMAN**



**Lưu Trung Thái**



**Head office**

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

**Contact us**

Điện thoại: (024) 6266 1088  
Fax: (024) 6266 1080  
www.mbbank.com.vn





## **Military Commercial Joint Stock Bank**

Consolidated financial statements

For the year ended 31 December 2024



# Military Commercial Joint Stock Bank

## CONTENTS

|                                                | <i>Pages</i> |
|------------------------------------------------|--------------|
| General information                            | 1 - 2        |
| Report of Management                           | 3            |
| Independent auditor's report                   | 4 - 5        |
| Consolidated statement of financial position   | 6 - 8        |
| Consolidated statement of income               | 9            |
| Consolidated statement of cash flows           | 10 - 11      |
| Notes to the consolidated financial statements | 12 - 98      |

# Military Commercial Joint Stock Bank

## GENERAL INFORMATION

### THE BANK'S INFORMATION

Military Commercial Joint Stock Bank ("the Bank") is a joint stock commercial bank incorporated and registered in the Socialist Republic of Vietnam.

The Bank was established 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. The Bank is operating under Business Registration No. 0100283873 granted by Hanoi Department of Planning and Investment dated 30 September 1994 and the 54<sup>th</sup> amended Business Registration dated 16 May 2024.

The current principal activities of the Bank are to perform banking services including mobilizing and receiving short, medium and long-term deposits from organizations and individuals; making short, medium and long-term loans to organizations and individuals based on the nature and capability of the Bank's capital; conducting foreign exchange transactions; international trade finance services; discounting of commercial papers, bonds and other valuable papers; providing settlement services and other banking services as approved by the SBV.

### *Charter capital*

As at 31 December 2024, the charter capital of the Bank was VND 53,063,241 million (31 December 2023: VND 52,140,841 million).

### BOARD OF DIRECTORS

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

### BOARD OF SUPERVISOR

|                          |                                     |
|--------------------------|-------------------------------------|
| Ms. Le Thi Loi           | Head of Board of Supervision        |
| Ms. Nguyen Thi An Binh   | Deputy Head of Board of Supervision |
| Ms. Do Thi Tuyen Mai     | Member                              |
| Ms. Nguyen Thi Nguyet Ha | Member (appointed on 15 June 2024)  |
| Mr. Do Van Tien          | Member (appointed on 15 June 2024)  |
| Mr. Do Van Hung          | Member (resigned on 15 June 2024)   |

# Military Commercial Joint Stock Bank

## GENERAL INFORMATION (continued)

|                   |                       |                                 |
|-------------------|-----------------------|---------------------------------|
| <b>MANAGEMENT</b> | Mr. Pham Nhu Anh      | Chief Executive Officer ("CEO") |
|                   | Ms. Nguyen Minh Chau  | Deputy CEO                      |
|                   | Ms. Pham Thi Trung Ha | Deputy CEO                      |
|                   | Mr. Tran Minh Dat     | Deputy CEO                      |
|                   | Mr. Ha Trong Khiem    | Deputy CEO                      |
|                   | Mr. Le Quoc Minh      | Deputy CEO                      |
|                   | Mr. Nguyen Xuan Hoc   | Deputy CEO                      |
|                   |                       | (appointed on 2 July 2024)      |
|                   | Ms. Tran Thi Bao Que  | Member                          |
|                   | Mr. Vu Thanh Trung    | Member                          |
|                   |                       | (resigned on 10 December 2024)  |
|                   | Mr. Vu Hong Phu       | Member                          |
|                   | Ms. Nguyen Thi Ngoc   | Member                          |
|                   |                       | (appointed on 15 June 2024)     |

|  |                          |                                |
|--|--------------------------|--------------------------------|
|  | Ms. Nguyen Thi Thuy      | Member                         |
|  |                          | (appointed on 15 June 2024)    |
|  | Mr. Le Xuan Vu           | Member                         |
|  |                          | (resigned on 10 December 2024) |
|  | Ms. Nguyen Thi Thanh Nga | Chief Financial Officer        |

## LEGAL REPRESENTATIVE

The Legal Representative of the Bank during the year and as at the date of this report is Mr. Luu Trung Thai - Chairman of the Board of Directors.

Mr. Pham Nhu Anh - Chief Executive Officer is authorized to sign off the consolidated financial statements for the year ended 31 December 2024 according to Letter of Authorization No. 367/UQ-MB-HDQT by the Chairman of the Board of Directors dated 18 May 2023.

## AUDITOR

The auditor of the Bank is KPMG Limited.

# Military Commercial Joint Stock Bank

## REPORT OF MANAGEMENT

Management of Military Commercial Joint Stock Bank ("the Bank") is pleased to present this report and the consolidated financial statements of the Bank and its subsidiaries for the year ended 31 December 2024.

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management of the Bank is responsible for the consolidated financial statements for the year ended 31 December 2024 which give a true and fair view of the consolidated financial position of the Bank and its subsidiaries, their consolidated statement of income and their consolidated cash flows for the year. In preparing these consolidated financial statements, Management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgments and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed by the Bank and its subsidiaries, subject to any material departures disclosed and explained in the consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Bank and its subsidiaries will continue their business.

Management of the Bank is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position for the year ended 31 December 2024 of the Bank and its subsidiaries and ensuring that the accounting records comply with the applied accounting system. Management is also responsible for safeguarding the assets of the Bank and its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements for the year ended 31 December 2024.

### STATEMENT BY MANAGEMENT

Management of the Bank does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position as at 31 December 2024, their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions and the statutory requirements relevant to preparation and presentation of consolidated financial statements.



Mr. Phạm Nhu Anh  
Chief Executive Officer

Hanoi, Vietnam

29 MAR 2025



KPMG Limited  
46th Floor, Keangnam Landmark 72  
E6 Pham Hung Street, Me Tri Ward  
South Tu Liem District, Hanoi, Vietnam  
+84 (24) 3946 1600 | kpmg.com.vn

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Shareholders Military Commercial Joint Stock Bank**

We have audited the accompanying consolidated financial statements of Military Commercial Joint Stock Bank ("the Bank") and its subsidiaries (collectively "MB"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of income and the consolidated statement of cash flows for the year ended and the explanatory notes thereto which were authorized for issue by the Bank's Management on 29 March 2025, as set out on pages from 6 to 98.

### **Management's Responsibility**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Bank's Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Military Commercial Joint Stock Bank and its subsidiaries as at 31 December 2024 and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

### KPMG Limited

Vietnam

Audit Report No. 24-02-00089-25-6



---

Dam Xuan Lam  
Practicing Auditor Registration  
Certificate No. 0861-2023-007-1  
*Deputy General Director*

Hanoi, 29 March 2025

---

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

# Military Commercial Joint Stock Bank

B02/TCTD-HN

(Issued under Circular

No.49/2014/TT-NHNN

dated 31 December 2014 of

the State Bank of Viet Nam

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2024

|                                                             | Notes     | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-------------------------------------------------------------|-----------|---------------------------|---------------------------|
| <b>ASSETS</b>                                               |           |                           |                           |
| <b>Cash, gold and gemstones</b>                             | <b>5</b>  | <b>3,349,166</b>          | <b>3,675,394</b>          |
| <b>Balances with the State Banks</b>                        | <b>6</b>  | <b>29,825,253</b>         | <b>66,321,652</b>         |
| <b>Deposits with and loans to other credit institutions</b> | <b>7</b>  | <b>76,785,622</b>         | <b>46,343,813</b>         |
| Deposits with other credit institutions                     |           | 63,887,837                | 39,119,633                |
| Loans to other credit institutions                          |           | 12,903,651                | 7,229,607                 |
| Allowance for credit losses                                 |           | (5,866)                   | (5,427)                   |
| <b>Securities held for trading</b>                          | <b>8</b>  | <b>7,931,655</b>          | <b>44,250,788</b>         |
| Securities held for trading                                 |           | 7,931,834                 | 44,251,400                |
| Allowance for securities held for trading                   |           | (179)                     | (612)                     |
| <b>Derivatives and other financial assets</b>               | <b>9</b>  | <b>-</b>                  | <b>141,294</b>            |
| <b>Loans to customers</b>                                   |           | <b>765,047,985</b>        | <b>599,579,267</b>        |
| Loans to customers                                          | 10        | 776,657,846               | 611,048,830               |
| Allowance for credit losses on loans to customers           | 11        | (11,609,861)              | (11,469,563)              |
| <b>Debt purchase</b>                                        | <b>12</b> | <b>951,509</b>            | <b>1,789,868</b>          |
| Debts purchased                                             |           | 1,041,362                 | 1,848,863                 |
| Allowance for debts purchased                               |           | (89,853)                  | (58,995)                  |
| <b>Investment securities</b>                                | <b>13</b> | <b>209,637,377</b>        | <b>147,923,205</b>        |
| Available-for-sale securities                               | 13.1      | 205,507,956               | 143,010,711               |
| Held-to-maturity securities                                 | 13.2      | 4,612,504                 | 5,387,952                 |
| Allowance for investment securities                         | 13.3      | (483,083)                 | (475,458)                 |
| <b>Long-term investments</b>                                | <b>14</b> | <b>609,477</b>            | <b>615,785</b>            |
| Other long-term investments                                 | 14.1      | 775,670                   | 779,587                   |
| Allowance for long-term investments                         | 14.2      | (166,193)                 | (163,802)                 |
| <b>Fixed assets</b>                                         |           | <b>5,430,416</b>          | <b>4,854,186</b>          |
| Tangible fixed assets                                       | 15        | 3,750,696                 | 3,194,404                 |
| Cost                                                        |           | 9,014,672                 | 7,732,608                 |
| Accumulated depreciation                                    |           | (5,263,976)               | (4,538,204)               |
| Intangible assets                                           | 16        | 1,679,720                 | 1,659,782                 |
| Cost                                                        |           | 4,976,669                 | 4,196,144                 |
| Accumulated amortization                                    |           | (3,296,949)               | (2,536,362)               |
| <b>Investment properties</b>                                | <b>17</b> | <b>234,115</b>            | <b>240,294</b>            |
| Cost                                                        |           | 260,415                   | 260,415                   |
| Accumulated depreciation                                    |           | (26,300)                  | (20,121)                  |
| <b>Other assets</b>                                         |           | <b>28,998,487</b>         | <b>29,218,094</b>         |
| Receivables                                                 | 18.1      | 14,360,628                | 14,289,084                |
| Accrued interest and fee receivables                        |           | 8,918,622                 | 8,668,557                 |
| Deferred tax assets                                         | 37.2      | 38,912                    | 28,710                    |
| Other assets                                                | 18.2      | 5,873,749                 | 6,406,669                 |
| In which: Goodwill                                          | 19        | 9,523                     | 19,045                    |
| Allowance for other assets                                  | 18.3      | (193,424)                 | (174,926)                 |
| <b>TOTAL ASSETS</b>                                         |           | <b>1,128,801,062</b>      | <b>944,953,640</b>        |

# Military Commercial Joint Stock Bank

B02/TCTD-HN

(Issued under Circular

No.49/2014/TT-NHNN dated

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 31 December 2024

31 December 2014 of the  
State Bank of Viet Nam

|                                                                    | Notes     | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|--------------------------------------------------------------------|-----------|---------------------------|---------------------------|
| <b>LIABILITIES</b>                                                 |           |                           |                           |
| <b>Amounts due to the Government and the State Bank of Vietnam</b> | <b>20</b> | <b>8,156,285</b>          | <b>8,738</b>              |
| <b>Deposits and borrowings from other credit institutions</b>      |           | <b>110,169,585</b>        | <b>99,810,466</b>         |
| Deposits from other credit institutions                            | 21.1      | 79,515,610                | 68,812,883                |
| Borrowings from other credit institutions                          | 21.2      | 30,653,975                | 30,997,583                |
| <b>Deposits from customers</b>                                     | <b>22</b> | <b>714,154,479</b>        | <b>567,532,577</b>        |
| <b>Derivatives and other financial liabilities</b>                 | <b>9</b>  | <b>191,545</b>            | <b>-</b>                  |
| <b>Other borrowed and entrusted funds</b>                          | <b>23</b> | <b>2,793,453</b>          | <b>2,799,863</b>          |
| <b>Valuable papers issued</b>                                      | <b>24</b> | <b>128,964,033</b>        | <b>126,463,110</b>        |
| <b>Other liabilities</b>                                           |           | <b>47,312,101</b>         | <b>51,627,727</b>         |
| Interest and fee payables                                          | 25.1      | 9,899,902                 | 13,390,191                |
| Other payables                                                     | 25.2      | 37,411,147                | 38,236,542                |
| Provision for other liabilities                                    |           | 1,052                     | 994                       |
| <b>TOTAL LIABILITIES</b>                                           |           | <b>1,011,741,481</b>      | <b>848,242,481</b>        |
| <b>OWNERS' EQUITY</b>                                              |           |                           |                           |
| Capital                                                            |           | 56,295,833                | 54,938,426                |
| Charter capital                                                    |           | 53,063,241                | 52,140,841                |
| Share premium                                                      |           | 1,304,334                 | 869,327                   |
| Other capital                                                      |           | 1,928,258                 | 1,928,258                 |
| Reserves                                                           |           | 14,996,847                | 12,193,931                |
| Foreign exchange difference                                        |           | 137,797                   | 45,939                    |
| Undistributed profits                                              |           | 40,718,224                | 25,559,753                |
| Non-controlling interests                                          |           | 4,910,880                 | 3,973,110                 |
| <b>TOTAL OWNERS' EQUITY</b>                                        | <b>27</b> | <b>117,059,581</b>        | <b>96,711,159</b>         |
| <b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>                        |           | <b>1,128,801,062</b>      | <b>944,953,640</b>        |

# Military Commercial Joint Stock Bank

B02/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 31 December 2024

## OFF-BALANCE SHEET ITEMS

|                                       | Notes | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|---------------------------------------|-------|---------------------------|---------------------------|
| Credit guarantees                     | 42    | 238,395                   | 154,358                   |
| Foreign exchange commitments          | 42    | 263,133,210               | 394,715,794               |
| Foreign exchange commitments - buy    |       | 4,416,403                 | 1,945,064                 |
| Foreign exchange commitments - sell   |       | 4,492,239                 | 1,423,038                 |
| Cross currency swap contracts - buy   |       | 127,747,604               | 195,798,455               |
| Cross currency swap contracts - sell  |       | 126,476,964               | 195,549,237               |
| Letters of credit                     | 42    | 29,138,440                | 23,214,316                |
| Other guarantees                      | 42    | 135,649,614               | 121,825,143               |
| Other commitments                     | 42    | 72,142,229                | 81,444,111                |
| Uncollected loan interest and fees    | 43    | 9,244,457                 | 6,878,001                 |
| Bad debts written off                 | 44    | 43,977,154                | 35,252,892                |
| Other assets and documents in custody | 45    | 302,861,111               | 285,945,759               |

Prepared by:

Reviewed by:

Approved by:



Ms. Le Thi Huyen Trang  
Director of  
Accounting Center



Ms. Dang Thuy Dung  
Chief Accountant



Ms. Nguyen Thi Thanh Nga  
Chief Financial Officer



Mr. Pham Nhu Anh  
Chief Executive Officer



Hanoi, Vietnam

29 MAR 2025

# Military Commercial Joint Stock Bank

CONSOLIDATED STATEMENT OF INCOME  
for the year ended 31 December 2024

B03/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

|                                                                      | Notes     | 2024<br>VND million | 2023<br>VND million |
|----------------------------------------------------------------------|-----------|---------------------|---------------------|
| Interest and similar income                                          |           | 69,061,893          | 69,143,043          |
| Interest and similar expenses                                        |           | (27,909,674)        | (30,459,195)        |
| <b>Net interest and similar income</b>                               | <b>28</b> | <b>41,152,219</b>   | <b>38,683,848</b>   |
| Fee and commission income                                            |           | 14,602,602          | 13,137,624          |
| Fee and commission expenses                                          |           | (10,234,353)        | (9,052,399)         |
| <b>Net fee and commission income</b>                                 | <b>29</b> | <b>4,368,249</b>    | <b>4,085,225</b>    |
| <b>Net gain from trading of foreign currencies</b>                   | <b>30</b> | <b>2,000,164</b>    | <b>1,209,825</b>    |
| <b>Net gain from securities held for trading</b>                     | <b>31</b> | <b>1,756,022</b>    | <b>541,566</b>      |
| <b>Net gain from investment securities and long-term investments</b> | <b>32</b> | <b>2,803,105</b>    | <b>300,404</b>      |
| Other income                                                         |           | 4,658,444           | 3,457,702           |
| Other expenses                                                       |           | (1,377,624)         | (1,029,591)         |
| <b>Net gain from other activities</b>                                | <b>33</b> | <b>3,280,820</b>    | <b>2,428,111</b>    |
| <b>Income from capital contribution, share acquisition</b>           | <b>34</b> | <b>52,643</b>       | <b>57,083</b>       |
| <b>TOTAL OPERATING INCOME</b>                                        |           | <b>55,413,222</b>   | <b>47,306,062</b>   |
| <b>OPERATING EXPENSES</b>                                            | <b>35</b> | <b>(17,007,250)</b> | <b>(14,912,941)</b> |
| <b>Net profit before allowance for credit losses</b>                 |           | <b>38,405,972</b>   | <b>32,393,121</b>   |
| Allowance expenses for credit losses                                 | 36        | (9,576,644)         | (6,087,032)         |
| <b>PROFIT BEFORE TAX</b>                                             |           | <b>28,829,328</b>   | <b>26,306,089</b>   |
| Current corporate income tax expense                                 |           | (5,888,266)         | (5,269,869)         |
| Deferred corporate income tax income                                 |           | 10,202              | 17,572              |
| <b>Corporate income tax expense</b>                                  | <b>37</b> | <b>(5,878,064)</b>  | <b>(5,252,297)</b>  |
| <b>PROFIT AFTER TAX</b>                                              |           | <b>22,951,264</b>   | <b>21,053,792</b>   |
| <b>Non-controlling interests</b>                                     |           | <b>317,507</b>      | <b>377,004</b>      |
| <b>Owners' net profit</b>                                            |           | <b>22,633,757</b>   | <b>20,676,788</b>   |
| <b>Basic earnings per share (VND/share)</b>                          | <b>38</b> | <b>3,724</b>        | <b>3,164</b>        |

Prepared by:

Reviewed by:

Approved by:



Ms. Le Thi Huyen Trang  
Director of  
Accounting Center



Ms. Dang Thuy Dung  
Chief Accountant



Ms. Nguyen Thi Thanh Nga  
Chief Financial Officer




Mr. Pham Nhu Anh  
Chief Executive Officer

Hanoi, Vietnam  
29 MAR 2025

# Military Commercial Joint Stock Bank

B04/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## CONSOLIDATED STATEMENT OF CASH FLOWS (Direct method) for the year ended 31 December 2024

|                                                                                                                   | <i>Notes</i> | 2024<br>VND million  | 2023<br>VND million  |
|-------------------------------------------------------------------------------------------------------------------|--------------|----------------------|----------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                                       |              |                      |                      |
| Interest and similar receipts                                                                                     |              | 68,529,262           | 66,891,390           |
| Interest and similar payments                                                                                     |              | (30,835,949)         | (24,699,677)         |
| Net fee and commission receipts                                                                                   |              | 4,368,249            | 4,085,225            |
| Net receipts from trading activities (foreign currencies, gold and securities)                                    |              | 6,277,842            | 2,363,720            |
| Other income                                                                                                      |              | 822,333              | 713,381              |
| Recoveries from bad debts previously written-off                                                                  | 33           | 2,451,560            | 1,711,016            |
| Payments for administrative, operating and salary expenses                                                        |              | (15,627,426)         | (14,652,520)         |
| Corporate income tax paid during the year                                                                         | 26           | (6,021,975)          | (5,078,090)          |
| <b>Net cash flows from operating profit before changes in operating assets and liabilities</b>                    |              | <b>29,963,896</b>    | <b>31,334,445</b>    |
| <b>Changes in operating assets</b>                                                                                |              | <b>(204,555,002)</b> | <b>(179,550,446)</b> |
| Increase/(decrease) in deposits with and loans to other credit institutions                                       |              | (5,674,464)          | 861,466              |
| Increase in trading securities                                                                                    |              | (25,402,231)         | (28,561,040)         |
| Decrease/(increase) in derivatives and other financial assets                                                     |              | 141,294              | (71,791)             |
| Increase in loans to customers                                                                                    |              | (164,801,515)        | (151,303,313)        |
| Utilization of allowance to write off loans to customers, securities, long-term investments and other receivables |              | (9,431,151)          | (6,633,346)          |
| Decrease in other assets                                                                                          |              | 613,065              | 6,157,578            |
| <b>Changes in operating liabilities</b>                                                                           |              | <b>156,014,722</b>   | <b>189,510,613</b>   |
| Increase/decrease in amounts due to the Government and the State Bank of Vietnam                                  |              | 8,147,547            | (23,051)             |
| Increase in deposits and borrowings from other credit institutions                                                |              | 10,359,119           | 34,693,687           |
| Increase in deposits from customers                                                                               |              | 146,621,902          | 123,926,939          |
| (Decrease)/increase in valuable papers issued (except for valuable papers issued for financing activities)        |              | (6,904,631)          | 26,435,985           |
| (Decrease)/increase in other borrowed and entrusted funds                                                         |              | (6,410)              | 797,141              |
| Increase in derivatives and other financial liabilities                                                           |              | 191,545              | -                    |
| (Decrease)/increase in other liabilities                                                                          |              | (2,046,061)          | 3,929,292            |
| Payments from reserves                                                                                            | 27.1         | (348,289)            | (249,380)            |
| <b>Net cash flows used in operating activities</b>                                                                |              | <b>(18,576,384)</b>  | <b>41,294,612</b>    |

# Military Commercial Joint Stock Bank

CONSOLIDATED STATEMENT OF CASH FLOWS  
(Direct method - continued)  
for the year ended 31 December 2024

B04/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

|                                                                                                                                         | Notes | 2024<br>VND million | 2023<br>VND million |
|-----------------------------------------------------------------------------------------------------------------------------------------|-------|---------------------|---------------------|
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                                                             |       |                     |                     |
| Purchase of fixed assets                                                                                                                |       | (2,301,696)         | (1,655,386)         |
| Proceeds from disposal of fixed assets                                                                                                  |       | 6,927               | 3,714               |
| Payments for investments in other entities                                                                                              |       | (37,651)            | (45,500)            |
| Proceeds from investments in other entities, disposal of subsidiaries, equity investments in joint ventures, other long-term investment |       | 41,568              | 34,676              |
| Dividends and profits received from long-term investments and capital contribution                                                      |       | 52,643              | 57,083              |
| <b>Net cash flows used in investing activities</b>                                                                                      |       | <b>(2,238,209)</b>  | <b>(1,605,413)</b>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                                                                             |       |                     |                     |
| Increase in share capital from share issuance                                                                                           |       | 2,160,445           | -                   |
| Proceeds from issuance of long-term valuable papers are eligible to be included in equity capital and other long-term loans             |       | 9,405,554           | 3,449,000           |
| Dividends paid to shareholders                                                                                                          |       | (2,806,251)         | (2,266,993)         |
| <b>Cash flows from financing activities</b>                                                                                             |       | <b>8,759,748</b>    | <b>1,182,007</b>    |
| <b>Net cash flows for the year</b>                                                                                                      |       | <b>(12,054,845)</b> | <b>40,871,206</b>   |
| <b>Cash and cash equivalents at the beginning of the year</b>                                                                           |       | <b>109,095,118</b>  | <b>68,223,912</b>   |
| <b>Cash and cash equivalents at the end of the year</b>                                                                                 | 39    | <b>97,040,273</b>   | <b>109,095,118</b>  |

Prepared by:

Reviewed by:

Approved by:



Ms. Le Thi Huyen Trang  
Director of  
Accounting Center



Ms. Dang Thuy Dung  
Chief Accountant



Ms. Nguyen Thi Thanh Nga  
Chief Financial Officer



Mr. Pham Nhu Anh  
Chief Executive Officer

Hanoi, Vietnam

29 MAR 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 December 2024

**1. GENERAL INFORMATION**

Military Commercial Joint Stock Bank ("the Bank") is a joint stock commercial bank incorporated and registered in the Socialist Republic of Vietnam.

The Bank was established 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. The Bank is operating under Business Registration No. 0100283873 granted by Hanoi Department of Planning and Investment dated 30 September 1994 and the 54<sup>th</sup> amended Business Registration dated 16 May 2024.

The current principal activities of the Bank are providing banking services including mobilizing and receiving short, medium and long-term deposits from organizations and individuals; making short, medium and long-term loans to organizations and individuals based on the nature and capability of the Bank's capital; conducting foreign exchange transactions; international trade finance services; discounting of commercial papers, bonds and other valuable papers; providing settlement services and other banking services as approved by the SBV.

***Charter capital***

As at 31 December 2024, the charter capital of the Bank was VND 53,063,241 million (31/12/2023: VND 52,140,841 million).

***Operational network***

The Bank's Head Office is located at 18 Le Van Luong Street, Trung Hoa Ward, Cau Giay District, Hanoi, Vietnam.

As at 31 December 2024, the Bank has one (1) Head Office, one hundred and ten (110) branches (including branch in Laos), two hundred and ten (210) transaction offices, and one (1) representative office in Russia (as at 31 December 2023, the Bank has one (1) Head Office, one hundred and five (105) branches (including branch in Laos), two hundred and two (202) transaction offices, and one (1) representative office in Russia).

***Employees***

The Bank and its subsidiaries have 18,639 employees as at 31 December 2024 (31/12/2023: 16,324 employees).

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 1. GENERAL INFORMATION (continued)

### Subsidiaries

As at 31 December 2024 and 31 December 2023, the Bank has subsidiaries as follows:

| <i>Subsidiaries</i>                                                          | <i>Operating license</i>                                                                                                                                                                         | <i>Nature of the business</i>                             | <i>31/12/2024<br/>%<br/>Ownership</i> | <i>31/12/2023<br/>%<br/>Ownership</i> |
|------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------|---------------------------------------|
| Military Bank Asset Management Company Limited ("MB AMC")                    | Business Registration Certificate No. 0105281799 issued by the Hanoi City Department for Planning and Investment dated 11 September 2002 and the 20 <sup>th</sup> amended dated 25 December 2018 | Debt management and assets usage                          | 100.00%                               | 100.00%                               |
| MB Securities Joint Stock Company ("MBS")                                    | Business Registration Certificate No. 116/GP-UBCK by the State Securities Commission of Vietnam dated 9 December 2013                                                                            | Securities                                                | 76.35%                                | 79.73%                                |
| MB Capital Management Joint Stock Company ("MB Cap")                         | Operating license No. 21/UBCK-GPDCQLQ issued by the State Securities Commission of Vietnam dated 15 November 2007 and the latest amendment No. 06/GPDC-UBCK dated 8 February 2021                | Investment fund management                                | 90.77%                                | 90.77%                                |
| MB Shinsei Consumer Credit Finance Limited Liability Company ("Mcredit") (*) | Operating license No. 27/GP-NHNN issued by the State Bank of Vietnam dated 4 February 2016                                                                                                       | Consumer finance                                          | 50.00%                                | 50.00%                                |
| Military Insurance Corporation ("MIC")                                       | Operating license No. 43/GP/KDBH issued by the Ministry of Finance dated 8 October 2007, latest amendment No. 43/GPDC37/KDBH dated 18 June 2021                                                  | Non-life insurance                                        | 68.37%                                | 68.37%                                |
| MB Ageas Life Insurance Company Limited ("MBAL")                             | Operating license No. 74/GP/KDBH issued by the Ministry of Finance dated 21 July 2016                                                                                                            | Life insurance, health insurance and financial investment | 61.00%                                | 61.00%                                |
| MB Bank (Cambodia) PLC. ("MB Cambodia")                                      | Operating license No. MOC-00021616 issued by Ministry of Commercial (MOC) dated 2 January 2023                                                                                                   | Commercial Bank                                           | 100.00%                               | 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%                               | -                                     |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 1. GENERAL INFORMATION (continued)

### ***Subsidiaries*** (continued)

- (\*) Under the joint venture agreement between the Bank and Shinsei Bank (Japan), the Bank reserves the right to appoint General Director.
- (\*\*) 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 December 2024, 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 December 2024 include the Bank and its subsidiaries but do not include MBV (now referring as "MB")

**2. ACCOUNTING PERIOD AND ACCOUNTING CURRENCY**

**2.1 Annual accounting period**

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

**2.2 Accounting currency**

The currency used in the preparation of the consolidated financial statements of MB is Vietnam dong ("VND"). For the purpose of preparing the consolidated financial statements, all amounts are rounded to the nearest million and presented in VND million except for otherwise presented. The presentation makes no impact on readers' view of the consolidated financial position, consolidated statement of income and consolidated cash flows of the Bank and its subsidiaries.

**3. APPLIED ACCOUNTING STANDARDS AND SYSTEM**

**3.1 Statement of compliance**

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

**3.2 Basis of preparation the financial statements**

The consolidated financial statements of MB are prepared in accordance with the Vietnamese Accounting System for credit institutions required under Decision No. 479/2004/QĐ-NHNN issued on 29 April 2004 promulgating the chart of accounts of credit institutions; Decision No. 16/2007/QĐ-NHNN promulgating of the financial reporting regime applicable to credit institutions dated 18 April 2007 ("Decision 16"); Circular 27/2021/TT-NHNN issued by the SBV on 31 December 2021 amending, supplementing charts of accounts accompanied Decisions No. 479 and financial reporting regime accompanied Decision No. 16 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 consolidated 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 consolidated financial position, the consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

Items or balances that are not shown in these consolidated financial statements as required by Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 and amending and supplementing regulations of Decision No. 16/2007/QĐ-NHNN indicate nil balance.

**3. APPLIED ACCOUNTING STANDARDS AND SYSTEM (continued)**

**3.3 Assumptions and uses of estimates**

The preparation of the consolidated 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.

**3.4 Basis of consolidation**

As presented in *Note 1*, according to Point c, Clause 1, Article 185 of the Law on Credit Institutions No. 32/2024/QH15 dated 18 January 2024, the Bank is not required to consolidate the financial statements of the commercial bank which is mandatorily transferred to the bank. Accordingly, the Bank does not consolidate the financial statements of Modern Bank of Viet Nam Limited, which is the commercial bank mandatorily transferred to the bank since 17 October 2024.

Except for MBV, the subsidiaries are fully consolidated from the date of acquisition, which is the date on which the Bank obtains control of the subsidiaries and continue to be consolidated until the date on which the Bank ceases to control the subsidiary.

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

The financial statements of the Bank and its subsidiaries are prepared for the same annual 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.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**4.1 Changes in accounting policies and disclosures**

The accounting policies adopted by the MB in the preparation of consolidated financial statements are consistent with those followed in the preparation of the MB's consolidated financial statements for the year ended 31 December 2023, except for the following accounting policies described below.

***Application of Circular No. 31/2024/TT-NHNN and Decree No. 86/2024/ND-CP***

On 30 June 2024, the SBV issued Circular No. 31/2024/TT-NHNN regulating the classification of assets in the operation of commercial banks, non-bank credit institutions and foreign bank branches ("Circular 31"). Circular 31 takes effect from 1 July 2024.

On 11 July 2024, the Government issued Decree No. 86/2024/ND-CP regulating the level and method for making allowance for credit losses, and the use of allowance to handle risks in the operation of credit institutions and foreign bank branches and in case the credit institution allocates interest receivables that must be divested ("Decree 86"). Decree 86 takes effect from 11 July 2024.

According to the allowance of Circular 31, Circular No. 11/2021/TT-NHNN issued by the SBV on 30 July 2021 regulating the classification of assets, the level and method for making allowance for credit losses, and the use of allowance to handle risks in the operation of credit institutions, foreign bank branches ("Circular 11") shall cease to be effective from the effective date of Circular 31.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.1 *Changes in accounting policies and disclosures* (continued)

The MB shall prospectively apply the provision of Circular 31 and Decree 86 from the effective dates of Circular 31 and Decree 86. Significant changes in the MB's accounting policies and their effects on its consolidated financial statements are set out in *Note 4.5*.

#### ***Applied Circular 21/2024/TT-NHNN***

On 28 June 2024, the SBV issued Circular No. 21/2024/TT-NHNN regulating credit letter operations and other business activities related to letters of credit ("Circular 21"). Circular 21 takes effect from 1 July 2024.

The MB shall prospectively apply the provisions of Circular 21 from the effective date of Circular 21. Significant changes in the MB's accounting policies and their effects on its consolidated financial statements, if any, are set out in *Note 4.27*.

### 4.2 *Cash and cash equivalents*

Cash and cash equivalents comprise cash, current accounts at the SBV, Government bills and other short-term valuable papers which can be rediscounted with the SBV, securities, current deposits with and loans to 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.

### 4.3 *Deposits with and loans to other credit institutions*

Deposits with and loans to other credit institutions include current deposits and deposits at other CIs with original terms of not exceeding three months.

Loans to other credit institutions are loans with original terms to maturity of no more than twelve months.

Deposits with other CIs, except for current deposits and loans to other CIs are stated at the amount of outstanding principal less any specific allowance for credit risks

Current deposits with other credit institutions are stated at cost.

The classification of credit risk for term deposits with and loans to other credit institutions and the corresponding allowance for credit losses is made in accordance with Circular 31 and Decree 86. Accordingly, the MB classifies debts and makes specific allowance for term deposits with and loans to other credit institutions in accordance with Circular 31 and Decree 86 as described in *Note 4.5*.

According to Decree 86, the MB is not required to make general allowance for term deposits and loans to other CIs.

### 4.4 *Loans to customers*

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

Allowance for credit losses of loans to customers is accounted and presented in a separate line in the consolidated statement of 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.

Loan classification and allowance for credit losses are made in accordance with Circular 31 and Decree 86 as presented in *Note 4.5*.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.5 Classification, level and method for making allowance for credit losses**

***Debts classification***

***Before 1 July 2024***

The classification of debts for deposits at other credit institutions (except for current deposits and deposits at the Bank for Social Policies in accordance with the regulations of the State Bank of Vietnam on the maintenance of deposit balances at the Bank for Social Policies by state-owned credit institutions); purchase or entrusted purchase of corporate bonds (including bonds issued by other credit institutions) that have not been listed on the stock market or have not been registered for trading on the Upcom trading system (collectively referred to as "unlisted bonds"), excluding the purchase of unlisted bonds with trust capital at the risk of the trustee; loans to customers and loans to other credit institutions (including loans, financial leases, discounts, rediscounts of negotiable instruments and other valuable papers, factorings, credit extension in the form of credit card issuance and payments in lieu of off-balance sheet commitments); credit entrustment; debts that have been sold but the proceeds therefrom have not yet been fully collected; repurchased debts; purchase and resale of government bonds in the stock market; purchase of promissory notes, bills and certificates of deposit issued by other credit institutions (collectively referred to as "debts" shall be carried out in accordance with Circular 11.

***From 1 July 2024***

The classification of debts for deposits at other credit institutions (except for demand deposits and deposits at the Bank for Social Policies in accordance with the regulations of the State Bank of Vietnam on the maintenance of deposit balances at the Bank for Social Policies by state-owned credit institutions); purchase or entrusted purchase of corporate bonds (including bonds issued by other credit institutions) that have not been listed on the stock market or have not been registered for trading on the Upcom trading system (collectively referred to as "unlisted bonds"), excluding the purchase of unlisted bonds with trust capital at the risk of the trustee; loans to customers and loans to other credit institutions (including loans, financial leases, discounts, rediscounts of negotiable instruments and other valuable papers, factorings, credit extension in the form of credit card issuance and payments in lieu of off-balance sheet commitments); credit entrustment; debts that have been sold but the proceeds therefrom have not yet been fully collected; repurchased debts; purchase and resale of government bonds in the stock market; purchase of certificates of deposit issued by other credit institutions; debts arising from issuing deferred letter of credit with a clause agreeing that the beneficiary is paid immediately or before the due date of the letter of credit and reimbursing letters of credit as agreed with customers using the resources of the reimbursing bank from the date the reimbursing bank made payments to the beneficiary; negotiating payments for letters of credit and outright purchases without recourse of documents, except when a credit institution or foreign bank branch purchases the documents on a non-recourse basis under a letter of credit issued by that same credit institution or foreign bank branch (collectively referred to as "debts") shall be carried out according to the method based on quantitative factors as prescribed in Article 10 of Circular 31.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.5 Classification, level and method for making allowance for credit losses (continued)

MB classifies its debts on a monthly basis based on the principal balance on the last day of each month according to Circular 31 with the allowance rate specified in Decree 86 as follows:

| Group |                 | Loan classification using the quantitative method                                                                                                                                                                                                                                                                                                                                            | Allowance rate |
|-------|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 1     | Current         | (a) Unmatured debts rated likely to be fully recovered in terms of both principal and interest by due dates; or<br>(b) Debts overdue less than 10 days and assessed likely to be fully recovered of delinquent principal and interest, and to be fully recovered of principal and interest by due dates.<br>(c) Debts classified group 1 as provided in Clause 2, Article 10 of Circular 31. | 0%             |
| 2     | Special Mention | (a) Debts are overdue for a period between 10 days and 90 days; or<br>(b) Debts with first-time adjusted repayment terms that are unmatured.<br>(c) Debts are classified into group 2 as provided in Clause 2, Clause 3, Article 10 of Circular 31.                                                                                                                                          | 5%             |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.5 Classification, level and method for making allowance for credit losses (continued)

Specific allowance (continued)

| Group |              | Loan classification using the quantitative method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Allowance rate |
|-------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 3     | Sub-standard | <p>(a) Debts which are from 91 days to 180 days overdue; or</p> <p>(b) Debts with first-time extended repayment terms that are unmatured; or</p> <p>(c) Debts on which interest is exempted or reduced due to the borrower's inability to pay in full as agreed upon; or</p> <p>(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:</p> <ul style="list-style-type: none"> <li>- Those violating provisions laid down in clause 1, 3, 4, 5 and 6 of Article 134 in the Law on Credit Institutions; or</li> <li>- Those violating provisions laid down in clause 1, 2, 3 and 4 of Article 135 in the Law on Credit Institutions; or</li> <li>- Those violating provisions laid down in clause 1, 2, 5 and 9 of Article 136 in the Law on Credit Institutions.</li> </ul> <p>(e) Debts that are within recovery period under regulatory inspection conclusions; or</p> <p>(f) Debts are classified into group 3 as provided in Clause 2, Clause 3, Article 10 of Circular 31; or</p> <p>(g) Debts that are required to be recovered according to banks' or non-banking credit institutions' decision on early recovery due to customers' breach of agreements but have not yet been recovered for a period of less than 60 days from the issuance date of the decision; or</p> <p>(h) Debts that are required to be classified into group 3 according to the provisions of Clause 4, Article 8 of Circular 31.</p> | 20%            |
| 4     | Doubtful     | <p>(a) Debts are from 181 days to 360 days overdue; or</p> <p>(b) Debts with first-time rescheduled repayment terms that are up to 90 days past due from the first-time rescheduled maturity dates; or</p> <p>(c) Debts with second-time rescheduled repayment terms that are unmatured; or</p> <p>(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</p> <p>(e) Debts are required to be recovered under regulatory inspection conclusions but still outstanding with an overdue period of more than 60 days since the recovery date as required by regulatory inspection conclusions; or</p> <p>(f) Debts are classified into group 4 as provided in Clause 2, Clause 3, Article 10 of Circular 31; or</p> <p>(g) Debts that are required to be recovered according to banks' or non-banking credit institutions' decision on early recovery due to customers' breach of agreements but have not yet been recovered for a period from 30 days to 60 days from the issuance date of the decision; or</p> <p>(h) Debts that are required to be classified into group 4 according to the provisions of Clause 4, Article 8 of Circular 31.</p>                                                                                                                                                                                                                                                               | 50%            |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.5 Classification, level and method for making allowance for credit losses (continued)

*Specific allowance (continued)*

| Group |      | Loan classification using the quantitative method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Allowance rate |
|-------|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 5     | Loss | (a) Debts are overdue for a period of more than 360 days; or<br>(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<br>(c) Debts which the repayment terms are restructured for the second time but still overdue under that second restructured repayment term; or<br>(d) Debts which the repayment terms are restructured for the third time or more, regardless of being overdue or not; or<br>(e) Debts are specified in point (d) of Sub-standard debts and overdue for a period of more than 60 days after decisions on recovery have been issued; or<br>(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<br>(g) Debts that are required to be recovered according to a decision on early recovery due to customers' breach of agreements but have not yet been recovered for a period of more than 60 days from the issuance date of the decision; or<br>(h) Debts of customers that are credit institutions announced by the SBV to be placed under special control, or that are foreign bank branches whose capital and assets have been frozen. | 100%           |

For payments on behalf arising from off-balance sheet commitments, MB shall classify loans based on overdue days starting from the date when the Bank committed obligation:

- ▶ Group 3 – Sub-standards: overdue for less than 30 days;
- ▶ Group 4 – Doubtful: overdue from 30 days to less than 90 days;
- ▶ Group 5 – Loss: overdue for 90 days or more.

Bad debts are those belonging to Groups 3, 4, 5.

The classification of off-balance-sheet credit commitments is performed solely for the purpose of managing and monitoring the quality of credit activities. MB does not make any allowance for off-balance-sheet commitments, unless MB is required to fulfil a payment obligation under such commitments. In this case, the payment made on behalf of the borrower is classified and provided for allowance according to the accounting policies described above.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.5 Classification, level and method for making allowance for credit losses (continued)**

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. If a customer's debts with MB is classified into a lower risk group than the loan group under the list of customers provided by CIC, MB shall adjust the loan classification according to list of customers provided by CIC.

When MB participates in a syndicated loan as a participant, it classifies loans (including syndicated loans) of the customer into the higher of the risk group assessed by other participating banks and by MB.

At the same time, the Bank also applied the following regulations:

- Regulation 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.
- Circular No. 02/2023/TT-NHNN ("Circular 02") issued by SBV dated 23 April 2023 providing instructions for credit institutions and foreign branch banks on debt rescheduling and retention of debt category to assist borrowers in difficulties, and Circular No. 06/TT-NHNN ("Circular 06") issued by the SBV dated 18 June 2024 amending, supplementing some articles of Circular 02.
- Circular No. 53/2024/TT-NHNN ("Circular 53") issued by the State Bank of Vietnam on 4 December 2024 regulating the restructuring of debt repayment terms for customers facing difficulties due to the impact and damage of Typhoon No. 3, flooding and landslides after Typhoon No. 3 and the Prime Minister's Decision No. 1510/QĐ-TTg ("Decision 1510") of Prime Minister issued on 4 December 2024 on the classification of assets, allowance rate, the method of making risk allowance and the use of allowance to handle risks for debts of customers facing difficulties due to the impact, damage of Typhoon No. 3.

**Specific allowance for credit losses**

According to the provisions of Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024), specific allowance for credit losses for debts at the end of each month are appropriated based on the allowance rates corresponding to the results of debt classification and principal balance minus the discounted value of the collateral at the last day of the month. Specific allowance as at 31 December 2024 is made based on the principal balance less discounted value of collaterals multiplied by allowance rates which are determined based on the loan classification results as at 31 December 2024.

The maximum value and deduction rate of collateral are determined in accordance with the allowances of Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024), whereby each type of collateral has a certain maximum deduction rate for the purpose of calculating risk allowance.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**4.5 Classification, level and method for making allowance for credit losses** (continued)

**Additional Specific Allowance**

The bank made additional specific allowance for debts that are restructured, exempt or reduction of interest rate and maintaining debt classification group regulated by Circular 01, Circular 03, Circular 14, Circular 02, Circular 06, Circular 53 and Decision 1510 as follow :

- ▶ Determine specific allowance shall be made for all outstanding debt of borrowers according to the results of debt classification in Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024): (A)
- ▶ Determine specific allowance for outstanding debts of the debt group which are kept unchanged according to Circular 01, Circular 03, Circular 14; Circular 02 and Circular 06; Circular 53 and Decision 1510 for the remaining debts of borrowers according to Circular 11(Before 1 July 2024) and Decree 86 (After 11 July 2024): (B)
- ▶ Additional specific allowance (C) = (A) – (B) shall be determined as follows:

For debts restructured regulated by Circular 02 and Circular 06:

- By 31/12/2023: At least 50% of the additional allowance;
- By 31/12/2024: 100% of the additional allowance.

For debts restructured regulated by Circular 53 and Decision no 1510:

- By 31/12/2024: At least 35% of the additional allowance;
- By 31/12/2025: At least 70% of the additional allowance.
- By 31/12/2026: 100% of the additional allowance.

**General allowance**

According to Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024), a general allowance is appropriated at the rate of 0.75% of the total balance at the last day of each month of debts minus deposits, loans, receivables, and other credit extension activities between credit institutions, or foreign bank branches and loans classified as loss. General allowance as at 31 December 2024 is calculated based on the results of debt classification and principal balance as at 31 December 2024.

**Bad debts written off**

Allowance are recognized as an expense on the consolidated statement of income and used to write-off bad debts. According to Circular 11, 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.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.6 Debt purchase and sale**

Debt purchase and sale of the Bank are recorded in accordance with Circular 09/2015/TT-NHNN dated 17 July 2015 ("Circular 09") issued by the SBV regulating debt purchase and sale by credit institutions, foreign bank branches and Circular 18/2022/TT-NHNN dated 26 December 2022 ("Circular 18") amending, supplementing to articles of Circular 09 accordingly.

- ▶ 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 consolidated 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*

Debts purchased are recorded on the balance sheet of the Bank at the price stated in debt purchase contract and monitoring principles and interest of purchased debts off balance sheet. In case the Bank receives interest on a debt including interest before MB purchased the debt, the Bank shall allocate the interest amount according to the following principles: (i) reduce the value of the purchased debt by the interest amount before the purchase; (ii) record as income the interest amount of the period after the Bank purchases the debt.

For the purchased debts, the Bank classifies the paid amount into a group with a risk level not lower than previous debt group that was classified before purchase. Debt classification and allowance for debt purchases are made similarly to loans to other customers according to method described in *Note 4.5*.

*Debt sale*

Revenue and expense from selling debts are recorded in accordance with Circular 09 and Circular 18. According to Circular 09, 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 and 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 allowance for debt sold (except for written-off loans) not yet been collected in full are performed similarly to loans to other customers according to method described in *Note 4.5*.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.7 Securities held for trading

Securities held for trading include debt securities and equity securities acquired and held for the purpose of trading. Securities held for trading are initially recognized at cost minus impairment allowance (including allowance for diminution in value and allowance for credit losses) on holding.

Listed debt securities held for trading are recognized at cost less allowance for diminution in value of securities. Allowance for devaluation of securities is recognized in the consolidated statement of income under the item "Net gain/(loss) from trading securities". Allowance 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 method described in Note 4.5.

Gains or losses from sales of securities held for trading are recognized in the consolidated statement of income. Securities held for trading are derecognized when the rights to receive cash flows from these securities are terminated or MB transfers substantially all the risks and rewards of ownership of these securities.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.8 Investment securities**

**4.8.1 Available-for-sale investment securities**

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

Debt securities are initially recognized at cost which include purchase cost plus directly attributable costs such as brokerage fee, transaction fees or information fees (if any). Accrued interest (for debt securities with interest payment in arrears) and deferred interest (for debt securities with interest payment in advance) is recognized in separate accounts. Discount/premium, which is the difference between the cost and the amount being the par value plus (+) accrued interest (if any) or minus (-) deferred interest (if any) is also recognized in a separate account.

Subsequently, these securities are recorded at amortised cost affected by premium/discount amortisation less allowance for investment securities including allowance for credit risks and allowance for diminution in the value 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 listed debt securities are recorded at cost less allowance for diminution in the value of securities by referring to the latest transaction at the Stock Exchange within 10 days of the end of the year. In case there are no transactions within 10 days from the end of the year, the Bank shall not make allowances for these securities. The bank made no allowance for Government bond, Government guaranteed bond, Local authority bond. Classified as investment securities. Allowance is recognized in the "*Net gain/(loss) from investment securities and long-term investments*" of the consolidated statement of income

Available-for-sale unlisted corporate securities are recorded at cost less allowance for credit losses according to the method described in *Note 4.5*.

**4.8.2 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 4.8.1*.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.9 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. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value.

An allowance is made for diminution in investment value if the investee has suffered a loss which may cause MB to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. Allowance for diminution in value is determined as the total actual contributed capital of parties to the investee less (-) the actual owner's equity multiplied (x) by the Bank's ownership percentage in the investee at the end of annual accounting period.

The allowance is reversed if the recoverable amount of the investments increases after making allowance. 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 allowance for long-term investments is recognized in "Net gain/ (loss) from investment securities and long-term investments" on the consolidated statement of income.

### 4.10 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 if these expenses increase future economic benefits expected from using fixed asset higher than original standard of performance while expenditures for maintenance and repairs are charged to the consolidated statement of income.

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

### 4.11 Depreciation and amortization

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

|                                                  |                |
|--------------------------------------------------|----------------|
| Buildings and construction                       | 6 - 25 years   |
| Machines and equipment                           | 3 - 7 years    |
| Transportation vehicles and transmission devices | 6 years        |
| Other tangible fixed assets                      | 3 - 5 years    |
| Land use rights (*)                              | 30 - 50 years  |
| Computer software                                | 3 years        |
| Other intangible fixed assets                    | <u>3 years</u> |

- (\*) Indefinite land use rights with fees or by transfer indefinite land use rights are not amortized. Land use rights with definite terms or leased land use rights are amortized over their terms.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.12 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 year 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.

### 4.13 Receivables

#### 4.13.1 Receivables classified as credit risk-bearing assets

Receivables classified as credit risk-bearing assets are recognized at cost less allowance for credit losses and classified and provided for allowance of these receivables in accordance with method described in Note 4.5.

#### 4.13.2 Other receivables

Other receivables not classified as credit risk-bearing assets of MB are initially recorded at cost deducting allowance for doubtful debt.

Allowance 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. Allowance expense incurred is recorded in "Allowance expenses" on consolidated statement of income.

Allowance for overdue debts is made as follows:

| <u>Overdue status</u>                  | <u>Allowance rates</u> |
|----------------------------------------|------------------------|
| 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%                   |

For receivables that are not yet due for payment, provisions are made for potential losses after considering the recoverability of these receivables.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.14 *Prepaid expenses and deferred expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated 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.

### 4.15 *Goodwill*

Goodwill acquired in a business combination is initially recognized at cost being the excess of the cost of the business combination over the Bank's interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. 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.

### 4.16 *Re-purchase and reverse-repurchase contracts*

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

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

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.17 Leased assets**

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.

All other lease arrangements 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.

**4.18 Amounts due to the Government and the State Bank of Vietnam**

Amounts due to the Government and the State Bank of Vietnam are recognized at cost.

**4.19 Deposits from other credit institutions and customers, other borrowed and entrusted funds and valuable papers issued**

Deposits from other credit institutions, deposits from customer, other borrowed and entrusted funds and valuable papers issued are published and disclosed at the principal amounts outstanding at the end of the annual accounting period. Expenses for bond issuance are initially deducted from 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.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**4.20 Foreign currency transactions**

According to accounting policy 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 consolidated statement of financial position date (Note 56). 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 consolidated statement of income.

*Overseas operation*

The assets and liabilities of the overseas subsidiaries accounted in other reporting currencies are translated into VND at the exchange rates prevailing at the end of annual accounting period for consolidation. Revenue and expenses of overseas subsidiaries are converted into VND at the average exchange rate of the annual 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.

**4.21 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.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**4.22 Technical insurance reserves**

Technical insurance reserves at Military Insurance Corporation and MB Ageas Limited Company, two subsidiaries, are computed according to the methods provided by Circular No. 67/2023/TT-BTC dated 2 November 2023 ("Circular 67") issued by the Ministry of Finance providing implementation guidance for certain articles of Law on Insurance Business, Decree No. 46/2023/ND-CP dated 1 July 2023 ("Decree 46") issued by the Government of Vietnam on the promulgation of implementation guidance for certain articles of Law on Insurance Business. Details of the method are presented as follows:

(i) *Unearned premium reserves*

For insurance and re-insurance policies with a term of less than or equal to one (1) year and still valid at the end of annual accounting period, unearned premium reserve is calculated as a percentage 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 according to the 1/8 or 1/24 method as specified in the technical basis of each product that has been approved.

For general insurance and re-insurance line with a term more than one (1) year, unearned premium reserve is made by formula as follows:

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

(ii) *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.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**4.22 Technical reserves of insurance subsidiaries** (continued)

(iii) *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 notified at the end of annual accounting period.

- ▶ 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 year;
- ▶ Reserve for incurred but not reported claims for which the insurer is liable ("IBNR"), MB made provision at the rate of 3% of the insurance premium.

(iv) *Catastrophe reserve*

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

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 Circular 46, MB continues to make catastrophe reserve on the consolidated financial statements for the year ended 31 December 2024.

(v) *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.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.23 Capital and reserves

#### 4.23.1 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.

#### 4.23.2 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.

#### 4.23.3 Treasury shares

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

#### 4.23.4 Reserves

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

### (i) Bank's reserves

#### **Reserve to supplement charter capital**

##### *Before 1 July 2024*

According to Decree No. 93/2017/ND-CP issued by the Government of Vietnam on 7 August 2017 ("Decree 93") on the financial regime for credit institutions, every year, the Bank is required to appropriate 5% of profit after tax (unconsolidated) to the reserve to supplement charter capital with the maximum amount of this fund not exceeding the charter capital of the credit institution.

##### *From 1 July 2024*

According to the Law on Credit Institutions No. 32/2024/QH15 passed by the National Assembly on 18 January 2024 ("Law on Credit Institutions"), every year, the Bank is required to appropriate 10% of profit after tax (unconsolidated) to the reserve to supplement charter capital with the maximum amount of this fund not exceeding the charter capital of the credit institution.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.23 Capital and reserves (continued)

#### (i) Bank's reserves (continued)

##### **Financial reserve**

According to Decree 93 and the Law on Credit Institutions, every year, the Bank is required to appropriate 10% of profit after tax (unconsolidated) to the financial reserve.

The financial reserve is used to cover remaining losses incurred during the normal course of business after the Company is compensated by the organisations and individuals who make the loss and by insurance companies, and by utilisation of allowances provided; and for other purposes in accordance with the laws.

These reserves are non-distributable and recognised as part of equity.

##### **Other reserves**

Other reserves under equity are appropriated from profit after tax. The appropriation from profit after tax to these reserves should be approved by the Bank's General Meeting of Shareholders.

#### (ii) Subsidiaries' reserves

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

MB AMC made appropriations to statutory reserves and bonus and welfare fund according to decision of the parent bank.

##### **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 Finance Company Limited ("MCredit")**

MCredit is required to make statutory reserves before distribution of profits similar to parent 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.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.24 Recognition of income and expenses**

***Interest income and expenses***

Interest income and expenses are recognized in the consolidated 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 (before 1 July 2024) and Circular 31 (from 1 July 2024) or restructured under Circular 01, Circular 02, Decree 55 and Circular 53 will not be recognized in the consolidated statement of income. Suspended interest income is reversed and monitored off-balance sheet and recognized in the consolidated statement of income upon receipt.

***Fee and commission income***

***Income from insurance business***

Insurance premium revenue is recognized in the consolidated statement of income when:

- The insurance contract has been entered into by the insurance company and the insured and the insured has paid the full insurance premium;
- There is evidence that the insurance contract has been entered into and the insured has fully paid insurance premium;
- The insurance contract has been concluded and the insurance company has an agreement with policyholder regarding the premium payment term, the insurance company records the insurance premium revenue that is payable by policy holder according to the agreement in the insurance contract when the insurance coverage period begins; and
- The insurance contract has been entered into and there is an agreement with the insured for insurance premium being paid on instalment basis, the insurance company recognises the premiums revenue corresponding to the period or periods in which premiums revenue have been incurred and does not recognise premiums revenue that are not due to be paid by the insurance buyer as agreed in the insurance contract.

***Banking services fees***

Banking services fees are recognized when the services are performed.

***Securities Brokerage Revenue***

Revenue from securities brokerage services is recognized when the securities transaction is completed.

***Income from other services***

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

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.24 Recognition of income and expenses (continued)**

***Income from securities trading business***

Income from securities trading is recognized based on differences between selling price and the 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.

***Recognition of uncollectible receivables***

According to the Law on Credit Institutions No. 32/2024/QH15 dated 18 January 2024 issued by the National Assembly, receivables from uncollectible accrued income at the due date are recorded as reduction in revenue if the income has been accrued in the same annual accounting period or recorded as expense if the income has been accrued in different annual accounting periods and monitored in off-balance sheet. Upon actual receipt of these receivables, MB would recognize to income on the consolidated statement of income.

***Fee and commission expense***

***Claim expenses for insurance activities***

Claim expense for insurances activities including claim and others expense for insurances activities. Claim expenses of gross premium is recognized on the basis of incurrence when insurance companies accept claims. Other expenses for insurance activities are recognized when incurred.

***Commission expenses for insurance business***

Military Insurance Corporation and MB Ageas Life Insurances Company Limited, two subsidiaries, calculated comission at certain percentage of direct premiums for specific line of insurance as stipulated in Circular 67. Commission expenses are allocated and recognized in the consolidated statement of income for direct premiums earned during the year. The commission which is not allocated would be recognized as prepaid expense and being allocated in subsequent years.

***Expense for others services***

Expense for others services are recognized to the consolidated statement of income when incurred.

***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

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.25 Corporate income taxes**

*Current income tax*

Current income tax assets and liabilities for the current and prior years 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 annual accounting period.

Current income tax is charged or credited to the consolidated 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 annual accounting period 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.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.26 Classification for off-balance-sheet commitments**

*Letters of credit ("L/C") which contains a provision that allows the beneficiary to receive payment immediately or at a date before the L/C due date ("UPAS LC")*

Prior to 1 July 2024, upon receipt of notice from the reimbursing bank that payment has been made to the beneficiary, the Bank recognises the amount payable to the reimbursing bank as a borrowing from other credit institutions and, at the same time, the amount receivable from the customer as other assets.

From 1 July 2024, when the reimbursing bank makes payment to the beneficiary, the Bank must accept the debt with the reimbursing bank, and at the same time, the customer must accept the debt with the Bank for the amount the reimbursing bank has paid to the beneficiary as committed in the letter of credit. Upon receipt of the notice of the reimbursing bank that payment has been made to the beneficiary, the Bank shall recognise the amount accepted as a debt with the reimbursing bank as a borrowing from other credit institutions, and at the same time, recognise the amount the customer has accepted as debt as a loan to customers.

The Bank also provides financial guarantees and letters of credit to third parties to guarantee the performance of its customers' contracts. Many commitments and contingent liabilities will mature without any advance being made in whole or in part. Therefore, these commitments and contingent liabilities do not necessarily reflect the expected future cash flows.

**4.27 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 effective exchange rate at the end of annual accounting period and are stated at net value in the consolidated statement of financial position. Differences upon revaluation at the end of the annual accounting period are recognised in the "Foreign exchange differences" account in the consolidated statement of financial position each month and are transferred to the consolidated statement of income at the end of the annual accounting period or upon maturity if the contract maturity date is before the end of the annual accounting period. Differences between the amounts in VND of the foreign currency amounts which are committed to buy/sell at forward rate and spot rate are recognised in the consolidated statement of income on a straight-line basis over the term of the contracts.

*Currency 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 consolidated statement of financial position. This difference is amortised to the consolidated statement of income on a straight-line basis over the term of the swap contracts.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.27 Derivatives (continued)**

*Interest rate swap contracts*

Interest rate swap contracts are commitments to settle the interest amount based on floating or fixed interest rates over the notional principal amounts. The contract value in basic interest rate swap contracts of the same currency is recognised as off-balance sheet items. Income earned and expenses incurred on nominal principal amounts are recognised in the consolidated statement of income on an accrual basis.

**4.28 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 annual accounting period.

If the shares issued during the year 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 annual accounting period presented on the consolidated financial statements, resulting in a corresponding adjustment of the opening balance of the basic earnings per shares.

**4.29 Employee benefits**

**4.29.1 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% respectively 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.

**4.29.2 Voluntary resignation benefits**

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

**4.29.3 Unemployment insurance**

According to Circular No. 28/2015/TT-BLĐTBXH providing guidance for Decree No. 28/2015/ND-CP dated 12 March 2015 (as prescribed by the Government) on unemployment insurance, from 1 January 2009, MB 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.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.30 Segment reporting

A segment is a separate unit of MB which participates in providing relevant products and services (segments categorized by business sectors) or providing products and services in a certain economic environment (segments categorized by geographical regions). Each segment bears unique risks and gains different benefits. The fundamental segment report form of MB is based on business sectors.

### 4.31 Related parties

Parties are considered to be related parties of MB if a party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when MB and other parties are under common control or under common significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

### 4.32 Offsetting

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

### 4.33 Comparative information

Comparative information in these consolidated financial statements is presented as corresponding figures. Under this method, comparative information for the prior year are included as an integral part of the current year consolidated financial statements and are intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these consolidated financial statements is not intended to present MB's consolidated financial position, consolidated results of operations or consolidated cash flows for the prior year.

## 5. CASH, GOLD AND GEMSTONES

|                                    | 31/12/2024       | 31/12/2023       |
|------------------------------------|------------------|------------------|
|                                    | VND million      | VND million      |
| Cash on hand in VND                | 2,985,508        | 3,315,033        |
| Cash on hand in foreign currencies | 358,551          | 351,266          |
| Gold                               | 5,107            | 9,095            |
|                                    | <b>3,349,166</b> | <b>3,675,394</b> |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 6. BALANCES WITH THE STATE BANKS

|                                               | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-----------------------------------------------|---------------------------|---------------------------|
| Balances with the State Bank of Vietnam (i)   | 27,776,974                | 64,940,204                |
| <i>In VND</i>                                 | 27,209,475                | 55,547,807                |
| <i>In foreign currencies</i>                  | 567,499                   | 9,392,397                 |
| Balances with the Bank of Lao P.D.R (ii)      | 568,032                   | 525,859                   |
| Balances with National Bank of Cambodia (iii) | 1,480,247                 | 855,589                   |
|                                               | <b>29,825,253</b>         | <b>66,321,652</b>         |

- (i) Balances with the State Bank of Vietnam ("the SBV") include compulsory reserves and current account.

In accordance with regulations of the SBV, banks must maintain a certain reserve with the SBV in form of compulsory reserves. The average monthly compulsory reserves must not be lower than preceding month's average deposit balance multiplied by the respective compulsory reserve ratio.

Compulsory reserve ratios as the reporting date are as follows:

|                                                                                  | 31/12/2024 | 31/12/2023 |
|----------------------------------------------------------------------------------|------------|------------|
| Preceding month's average deposit balance:                                       |            |            |
| <i>Customers</i>                                                                 |            |            |
| - Deposits in foreign currencies other than VND with term of less than 12 months | 8.00%      | 8.00%      |
| - Deposits in foreign currencies other than VND with term of over 12 months      | 6.00%      | 6.00%      |
| - Deposits in VND with term of less than 12 months                               | 3.00%      | 3.00%      |
| - Deposits in VND with term of over 12 months                                    | 1.00%      | 1.00%      |
| <i>Foreign credit institutions</i>                                               |            |            |
| - Deposit in foreign currencies                                                  | 1.00%      | 1.00%      |

As at 31 December 2024, compulsory reserve deposits in VND earn interest at rate of 0.50%/year and deposits in foreign currencies exceeding the compulsory reserve earn interest at rate of 0.00%/year (as at 31 December 2023: 0.50%/year and 0.00%/year).

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 6. BALANCES WITH THE STATE BANKS (continued)

- (ii) Deposits at the Bank of Lao P.D.R ("BOL") include deposits in Kip Lao ("LAK") and other foreign currencies related to the establishment of the Bank's branch in the Lao People's Democratic Republic and compulsory reserves in accordance with the regulations of the BOL.

Deposit ratios as at the reporting date are as follows:

|                                                                                  | 31/12/2024 | 31/12/2023 |
|----------------------------------------------------------------------------------|------------|------------|
| - Deposits in foreign currencies other than LAK with term of less than 12 months | 11.00%     | 10.00%     |
| - Deposits in LAK with term of less than 12 months                               | 8.00%      | 8.00%      |

Deposits at the BOL are not interest-bearing.

- (iii) Deposits with the National Bank of Cambodia including deposits in Khmer Riels ("KHR") and other foreign currencies in connection with the establishment of a subsidiary bank of the Bank in the Kingdom of Cambodia and required reserves according to the regulations of the National Bank of Cambodia. The required reserve deposit is calculated based on the average daily deposit balance multiplied by the corresponding reserve requirement ratio.

Deposit ratios as at the reporting date are as follows:

|                                                 | 31/12/2024 | 31/12/2023 |
|-------------------------------------------------|------------|------------|
| - Deposits in foreign currencies other than KHR | 12.50%     | 9.00%      |
| - Deposits in KHR                               | 7.00%      | 7.00%      |

Compulsory reserves in accordance with the regulations of the National Bank of Cambodia are not interest-bearing.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 7. DEPOSITS WITH AND LOANS TO OTHER CREDIT INSTITUTIONS

|                                                                           | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|---------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Deposits with other credit institutions</b>                            | <b>63,887,837</b>         | <b>39,119,633</b>         |
| Demand deposits                                                           | 11,260,009                | 16,126,886                |
| - In VND                                                                  | 6,102,802                 | 1,791,465                 |
| - In foreign currencies                                                   | 5,157,207                 | 14,335,421                |
| Term deposits                                                             | 52,627,828                | 22,992,747                |
| - In VND                                                                  | 50,971,254                | 17,177,006                |
| - In foreign currencies                                                   | 1,656,574                 | 5,815,741                 |
| <b>Loans to other credit institutions</b>                                 | <b>12,903,651</b>         | <b>7,229,607</b>          |
| - In VND                                                                  | 12,523,482                | 6,504,630                 |
| - In foreign currencies                                                   | 380,169                   | 724,977                   |
| <b>Allowance for deposits with and loans to other credit institutions</b> | <b>(5,866)</b>            | <b>(5,427)</b>            |
|                                                                           | <b>76,785,622</b>         | <b>46,343,813</b>         |

Analysis of outstanding term deposits with and loans to other credit institutions by quality at the end of year is as follows:

|         | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|---------|---------------------------|---------------------------|
| Current | 65,531,479                | 30,222,354                |

Average interest rates of deposits with and loans to other credit institutions during the year as follows:

|                                     | 31/12/2024<br>%p.a. | 31/12/2023<br>%p.a. |
|-------------------------------------|---------------------|---------------------|
| Term deposits in VND                | 3.70 – 6.00         | 2.30 – 6.20         |
| Term deposits in foreign currencies | 4.43 – 4.50         | 4.40 – 5.50         |
| Loans in VND                        | 2.90 – 5.50         | 2.80 – 3.00         |
| Loans in foreign currencies         | -                   | 6.28                |

Movements in allowance for deposits with and loans to other credit institutions at the year ended were as follows:

|                                          | 2024<br>VND million | 2023<br>VND million |
|------------------------------------------|---------------------|---------------------|
| <b>Opening balances</b>                  | <b>5,427</b>        | <b>695</b>          |
| Allowance made during the year (Note 36) | 150                 | 4,632               |
| Foreign exchange difference              | 289                 | 100                 |
| <b>Closing balances</b>                  | <b>5,866</b>        | <b>5,427</b>        |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 8. SECURITIES HELD FOR TRADING

|                                                                   | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Debt securities</b>                                            | <b>7,719,682</b>          | <b>44,095,180</b>         |
| Government and municipal bonds (*)                                | 999,786                   | 1,554,118                 |
| Debt securities issued by other domestic credit institutions (**) | 6,621,719                 | 42,243,021                |
| Debt securities issued by domestic economic entities (***)        | 98,177                    | 298,041                   |
| <b>Equity securities</b>                                          | <b>212,152</b>            | <b>156,220</b>            |
| Equity securities issued by domestic credit institutions          | 128,830                   | 91,167                    |
| Equity securities issued by domestic economic entities            | 83,322                    | 65,053                    |
|                                                                   | <b>7,931,834</b>          | <b>44,251,400</b>         |
| <b>Allowance for securities held for trading</b>                  |                           |                           |
| General allowance                                                 | (179)                     | (612)                     |
|                                                                   | <b>7,931,655</b>          | <b>44,250,788</b>         |

(\*) Government bonds have terms ranging from 3 to 20 years with interest rates of 2.00% - 8.10% p.a (as at 31 December 2023: terms ranging from 3 to 20 years with interest rates of 1.10% - 9.10% p.a).

(\*\*) Debt securities issued by domestic credit institutions have terms ranging from 6 months to 2 years with interest rate of 5% - 7.58% p.a (as at 31 December 2023: terms ranging from 7 months to 3 years with interest rate of 4.2% - 10.00% p.a).

(\*\*\*) Debt securities issued by domestic economic entities have terms ranging from 1 to 5 years with interest rate of 7.08% - 11.30% p.a (as at 31 December 2023: terms ranging from 1 to 5 years with interest rate of 7.08% - 11.30% p.a).

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 8. SECURITIES HELD FOR TRADING (continued)

Listing status of trading securities at the end of the periods are as follows:

|                          | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|--------------------------|---------------------------|---------------------------|
| <b>Debt securities</b>   | <b>7,719,682</b>          | <b>44,095,180</b>         |
| Listed                   | 999,786                   | 1,554,118                 |
| Unlisted                 | 6,719,896                 | 42,541,062                |
| <b>Equity securities</b> | <b>212,152</b>            | <b>156,220</b>            |
| Listed                   | 212,027                   | 128,801                   |
| Unlisted                 | 125                       | 27,419                    |
|                          | <b>7,931,834</b>          | <b>44,251,400</b>         |

Movements of allowance for securities held for trading during the year were as follows:

|                                          | 2024<br>VND million | 2023<br>VND million |
|------------------------------------------|---------------------|---------------------|
| <b>Opening balance</b>                   | <b>612</b>          | <b>1,920</b>        |
| Allowance reversed in the year (Note 31) | (433)               | (1,308)             |
| <b>Closing balance</b>                   | <b>179</b>          | <b>612</b>          |

## 9. DERIVATIVES AND OTHER FINANCIAL ASSETS

|                               | Total contract<br>value at exchange<br>rates at the<br>contract date<br>VND million | Total net carrying value<br>(at the exchange rates at the reporting date) |                            |                                      |
|-------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------|--------------------------------------|
|                               |                                                                                     | Assets<br>VND million                                                     | Liabilities<br>VND million | Net carrying<br>value<br>VND million |
| <b>As at 31 December 2024</b> |                                                                                     |                                                                           |                            |                                      |
| Forward currency<br>contracts | 29,002,492                                                                          | 29,129,292                                                                | (29,494,262)               | (364,970)                            |
| Currency swap contracts       | 135,536,141                                                                         | 136,362,265                                                               | (136,188,840)              | 173,425                              |
|                               | <b>164,538,633</b>                                                                  | <b>165,491,557</b>                                                        | <b>(165,683,102)</b>       | <b>(191,545)</b>                     |
| <b>As at 31 December 2023</b> |                                                                                     |                                                                           |                            |                                      |
| Forward currency<br>contracts | 88,603,180                                                                          | 88,997,443                                                                | (89,061,891)               | (64,448)                             |
| Currency swap contracts       | 182,248,612                                                                         | 182,535,319                                                               | (182,329,577)              | 205,742                              |
|                               | <b>270,851,792</b>                                                                  | <b>271,532,762</b>                                                        | <b>(271,391,468)</b>       | <b>141,294</b>                       |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 10. LOANS TO CUSTOMERS

|                                                                       | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-----------------------------------------------------------------------|---------------------------|---------------------------|
| Loans to economic entities and individuals                            | 756,463,013               | 596,632,628               |
| Discounted bills and valuable papers                                  | 2,500,151                 | 1,717,308                 |
| Payments on behalf of customers                                       | 62,439                    | 42,785                    |
| Loans financed by entrusted funds                                     | 44,166                    | 63,587                    |
| Loans to overseas organizations and individuals                       | 7,294,348                 | 3,374,039                 |
| Margin lending and advances to investors of the securities subsidiary | 10,293,729                | 9,218,483                 |
|                                                                       | <b>776,657,846</b>        | <b>611,048,830</b>        |

Averaged interest rates of loans to customers during the year were as follows:

|                                  | 31/12/2024<br>% p.a. | 31/12/2023<br>% p.a. |
|----------------------------------|----------------------|----------------------|
| Loans in VND                     | 3.50 – 13.00         | 3.00 – 12.50         |
| Loans in foreign currencies      | 3.50 – 8.00          | 3.50 – 8.00          |
| Consumer loans of the subsidiary | 4.85 – 76.00         | 4.58 – 76.00         |

### 10.1 Analysis of loan portfolio by quality

|                                                                                 | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|---------------------------------------------------------------------------------|---------------------------|---------------------------|
| Current                                                                         | 741,581,903               | 578,107,822               |
| Special mention                                                                 | 12,196,782                | 13,917,867                |
| Substandard                                                                     | 3,379,646                 | 3,210,741                 |
| Doubtful                                                                        | 4,599,274                 | 3,704,226                 |
| Loss                                                                            | 4,606,512                 | 2,889,691                 |
| Margin lending and advances to investors of the securities subsidiary – Current | 10,293,729                | 9,218,483                 |
|                                                                                 | <b>776,657,846</b>        | <b>611,048,830</b>        |

### 10.2 Analysis of loan portfolio by maturity

|                                                                                    | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|------------------------------------------------------------------------------------|---------------------------|---------------------------|
| Short term loans                                                                   | 413,956,564               | 314,080,999               |
| Medium term loans                                                                  | 88,454,207                | 75,334,377                |
| Long term loans                                                                    | 263,953,346               | 212,414,971               |
| Margin lending and advances to investors of the securities subsidiary – short term | 10,293,729                | 9,218,483                 |
|                                                                                    | <b>776,657,846</b>        | <b>611,048,830</b>        |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 10. LOANS TO CUSTOMERS (continued)

### 10.3 Analysis of loan portfolio by ownership and types of customers

|                                                                       | 31/12/2024         |               | 31/12/2023         |               |
|-----------------------------------------------------------------------|--------------------|---------------|--------------------|---------------|
|                                                                       | VND million        | %             | VND million        | %             |
| State-owned companies                                                 | 30,754,076         | 3.96          | 23,475,539         | 3.84          |
| One-member limited liability companies with 100% State ownership      | 10,458,752         | 1.35          | 6,704,263          | 1.10          |
| One-member limited liability companies with over 50% State ownership  | 2,731,618          | 0.35          | 1,484,514          | 0.24          |
| Other limited liability companies                                     | 130,491,477        | 16.80         | 96,980,688         | 15.87         |
| Joint stock companies with over 50% State ownership                   | 3,480,485          | 0.45          | 4,285,698          | 0.70          |
| Other joint-stock companies                                           | 228,839,706        | 29.46         | 173,608,837        | 28.41         |
| Foreign invested enterprises                                          | 18,816,306         | 2.42          | 15,429,823         | 2.53          |
| Co-operatives and unions of co-operatives                             | 174,314            | 0.02          | 113,370            | 0.02          |
| Household business and individuals                                    | 331,346,264        | 42.66         | 275,696,767        | 45.12         |
| Operation administration entity, the Party, unions and associations   | 170,815            | 0.02          | 98,067             | 0.02          |
| Others                                                                | 1,805,956          | 0.23          | 586,512            | 0.10          |
| Loans at overseas branches and subsidiary bank                        | 7,294,348          | 0.95          | 3,366,269          | 0.54          |
| Margin lending and advances to investors of the securities subsidiary | 10,293,729         | 1.33          | 9,218,483          | 1.51          |
|                                                                       | <b>776,657,846</b> | <b>100.00</b> | <b>611,048,830</b> | <b>100.00</b> |

### 10.4 Analysis of loan portfolio by sectors

|                                                                       | 31/12/2024         |               | 31/12/2023         |               |
|-----------------------------------------------------------------------|--------------------|---------------|--------------------|---------------|
|                                                                       | VND million        | %             | VND million        | %             |
| Agriculture, forestry and aquaculture                                 | 8,724,854          | 1.12          | 6,234,490          | 1.02          |
| Mining                                                                | 3,975,824          | 0.51          | 3,178,276          | 0.52          |
| Production and processing                                             | 124,040,940        | 15.97         | 98,521,149         | 16.12         |
| Electricity, petroleum and steam                                      | 46,125,259         | 5.94          | 41,237,247         | 6.75          |
| Water supply and waste treatment                                      | 1,267,073          | 0.16          | 1,075,745          | 0.18          |
| Construction                                                          | 31,917,958         | 4.11          | 28,700,450         | 4.70          |
| Wholesale and retail trade, repair of motor vehicles, motorcycles     | 222,846,289        | 28.69         | 165,406,488        | 27.07         |
| Transportation, logistics                                             | 25,762,468         | 3.32          | 16,132,904         | 2.64          |
| Hospitality services                                                  | 16,057,822         | 2.07          | 11,570,229         | 1.89          |
| Information and communication                                         | 7,100,447          | 0.91          | 3,309,515          | 0.54          |
| Finance, banking and insurance services                               | 7,697,847          | 0.99          | 1,499,841          | 0.25          |
| Real estates                                                          | 64,141,215         | 8.26          | 43,268,446         | 7.09          |
| Expertise, science and technology                                     | 668,318            | 0.09          | 575,417            | 0.09          |
| Administrative and supportive services                                | 1,905,606          | 0.25          | 924,125            | 0.15          |
| Education and training                                                | 1,791,148          | 0.23          | 1,307,008          | 0.21          |
| Healthcare and community development                                  | 5,535,906          | 0.71          | 4,607,913          | 0.75          |
| Art and entertainment                                                 | 2,395,960          | 0.31          | 2,659,628          | 0.44          |
| Other services                                                        | 533,019            | 0.07          | 242,700            | 0.04          |
| Household services                                                    | 186,581,816        | 24.01         | 168,012,507        | 27.49         |
| Loans at overseas branches and subsidiary bank                        | 7,294,348          | 0.95          | 3,366,269          | 0.55          |
| Margin lending and advances to investors of the securities subsidiary | 10,293,729         | 1.33          | 9,218,483          | 1.51          |
|                                                                       | <b>776,657,846</b> | <b>100.00</b> | <b>611,048,830</b> | <b>100.00</b> |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 11. ALLOWANCE FOR CREDIT LOSSES ON LOANS TO CUSTOMERS

|                    | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|--------------------|---------------------------|---------------------------|
| General allowance  | 5,795,573                 | 4,551,746                 |
| Specific allowance | 5,814,288                 | 6,917,817                 |
|                    | <b>11,609,861</b>         | <b>11,469,563</b>         |

Movements in allowance for credit losses on loans to customers during the year ended 31 December 2024 were as follows:

|                                                    | General<br>allowance<br>VND million | Specific<br>allowance<br>VND million | Total<br>VND million |
|----------------------------------------------------|-------------------------------------|--------------------------------------|----------------------|
| Opening balances as at 1 January 2024              | <b>4,551,746</b>                    | <b>6,917,817</b>                     | <b>11,469,563</b>    |
| Allowance made during the year<br>(Note 36)        | 1,241,877                           | 8,292,891                            | 9,534,768            |
| Allowance utilized during the year                 | -                                   | (9,396,915)                          | (9,396,915)          |
| Foreign exchange differences                       | 1,950                               | 495                                  | 2,445                |
| <b>Closing balances as at<br/>31 December 2024</b> | <b>5,795,573</b>                    | <b>5,814,288</b>                     | <b>11,609,861</b>    |

Movements in allowance for credit losses on loans to customers during the year ended 31 December 2023 were as follows:

|                                                    | General<br>allowance<br>VND million | Specific<br>allowance<br>VND million | Total<br>VND million |
|----------------------------------------------------|-------------------------------------|--------------------------------------|----------------------|
| Opening balances as at 1 January 2023              | <b>3,400,915</b>                    | <b>8,574,945</b>                     | <b>11,975,860</b>    |
| Allowance made during the year                     | 1,150,455                           | 4,964,448                            | 6,114,903            |
| Allowance utilized during the year                 | -                                   | (6,622,439)                          | (6,622,439)          |
| Other movements                                    | 76                                  | 382                                  | 458                  |
| Foreign exchange difference                        | 300                                 | 481                                  | 781                  |
| <b>Closing balances as at<br/>31 December 2023</b> | <b>4,551,746</b>                    | <b>6,917,817</b>                     | <b>11,469,563</b>    |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 12. DEBT PURCHASE

|                             | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-----------------------------|---------------------------|---------------------------|
| Debt purchase in VND        | 1,041,362                 | 1,848,863                 |
| Allowance for credit losses | (89,853)                  | (58,995)                  |
|                             | <b>951,509</b>            | <b>1,789,868</b>          |

Details of principal, interest of the Bank's purchased debts are as follows:

|                            | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|----------------------------|---------------------------|---------------------------|
| Purchased principal debt   | 1,041,069                 | 1,848,533                 |
| Interest of purchased debt | 293                       | 330                       |
|                            | <b>1,041,362</b>          | <b>1,848,863</b>          |

## 13. INVESTMENT SECURITIES

### 13.1 Available-for-sale securities

|                                                              | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|--------------------------------------------------------------|---------------------------|---------------------------|
| <b>Debt securities</b>                                       |                           |                           |
| Government bonds and government-guaranteed bonds             | 70,456,485                | 59,465,003                |
| Debt securities issued by other domestic credit institutions | 103,565,847               | 47,779,951                |
| Bonds issued by domestic economic entities                   | 31,485,624                | 35,765,757                |
|                                                              | <b>205,507,956</b>        | <b>143,010,711</b>        |

Government bonds and government-guaranteed bonds have terms ranging from 3 to 20 years (31/12/2023: from 3 to 20 years) with interest rates of 2.00% - 8.10% p.a (31/12/2023: interest rates of 2.00% - 8.80% p.a).

Debt securities issued by other domestic credit institutions have terms ranging from 6 months to 7 years (31/12/2023: from 6 months to 5 years) with interest rates of 4.10% - 10.79% p.a (31/12/2023: interest rates of 4.10% - 9.50% p.a).

Bonds issued by domestic economic entities have terms ranging from 3 years to 16 years (31/12/2023: from 3 years to 16 years) with interest rates of 5.00% - 12.20% p.a (31/12/2023: interest rates of 6.50% - 12.20% p.a).

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 13. INVESTMENT SECURITIES (continued)

### 13.2 Held-to-maturity securities

|                                                              | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|--------------------------------------------------------------|---------------------------|---------------------------|
| <b>Debt securities</b>                                       |                           |                           |
| Government bonds                                             | 269,654                   | 270,211                   |
| Debt securities issued by other domestic credit institutions | 2,385,376                 | 2,435,307                 |
| Bonds issued by domestic economic entities                   | 1,957,474                 | 2,682,434                 |
|                                                              | <b>4,612,504</b>          | <b>5,387,952</b>          |

Debt securities issued by other domestic credit institutions have terms of 5 years (31/12/2023: 5 years) with the interest rate of 9.00% p.a (31/12/2023: 9.00% p.a).

Debt securities issued by domestic economic entities of the bank have terms ranging from 2 years to 15 years (31/12/2023: from 4 years to 10 years) with interest rates ranging from 6.50% to 12% p.a (31/12/2023: from 8.70% to 11.80% p.a).

### 13.3 Allowance for investment securities

|                                                           | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-----------------------------------------------------------|---------------------------|---------------------------|
| <b>Allowance for available-for-sale securities</b>        | <b>242,638</b>            | <b>370,013</b>            |
| General allowance for available-for-sale securities       | 232,291                   | 257,512                   |
| Specific allowance for available-for-sale securities      | -                         | 112,501                   |
| Allowance for impairment of available-for-sale securities | 10,347                    | -                         |
| <b>Allowance for held-to-maturity securities</b>          | <b>240,445</b>            | <b>105,445</b>            |
| General allowance                                         | 13,810                    | 20,118                    |
| Specific allowance                                        | 226,635                   | 85,327                    |
|                                                           | <b>483,083</b>            | <b>475,458</b>            |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 13.3 Allowance for investment securities (continued)

Movements of allowance for impairment of investment securities during the year ended 31 December 2024 were as follows:

|                                                        | Available-for-<br>sale securities<br>VND million | Held-to-maturity<br>securities<br>VND million | Total<br>VND million |
|--------------------------------------------------------|--------------------------------------------------|-----------------------------------------------|----------------------|
| <b>Opening balance</b>                                 | <b>370,013</b>                                   | <b>105,445</b>                                | <b>475,458</b>       |
| Allowance (reversed)/made<br>during the year (Note 32) | (127,375)                                        | 135,000                                       | 7,625                |
| <b>Closing balance</b>                                 | <b>242,638</b>                                   | <b>240,445</b>                                | <b>483,083</b>       |

Movements of allowance for impairment of investment securities during the year ended 31 December 2023 were as follows:

|                                | Available-for-<br>sale securities<br>VND million | Held-to-maturity<br>securities<br>VND million | Total<br>VND million |
|--------------------------------|--------------------------------------------------|-----------------------------------------------|----------------------|
| <b>Opening balance</b>         | <b>326,840</b>                                   | <b>74,685</b>                                 | <b>401,525</b>       |
| Allowance made during the year | 43,173                                           | 30,760                                        | 73,933               |
| <b>Closing balance</b>         | <b>370,013</b>                                   | <b>105,445</b>                                | <b>475,458</b>       |

## 14. LONG-TERM INVESTMENTS

|                                     | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-------------------------------------|---------------------------|---------------------------|
| Other long-term investments         | 775,670                   | 779,587                   |
| Allowance for long-term investments | (166,193)                 | (163,802)                 |
|                                     | <b>609,477</b>            | <b>615,785</b>            |

### 14.1 Other long-term investments

|                                                         | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|---------------------------------------------------------|---------------------------|---------------------------|
| Investments in economic entities,<br>long-term projects | 687,266                   | 713,681                   |
| Investments in investment funds                         | 88,404                    | 65,906                    |
|                                                         | <b>775,670</b>            | <b>779,587</b>            |

### 14.2 Allowance for other long-term investments

Movements in allowance for long-term investments during the year were as follows:

|                                          | 2024<br>VND million | 2023<br>VND million |
|------------------------------------------|---------------------|---------------------|
| <b>Opening balance</b>                   | <b>163,802</b>      | <b>143,496</b>      |
| Allowance made during the year (Note 32) | 28,807              | 20,306              |
| Other volatility                         | (26,416)            | -                   |
| <b>Closing balance</b>                   | <b>166,193</b>      | <b>163,802</b>      |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated  
31 December 2014 of the State Bank of Viet Nam)

## 15. TANGIBLE FIXED ASSETS

Movements of tangible fixed assets during the year ended 31 December 2024 were as follows:

|                                 | <i>Buildings and<br/>construction<br/>VND million</i> | <i>Machines and<br/>equipment<br/>VND million</i> | <i>Transportation<br/>vehicles and<br/>transmission<br/>equipment<br/>VND million</i> | <i>Other tangible<br/>fixed assets<br/>VND million</i> | <i>Total<br/>VND million</i> |
|---------------------------------|-------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------------------|------------------------------|
| <b>Cost</b>                     |                                                       |                                                   |                                                                                       |                                                        |                              |
| 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 movements                 | -                                                     | 126                                               | -                                                                                     | -                                                      | 126                          |
| Foreign exchange differences    | 1,043                                                 | 990                                               | 373                                                                                   | 222                                                    | 2,628                        |
| <b>Closing balance</b>          | <b>2,602,069</b>                                      | <b>3,972,594</b>                                  | <b>1,496,507</b>                                                                      | <b>943,502</b>                                         | <b>9,014,672</b>             |
| <b>Accumulated depreciation</b> |                                                       |                                                   |                                                                                       |                                                        |                              |
| Opening balance                 | 631,015                                               | 2,450,058                                         | 1,074,312                                                                             | 382,819                                                | 4,538,204                    |
| Depreciation during the year    | 96,639                                                | 512,027                                           | 121,813                                                                               | 121,645                                                | 852,124                      |
| Decreases                       | -                                                     | (102,772)                                         | (64,679)                                                                              | (26,736)                                               | (194,187)                    |
| Other movements                 | -                                                     | 26,296                                            | 20,162                                                                                | 19,580                                                 | 66,038                       |
| Foreign exchange differences    | 503                                                   | 623                                               | 527                                                                                   | 144                                                    | 1,797                        |
| <b>Closing balance</b>          | <b>728,157</b>                                        | <b>2,886,232</b>                                  | <b>1,152,135</b>                                                                      | <b>497,452</b>                                         | <b>5,263,976</b>             |
| <b>Net book value</b>           |                                                       |                                                   |                                                                                       |                                                        |                              |
| 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                    |

**15. TANGIBLE FIXED ASSETS** (continued)

Movements of tangible fixed assets during the year ended 31 December 2023 are as follows:

|                                      | <i>Buildings and<br/>construction<br/>VND million</i> | <i>Machines and<br/>equipment<br/>VND million</i> | <i>Transportation<br/>vehicles and<br/>transmission<br/>equipment<br/>VND million</i> | <i>Other tangible<br/>fixed assets<br/>VND million</i> | <i>Total<br/>VND million</i> |
|--------------------------------------|-------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------------------|------------------------------|
| <b>Cost</b>                          |                                                       |                                                   |                                                                                       |                                                        |                              |
| Opening balance                      | 2,481,162                                             | 2,989,623                                         | 1,158,689                                                                             | 481,088                                                | 7,110,562                    |
| Additions                            | 104,117                                               | 340,926                                           | 168,388                                                                               | 82,011                                                 | 695,442                      |
| Decrease during the year             | -                                                     | (49,127)                                          | (21,254)                                                                              | (2,756)                                                | (73,137)                     |
| Other increase during the year       | -                                                     | 229                                               | -                                                                                     | -                                                      | 229                          |
| Foreign exchange differences         | 225                                                   | (466)                                             | (251)                                                                                 | 4                                                      | (488)                        |
| <b>Closing balance</b>               | <b>2,585,504</b>                                      | <b>3,281,185</b>                                  | <b>1,305,572</b>                                                                      | <b>560,347</b>                                         | <b>7,732,608</b>             |
| <b>Accumulated depreciation</b>      |                                                       |                                                   |                                                                                       |                                                        |                              |
| Opening balance                      | 523,559                                               | 1,940,228                                         | 916,406                                                                               | 272,808                                                | 3,653,001                    |
| Depreciation expense during the year | 107,229                                               | 513,342                                           | 173,109                                                                               | 86,308                                                 | 879,988                      |
| Decrease during the year             | -                                                     | (38,722)                                          | (21,071)                                                                              | (2,058)                                                | (61,851)                     |
| Other increase during the year       | -                                                     | 35,443                                            | 5,977                                                                                 | 25,771                                                 | 67,191                       |
| Foreign exchange differences         | 227                                                   | (233)                                             | (109)                                                                                 | (10)                                                   | (125)                        |
| <b>Closing balance</b>               | <b>631,015</b>                                        | <b>2,450,058</b>                                  | <b>1,074,312</b>                                                                      | <b>382,819</b>                                         | <b>4,538,204</b>             |
| <b>Net book value</b>                |                                                       |                                                   |                                                                                       |                                                        |                              |
| Opening balance                      | 1,957,603                                             | 1,049,395                                         | 242,283                                                                               | 208,280                                                | 3,457,561                    |
| Closing balance                      | 1,954,489                                             | 831,127                                           | 231,260                                                                               | 177,528                                                | 3,194,404                    |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 16. INTANGIBLE ASSETS

Movements of intangible assets during the year ended 31 December 2024 were as follows:

|                                 | <i>Land use<br/>rights<br/>VND million</i> | <i>Computer<br/>software<br/>VND million</i> | <i>Other<br/>intangible<br/>assets<br/>VND million</i> | <i>Total<br/>VND million</i> |
|---------------------------------|--------------------------------------------|----------------------------------------------|--------------------------------------------------------|------------------------------|
| <b>Cost</b>                     |                                            |                                              |                                                        |                              |
| 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)                     |
| Other movements                 | -                                          | (4,332)                                      | -                                                      | (4,332)                      |
| Foreign exchange differences    | -                                          | 296                                          | -                                                      | 296                          |
| <b>Closing balance</b>          | <b>1,153,177</b>                           | <b>3,798,646</b>                             | <b>24,846</b>                                          | <b>4,976,669</b>             |
| <b>Accumulated amortisation</b> |                                            |                                              |                                                        |                              |
| Opening balance                 | 238,703                                    | 2,282,318                                    | 15,341                                                 | 2,536,362                    |
| Amortisation during the year    | 20,677                                     | 742,947                                      | 2,062                                                  | 765,686                      |
| Decreases in the year           | -                                          | (10,710)                                     | -                                                      | (10,710)                     |
| Other movements                 | -                                          | 5,329                                        | -                                                      | 5,329                        |
| Foreign exchange differences    | -                                          | 282                                          | -                                                      | 282                          |
| <b>Closing balance</b>          | <b>259,380</b>                             | <b>3,020,166</b>                             | <b>17,403</b>                                          | <b>3,296,949</b>             |
| <b>Net book value</b>           |                                            |                                              |                                                        |                              |
| Opening balance                 | 914,474                                    | 737,754                                      | 7,554                                                  | 1,659,782                    |
| Closing balance                 | 893,797                                    | 778,480                                      | 7,443                                                  | 1,679,720                    |

Movements of intangible assets during the year ended 31 December 2023 were as follows:

|                                      | <i>Land use<br/>rights<br/>VND million</i> | <i>Computer<br/>software<br/>VND million</i> | <i>Other<br/>intangible<br/>assets<br/>VND million</i> | <i>Total<br/>VND million</i> |
|--------------------------------------|--------------------------------------------|----------------------------------------------|--------------------------------------------------------|------------------------------|
| <b>Cost</b>                          |                                            |                                              |                                                        |                              |
| Opening balance                      | 1,102,024                                  | 2,439,978                                    | 23,090                                                 | 3,565,092                    |
| Additions                            | 51,153                                     | 585,625                                      | 195                                                    | 636,973                      |
| Decrease during the year             | -                                          | (32)                                         | (390)                                                  | (422)                        |
| Other decrease during the year       | -                                          | (5,631)                                      | -                                                      | (5,631)                      |
| Foreign exchange differences         | -                                          | 132                                          | -                                                      | 132                          |
| <b>Closing balance</b>               | <b>1,153,177</b>                           | <b>3,020,072</b>                             | <b>22,895</b>                                          | <b>4,196,144</b>             |
| <b>Accumulated amortisation</b>      |                                            |                                              |                                                        |                              |
| Opening balance                      | 218,797                                    | 1,719,202                                    | 11,146                                                 | 1,949,145                    |
| Amortisation expense during the year | 19,906                                     | 552,051                                      | 4,585                                                  | 576,542                      |
| Decrease during the year             | -                                          | (32)                                         | (390)                                                  | (422)                        |
| Other increase during the year       | -                                          | 10,967                                       | -                                                      | 10,967                       |
| Foreign exchange differences         | -                                          | 130                                          | -                                                      | 130                          |
| <b>Closing balance</b>               | <b>238,703</b>                             | <b>2,282,318</b>                             | <b>15,341</b>                                          | <b>2,536,362</b>             |
| <b>Net book value</b>                |                                            |                                              |                                                        |                              |
| Opening balance                      | 883,227                                    | 720,776                                      | 11,944                                                 | 1,615,947                    |
| Closing balance                      | 914,474                                    | 737,754                                      | 7,554                                                  | 1,659,782                    |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 17. INVESTMENT PROPERTIES

Movements of investment properties during the year ended 31 December 2024 were as follows:

|                                  | <i>Buildings and<br/>construction<br/>VND million</i> | <i>Land use rights<br/>VND million</i> | <i>Total<br/>VND million</i> |
|----------------------------------|-------------------------------------------------------|----------------------------------------|------------------------------|
| <b>Cost</b>                      |                                                       |                                        |                              |
| Opening balance                  | 51,835                                                | 208,580                                | 260,415                      |
| <b>Accumulated amortisation</b>  |                                                       |                                        |                              |
| Opening balance                  | 5,854                                                 | 14,267                                 | 20,121                       |
| Amortisation expense in the year | 1,069                                                 | 5,110                                  | 6,179                        |
| <b>Closing balance</b>           | <b>6,923</b>                                          | <b>19,377</b>                          | <b>26,300</b>                |
| <b>Net book value</b>            |                                                       |                                        |                              |
| Opening balance                  | 45,981                                                | 194,313                                | 240,294                      |
| Closing balance                  | 44,912                                                | 189,203                                | 234,115                      |

Movements of investment properties during the year ended 31 December 2023 are as follows:

|                                 | <i>Buildings and<br/>construction<br/>VND million</i> | <i>Land use rights<br/>VND million</i> | <i>Total<br/>VND million</i> |
|---------------------------------|-------------------------------------------------------|----------------------------------------|------------------------------|
| <b>Cost</b>                     |                                                       |                                        |                              |
| Opening balance                 | 50,835                                                | 199,320                                | 250,155                      |
| Additions                       | 1,000                                                 | 9,260                                  | 10,260                       |
| <b>Closing balance</b>          | <b>51,835</b>                                         | <b>208,580</b>                         | <b>260,415</b>               |
| <b>Accumulated depreciation</b> |                                                       |                                        |                              |
| Opening balance                 | 4,821                                                 | 9,157                                  | 13,978                       |
| Depreciation during the year    | 1,033                                                 | 5,110                                  | 6,143                        |
| <b>Closing balance</b>          | <b>5,854</b>                                          | <b>14,267</b>                          | <b>20,121</b>                |
| <b>Net book value</b>           |                                                       |                                        |                              |
| Opening balance                 | 46,014                                                | 190,163                                | 236,177                      |
| Closing balance                 | 45,981                                                | 194,313                                | 240,294                      |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 18. OTHER ASSETS

### 18.1 Receivables

|                                                    | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|----------------------------------------------------|---------------------------|---------------------------|
| Internal receivables                               | 444,741                   | 344,870                   |
| External receivables (i)                           | 13,079,328                | 13,136,163                |
| Construction in progress, purchase of fixed assets | 836,559                   | 808,051                   |
|                                                    | <b>14,360,628</b>         | <b>14,289,084</b>         |

(i) Details of external receivables:

|                                                                                   | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-----------------------------------------------------------------------------------|---------------------------|---------------------------|
| Deposits, mortgages, pledges                                                      | 626,507                   | 600,800                   |
| Receivables related to trade finance (*)                                          | 1,412,951                 | 7,324,071                 |
| Receivables related to payment services                                           | 241,946                   | 618,276                   |
| Advances and deposits for contracts                                               | 131,858                   | 107,966                   |
| Receivables from insurance activities of subsidiaries                             | 368,414                   | 856,289                   |
| Provision for fees and compensation for the reinsurance operation of subsidiaries | 2,688,759                 | 2,145,817                 |
| Receivables from debts sale                                                       | 5,852,543                 | -                         |
| Other external receivables                                                        | 1,756,350                 | 1,482,944                 |
|                                                                                   | <b>13,079,328</b>         | <b>13,136,163</b>         |

(\*) These are customer receivables related to the letter of credit transactions with the agreement that the beneficiary is paid immediately or in advance before the due date of the letter of credit issued before 1 July 2024.

### 18.2 Interest and fee receivables

|                                                           | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-----------------------------------------------------------|---------------------------|---------------------------|
| Interest receivable from deposits                         | 30,863                    | 236,143                   |
| Interest receivable from debt securities                  | 4,009,194                 | 3,558,409                 |
| Interest receivable from lending and fee receivable       | 4,684,338                 | 4,397,212                 |
| Interest receivable from derivative financial instruments | 194,227                   | 476,793                   |
|                                                           | <b>8,918,622</b>          | <b>8,668,557</b>          |

### 18.3 Other assets

|                                                       | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-------------------------------------------------------|---------------------------|---------------------------|
| Goodwill (Note 19)                                    | 9,523                     | 19,045                    |
| Prepaid expenses                                      | 3,066,449                 | 4,204,567                 |
| Real estates as inventories of subsidiaries           | 158,912                   | 203,855                   |
| Receivables from entrusted activities of subsidiaries | 2,163,562                 | 1,855,090                 |
| Other assets                                          | 475,303                   | 124,112                   |
|                                                       | <b>5,873,749</b>          | <b>6,406,669</b>          |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 18.3 Allowance for other assets

Movements in allowance for other assets during the year were as follows:

|                                           | 2024<br>VND million | 2023<br>VND million |
|-------------------------------------------|---------------------|---------------------|
| Opening balance                           | 174,926             | 231,500             |
| Allowance made/(reversed) during the year | 18,498              | (56,715)            |
| Other movements                           | -                   | 141                 |
| Closing balance                           | 193,424             | 174,926             |

## 19. GOODWILL

|                                                                      | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|----------------------------------------------------------------------|---------------------------|---------------------------|
| Goodwill                                                             | 94,261                    | 94,261                    |
| Adjustment of Vietnam State Audit Office ("the SAV")                 | 965                       | 965                       |
| <b>Total value of goodwill</b>                                       | <b>95,226</b>             | <b>95,226</b>             |
| <b>Amortization period (year)</b>                                    | <b>10</b>                 | <b>10</b>                 |
| Value of accumulated amortized goodwill at the beginning of the year | 76,181                    | 66,658                    |
| Value of unamortized goodwill                                        | 19,045                    | 28,568                    |
| <b>Goodwill amortized during the year</b>                            | <b>(9,522)</b>            | <b>(9,523)</b>            |
| Goodwill amortized during the year                                   | (9,522)                   | (9,523)                   |
| <b>Total value of unamortized goodwill at the end of the year</b>    | <b>9,523</b>              | <b>19,045</b>             |

## 20. DUE TO THE GOVERNMENT AND THE STATE BANK OF VIETNAM

|                                                      | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|------------------------------------------------------|---------------------------|---------------------------|
| Due to the Government and the State bank of Viet Nam | 8,156,285                 | 8,738                     |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 21. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

### 21.1 Deposits from other credit institutions

|                         | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-------------------------|---------------------------|---------------------------|
| Demand deposits         | 4,705,145                 | 13,454,556                |
| - In VND                | 4,643,038                 | 12,886,288                |
| - In foreign currencies | 62,107                    | 568,268                   |
| Term deposits           | 74,810,465                | 55,358,327                |
| - In VND                | 65,290,000                | 43,555,000                |
| - In foreign currencies | 9,520,465                 | 11,803,327                |
|                         | <b>79,515,610</b>         | <b>68,812,883</b>         |

### 21.2 Borrowings from other credit institutions

|                       | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-----------------------|---------------------------|---------------------------|
| In VND                | 21,220,438                | 15,589,545                |
| In foreign currencies | 9,433,537                 | 15,408,038                |
|                       | <b>30,653,975</b>         | <b>30,997,583</b>         |

Annual interest rates of deposits and borrowings from other credit institutions at the year end were as follows:

|                                                                 | 31/12/2024<br>% p.a | 31/12/2023<br>% p.a |
|-----------------------------------------------------------------|---------------------|---------------------|
| Term deposits in VND                                            | 2.60 – 6.00         | 1.00 – 7.30         |
| Term deposits in foreign currencies                             | 4.40 – 4.60         | 4.80 – 5.20         |
| Borrowings from other credit institutions in VND                | 4.10 – 7.60         | 0.65 – 7.72         |
| Borrowings from other credit institutions in foreign currencies | 3.50 – 6.56         | 1.01 – 7.88         |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 22. DEPOSITS FROM CUSTOMER

|                                         | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-----------------------------------------|---------------------------|---------------------------|
| Demand deposits                         | 271,579,760               | 216,092,296               |
| - Demand deposits in VND                | 248,892,601               | 197,782,244               |
| - Demand deposits in foreign currencies | 22,687,159                | 18,310,052                |
| Term deposits                           | 433,476,766               | 339,421,432               |
| - Term deposits in VND                  | 424,703,281               | 333,446,177               |
| - Term deposits in foreign currencies   | 8,773,485                 | 5,975,255                 |
| Deposits for specific purposes          | 1,790,955                 | 3,263,844                 |
| - Special purpose deposits in VND       | 269,198                   | 2,407,372                 |
| - Special purpose in foreign currencies | 1,521,757                 | 856,472                   |
| Margin deposits                         | 7,306,998                 | 8,755,005                 |
| - Margin deposits in VND                | 4,045,662                 | 6,768,913                 |
| - Margin deposits in foreign currencies | 3,261,336                 | 1,986,092                 |
|                                         | <b>714,154,479</b>        | <b>567,532,577</b>        |

Annual interest rates of deposits from customer at the year-end were as follows:

|                                       | 31/12/2024<br>% p.a | 31/12/2023<br>% p.a |
|---------------------------------------|---------------------|---------------------|
| Demand deposits in VND                | 0.10 – 0.50         | 0.10 – 0.50         |
| Demand deposits in foreign currencies | 0.00 – 1.00         | 0.00 – 1.00         |
| Term deposits in VND                  | 0.10 – 6.00         | 0.10 – 6.20         |
| Term deposits in foreign currencies   | 0.00 – 2.00         | 0.00 – 2.00         |

Analysis of deposits from customer by types is as follows:

|                   | 31/12/2024         |               | 31/12/2023         |               |
|-------------------|--------------------|---------------|--------------------|---------------|
|                   | VND million        | %             | VND million        | %             |
| Economic entities | 293,633,827        | 41.12         | 238,813,451        | 42.08         |
| Individuals       | 420,520,652        | 58.88         | 328,719,126        | 57.92         |
| <b>Total</b>      | <b>714,154,479</b> | <b>100.00</b> | <b>567,532,577</b> | <b>100.00</b> |

## 23. OTHER BORROWED AND ENTRUSTED FUNDS

|                                 | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|---------------------------------|---------------------------|---------------------------|
| Entrusted funds received in VND | 2,793,453                 | 2,799,863                 |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 24. VALUABLE PAPERS ISSUED

|                          | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|--------------------------|---------------------------|---------------------------|
| Bonds                    | 37,471,472                | 22,841,617                |
| - Less than 5 years      | 20,836,457                | 13,604,220                |
| - Over 5 years           | 16,635,015                | 9,237,397                 |
| Certificates of deposits | 91,492,561                | 103,621,493               |
| - Less than 12 months    | 66,520,415                | 84,069,091                |
| - Over 12 months         | 24,972,146                | 19,552,402                |
|                          | <b>128,964,033</b>        | <b>126,463,110</b>        |

Bonds are entitled to interest rates of 3.80% p.a to 8.80% p.a (31/12/2023: from 3.80% p.a to 8.80% p.a) and certificates of deposit are entitled to interest rates of 3.60% p.a to 11.18% p.a (31/12/2023: from 2.70% p.a to 9.75% p.a).

## 25. OTHER LIABILITIES

### 25.1 INTEREST AND FEE PAYABLES

|                                                                                                             | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| Interest payables on term deposits                                                                          | 2,750,668                 | 3,053,747                 |
| Interest payables on saving deposits                                                                        | 3,749,625                 | 5,069,886                 |
| Interest payables on valuable papers issued                                                                 | 3,048,876                 | 4,313,867                 |
| Interest payables on borrowings from other credit institutions and entrusted funds from other organisations | 183,532                   | 221,476                   |
| Interest payables from derivative financial instruments                                                     | 167,201                   | 731,215                   |
|                                                                                                             | <b>9,899,902</b>          | <b>13,390,191</b>         |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 25.2 OTHER PAYABLES

|                             | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-----------------------------|---------------------------|---------------------------|
| Internal payables           | 2,033,835                 | 1,276,667                 |
| External payables (i)       | 33,536,723                | 34,704,632                |
| Bonus, welfare funds        | 1,840,589                 | 1,728,337                 |
| Science and technology fund | -                         | 526,906                   |
|                             | <b>37,411,147</b>         | <b>38,236,542</b>         |

(i) Details of external payables are as follows:

|                                                        | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|--------------------------------------------------------|---------------------------|---------------------------|
| Tax and other obligation to the State budget (Note 26) | 3,574,209                 | 3,539,461                 |
| Remittance payables                                    | 552,701                   | 849,235                   |
| Unearned revenue                                       | 2,011,525                 | 1,756,710                 |
| Provision for insurance operations                     | 15,767,153                | 12,693,761                |
| Other settlement service payables                      | 7,268,673                 | 12,619,012                |
| Payable related to associating services                | 316,900                   | 454,278                   |
| Payables and advances to providers of subsidiaries     | 384,550                   | 370,715                   |
| Other items awaiting for settlement                    | 3,661,012                 | 2,421,460                 |
|                                                        | <b>33,536,723</b>         | <b>34,704,632</b>         |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated  
31 December 2014 of the State Bank of Viet Nam)

## 26. TAX AND OTHER OBLIGATIONS TO THE STATE BUDGET

Year ended 31 December 2024:

|                      | <i>Opening balance</i>         | <i>Movements during the year</i> |                                 | <i>Closing balance</i>         |
|----------------------|--------------------------------|----------------------------------|---------------------------------|--------------------------------|
|                      | <i>Payable<br/>VND million</i> | <i>Increase<br/>VND million</i>  | <i>Decrease<br/>VND million</i> | <i>Payable<br/>VND million</i> |
| Value added tax      | 111,864                        | 894,446                          | (887,781)                       | 118,529                        |
| Corporate income tax | 3,322,906                      | 5,899,087                        | (6,021,975)                     | 3,200,018                      |
| Other taxes          | 104,691                        | 1,866,604                        | (1,715,633)                     | 255,662                        |
|                      | <b>3,539,461</b>               | <b>8,660,137</b>                 | <b>(8,625,389)</b>              | <b>3,574,209</b>               |

Year ended 31 December 2023:

|                      | <i>Opening balance</i>         | <i>Movements during the year</i> |                                 | <i>Closing balance</i>         |
|----------------------|--------------------------------|----------------------------------|---------------------------------|--------------------------------|
|                      | <i>Payable<br/>VND million</i> | <i>Increase<br/>VND million</i>  | <i>Decrease<br/>VND million</i> | <i>Payable<br/>VND million</i> |
| Value added tax      | 91,496                         | 871,451                          | (851,083)                       | 111,864                        |
| Corporate income tax | 3,127,484                      | 5,273,512                        | (5,078,090)                     | 3,322,906                      |
| Other taxes          | 116,387                        | 1,577,020                        | (1,588,716)                     | 104,691                        |
|                      | <b>3,335,367</b>               | <b>7,721,983</b>                 | <b>(7,517,889)</b>              | <b>3,539,461</b>               |

**Military Commercial Joint Stock Bank**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated  
31 December 2014 of the State Bank of Viet Nam)

**27. OWNERS' EQUITY AND RESERVES**

**27.1 Statement of changes in equity**

Movements in owners' equity of MB and non-controlling interests for the year ended 31 December 2024 are as follows:

|                                                                                              | Charter<br>capital<br>VND million | Share<br>premium<br>VND million | Other<br>capital<br>VND million | Financial<br>reserve<br>VND million | Capital<br>supplementary<br>reserve<br>VND million | Other<br>reserves<br>VND million | Foreign<br>exchange<br>differences<br>VND million | Retained<br>profits<br>VND million | Non-<br>controlling<br>interests<br>VND million | Total<br>VND million |
|----------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------|---------------------------------|-------------------------------------|----------------------------------------------------|----------------------------------|---------------------------------------------------|------------------------------------|-------------------------------------------------|----------------------|
| <b>Balance as at 1 January 2024</b>                                                          | <b>52,140,841</b>                 | <b>869,327</b>                  | <b>1,928,258</b>                | <b>7,299,936</b>                    | <b>4,076,438</b>                                   | <b>817,557</b>                   | <b>45,939</b>                                     | <b>25,559,753</b>                  | <b>3,973,110</b>                                | <b>96,711,159</b>    |
| Net profit for the year                                                                      | -                                 | -                               | -                               | -                                   | -                                                  | -                                | -                                                 | 22,633,757                         | 317,507                                         | 22,951,264           |
| Increase capital from share issue                                                            | 922,400                           | 435,007                         | -                               | -                                   | -                                                  | -                                | -                                                 | -                                  | -                                               | 1,357,407            |
| Appropriation to reserves and funds                                                          | -                                 | -                               | -                               | 1,995,048                           | 1,008,564                                          | 498,558                          | -                                                 | (3,502,170)                        | -                                               | -                    |
| Appropriation to the bonus and welfare funds                                                 | -                                 | -                               | -                               | -                                   | -                                                  | -                                | -                                                 | (1,663,858)                        | (20,960)                                        | (1,684,818)          |
| Utilisation of reserves and funds                                                            | -                                 | -                               | -                               | -                                   | -                                                  | (348,289)                        | -                                                 | -                                  | -                                               | (348,289)            |
| Cash dividend                                                                                | -                                 | -                               | -                               | -                                   | -                                                  | -                                | -                                                 | (2,643,542)                        | (162,709)                                       | (2,806,251)          |
| Adjustment due to changes in ownership ratio at the subsidiary                               | -                                 | -                               | -                               | (828)                               | -                                                  | (55)                             | -                                                 | (3,708)                            | 807,629                                         | 803,038              |
| Adjustment of the fund according to the resolution of the Members' Council at the subsidiary | -                                 | -                               | -                               | -                                   | (350,000)                                          | -                                | -                                                 | 350,000                            | -                                               | -                    |
| Other adjustment                                                                             | -                                 | -                               | -                               | -                                   | -                                                  | -                                | -                                                 | (8,986)                            | (3,697)                                         | (12,683)             |
| Foreign exchange differences                                                                 | -                                 | -                               | -                               | -                                   | -                                                  | (82)                             | 91,858                                            | (3,022)                            | -                                               | 88,754               |
| <b>Balance as at 31 December 2024</b>                                                        | <b>53,063,241</b>                 | <b>1,304,334</b>                | <b>1,928,258</b>                | <b>9,294,156</b>                    | <b>4,735,002</b>                                   | <b>967,689</b>                   | <b>137,797</b>                                    | <b>40,718,224</b>                  | <b>4,910,880</b>                                | <b>117,059,581</b>   |

**Military Commercial Joint Stock Bank**  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated  
31 December 2014 of the State Bank of Viet Nam)

**27. OWNERS' EQUITY AND RESERVES (continued)**

**27.1 Statement of changes in equity (continued)**

Movements in owners' equity of MB and non-controlling interests for the year ended 31 December 2023 are as follows:

|                                              | Charter<br>capital | Share<br>premium | Other capital    | Financial<br>reserve | Capital<br>supplementary<br>reserve | Other<br>reserves | Foreign<br>exchange<br>differences | Retained<br>profits | Non-<br>controlling<br>interests | Total             |
|----------------------------------------------|--------------------|------------------|------------------|----------------------|-------------------------------------|-------------------|------------------------------------|---------------------|----------------------------------|-------------------|
|                                              | VND million        | VND<br>million   | VND million      | VND million          | VND<br>million                      | VND<br>million    | VND<br>million                     | VND million         | VND<br>million                   | VND million       |
| <b>Balance as at 1 January 2023</b>          | <b>45,339,861</b>  | <b>869,327</b>   | <b>1,387,521</b> | <b>5,678,339</b>     | <b>2,952,327</b>                    | <b>657,952</b>    | <b>-</b>                           | <b>19,063,767</b>   | <b>3,664,125</b>                 | <b>79,613,219</b> |
| Net profit for the year                      | -                  | -                | -                | -                    | -                                   | -                 | -                                  | 20,676,788          | 377,004                          | 21,053,792        |
| Appropriation to reserves and funds          | -                  | -                | -                | 1,678,989            | 1,202,817                           | 410,122           | -                                  | (3,291,928)         | -                                | -                 |
| Appropriation to the bonus and welfare funds | -                  | -                | -                | -                    | -                                   | -                 | -                                  | (1,395,150)         | (38,759)                         | (1,433,909)       |
| Utilisation of reserves and funds            | -                  | -                | -                | -                    | -                                   | (249,380)         | -                                  | -                   | -                                | (249,380)         |
| Share dividend                               | 6,800,980          | -                | -                | -                    | -                                   | -                 | -                                  | (6,800,980)         | -                                | -                 |
| Cash dividend                                | -                  | -                | -                | -                    | -                                   | -                 | -                                  | (2,266,993)         | (27,500)                         | (2,294,493)       |
| Increase in capital of subsidiaries          | -                  | -                | 540,681          | (57,392)             | (78,610)                            | -                 | -                                  | (404,679)           | -                                | -                 |
| Others                                       | -                  | -                | 56               | -                    | (96)                                | -                 | -                                  | (13,816)            | (1,760)                          | (15,616)          |
| Foreign exchange differences                 | -                  | -                | -                | -                    | -                                   | (1,137)           | 45,939                             | (7,256)             | -                                | 37,546            |
| <b>Balance as at 31 December 2023</b>        | <b>52,140,841</b>  | <b>869,327</b>   | <b>1,928,258</b> | <b>7,299,936</b>     | <b>4,076,438</b>                    | <b>817,557</b>    | <b>45,939</b>                      | <b>25,559,753</b>   | <b>3,973,110</b>                 | <b>96,711,159</b> |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 27. OWNERS' EQUITY AND RESERVES (continued)

### 27.2 Equity

Details of number of shares registered and issued by the Bank are as follows:

|                                             | 31/12/2024    |             | 31/12/2023    |             |
|---------------------------------------------|---------------|-------------|---------------|-------------|
|                                             | Shares        | VND million | Shares        | VND million |
| Number of registered shares                 | 5,306,324,052 | 53,063,241  | 5,214,084,052 | 52,140,841  |
| Number of shares issued                     |               |             |               |             |
| - Ordinary shares                           | 5,306,324,052 | 53,063,241  | 5,214,084,052 | 52,140,841  |
| Number of shares acquired (treasury shares) |               |             |               |             |
| - Ordinary shares                           | -             | -           | -             | -           |
| Number of shares circulated                 |               |             |               |             |
| - Ordinary shares                           | 5,306,324,052 | 53,063,241  | 5,214,084,052 | 52,140,841  |

The face value of each share of the Bank is VND10,000.

## 28. NET INTEREST AND SIMILAR INCOME

|                                              | 2024<br>VND million | 2023<br>VND million |
|----------------------------------------------|---------------------|---------------------|
| <b>Interest and similar income</b>           | <b>69,061,893</b>   | <b>69,143,043</b>   |
| Interest income from deposits                | 1,942,451           | 1,123,493           |
| Interest income from loans                   | 54,446,408          | 53,081,097          |
| Interest income from debt securities         | 10,116,084          | 12,509,992          |
| Interest income from debt purchase and sale  | 119,924             | 174,326             |
| Income from guarantee activities             | 1,511,556           | 1,500,202           |
| Other income from credit activities          | 925,470             | 753,933             |
| <b>Interest and similar expenses</b>         | <b>(27,909,674)</b> | <b>(30,459,195)</b> |
| Interest expenses for deposits               | (18,432,473)        | (20,827,140)        |
| Interest expenses for borrowings             | (1,988,997)         | (2,114,207)         |
| Interest expenses for valuable papers issued | (6,559,439)         | (6,948,592)         |
| Expenses for other credit activities         | (928,765)           | (569,256)           |
| <b>Net interest and similar income</b>       | <b>41,152,219</b>   | <b>38,683,848</b>   |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 29. NET FEE AND COMMISSION INCOME

|                                                             | 2024<br>VND million | 2023<br>VND million |
|-------------------------------------------------------------|---------------------|---------------------|
| <b>Fee and commission income</b>                            | <b>14,602,602</b>   | <b>13,137,624</b>   |
| Income from settlement services                             | 3,350,501           | 2,736,134           |
| Income from securities brokerage services                   | 628,155             | 614,616             |
| Income from debts handling, valuation and asset management  | 494,094             | 369,032             |
| Income from insurance services                              | 8,443,178           | 8,228,367           |
| Income from trust and agency services                       | 280,325             | 177,958             |
| Income from advisory services                               | 27,002              | 23,764              |
| Income from treasury services                               | 8,520               | 8,281               |
| Income from other services                                  | 1,370,827           | 979,472             |
| <b>Fee and commission expenses</b>                          | <b>(10,234,353)</b> | <b>(9,052,399)</b>  |
| Expenses for settlement services                            | (2,253,715)         | (1,890,813)         |
| Expenses for commission for brokerage services              | (1,046,664)         | (1,389,164)         |
| Expenses for debts handling, valuation and asset management | (440,761)           | (263,166)           |
| Expenses for insurance services                             | (6,174,019)         | (5,164,963)         |
| Expenses for securities brokerage services                  | (146,539)           | (124,391)           |
| Expenses for trustee and agency services                    | (18,063)            | (15,091)            |
| Expenses for advisory services                              | -                   | (23,486)            |
| Expenses for treasury services                              | (31,790)            | (16,027)            |
| Expenses for other services                                 | (122,802)           | (165,298)           |
| <b>Net fee and commission income</b>                        | <b>4,368,249</b>    | <b>4,085,225</b>    |

## 30. NET GAIN FROM TRADING OF FOREIGN CURRENCIES

|                                                    | 2024<br>VND million | 2023<br>VND million |
|----------------------------------------------------|---------------------|---------------------|
| <b>Income from trading of foreign currencies</b>   | <b>7,057,250</b>    | <b>6,158,524</b>    |
| Income from foreign currencies and gold trading    | 3,996,204           | 3,105,170           |
| Income from currency derivatives                   | 3,061,046           | 3,053,354           |
| <b>Expenses for trading of foreign currencies</b>  | <b>(5,057,086)</b>  | <b>(4,948,699)</b>  |
| Expenses for foreign currencies and gold trading   | (1,309,588)         | (542,920)           |
| Expenses for currency derivatives                  | (3,747,498)         | (4,405,779)         |
| <b>Net gain from trading of foreign currencies</b> | <b>2,000,164</b>    | <b>1,209,825</b>    |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 31. NET GAIN FROM SECURITIES HELD FOR TRADING

|                                                                | 2024<br>VND million | 2023<br>VND million |
|----------------------------------------------------------------|---------------------|---------------------|
| Income from securities held for trading                        | 2,553,518           | 605,511             |
| Expenses for securities held for trading                       | (797,929)           | (65,253)            |
| Allowance reversed for securities held for trading<br>(Note 8) | 433                 | 1,308               |
| <b>Net gain from securities held for trading</b>               | <b>1,756,022</b>    | <b>541,566</b>      |

## 32. NET GAIN FROM INVESTMENT SECURITIES AND LONG-TERM INVESTMENTS

|                                                                      | 2024<br>VND million | 2023<br>VND million |
|----------------------------------------------------------------------|---------------------|---------------------|
| Income from trading investment securities                            | 3,136,652           | 635,361             |
| Expenses for trading investment securities                           | (297,115)           | (240,718)           |
| Allowance made for long term investments<br>(Note 14.2)              | (28,807)            | (20,306)            |
| Allowance made for investment securities (Note 13.3)                 | (7,625)             | (73,933)            |
| <b>Net gain from investment securities and long-term investments</b> | <b>2,803,105</b>    | <b>300,404</b>      |

## 33. NET GAIN FROM OTHER ACTIVITIES

|                                              | 2024<br>VND million | 2023<br>VND million |
|----------------------------------------------|---------------------|---------------------|
| <b>Income from other activities</b>          | <b>4,658,444</b>    | <b>3,457,702</b>    |
| Recovery of bad debts previously written-off | 2,451,560           | 1,711,016           |
| Income from other derivatives                | 1,331,187           | 1,531,530           |
| Other income                                 | 875,697             | 215,156             |
| <b>Expenses for other activities</b>         | <b>(1,377,624)</b>  | <b>(1,029,591)</b>  |
| Expenses for other derivatives               | (1,233,581)         | (1,011,533)         |
| Other expenses                               | (144,043)           | (18,058)            |
| <b>Net gain from other activities</b>        | <b>3,280,820</b>    | <b>2,428,111</b>    |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 34. INCOME FROM CAPITAL CONTRIBUTION, SHARE ACQUISITION

|                                                     | 2024<br>VND million | 2023<br>VND million |
|-----------------------------------------------------|---------------------|---------------------|
| Income from capital contribution, share acquisition | 52,643              | 57,083              |

## 35. TOTAL OPERATING EXPENSES

|                                                  | 2024<br>VND million | 2023<br>VND million |
|--------------------------------------------------|---------------------|---------------------|
| <b>Expenses on taxes, fees</b>                   | <b>156,767</b>      | <b>157,503</b>      |
| <b>Personnel expenses</b>                        | <b>9,381,603</b>    | <b>7,996,974</b>    |
| <i>In which:</i>                                 |                     |                     |
| Salary and allowances                            | 7,677,049           | 6,933,968           |
| <b>Expenses on assets</b>                        | <b>3,156,134</b>    | <b>2,843,585</b>    |
| <i>In which:</i>                                 |                     |                     |
| Depreciation of fixed assets                     | 1,623,989           | 1,462,673           |
| Other expenses                                   | 1,532,145           | 1,380,912           |
| <b>Administrative expenses</b>                   | <b>3,691,898</b>    | <b>3,433,687</b>    |
| <i>In which:</i>                                 |                     |                     |
| Per-diem                                         | 194,239             | 178,483             |
| Social activities of the credit institution      | 35,448              | 17,013              |
| Goodwill amortized during the period             | 9,522               | 9,523               |
| Other expenses                                   | 3,452,689           | 3,228,668           |
| <b>Allowance expense for receivable</b>          | <b>41,874</b>       | <b>33,225</b>       |
| <b>Insurance fees for deposits from customer</b> | <b>578,974</b>      | <b>447,967</b>      |
|                                                  | <b>17,007,250</b>   | <b>14,912,941</b>   |

## 36. ALLOWANCE EXPENSES

|                                                         | 2024<br>VND million | 2023<br>VND million |
|---------------------------------------------------------|---------------------|---------------------|
| Allowance made for loan to customers (Note 11)          | 9,534,768           | 6,114,903           |
| Allowance made for loan to credit institutions (Note 7) | 150                 | 4,632               |
| Allowance made for purchased debt                       | 65,093              | 56,487              |
| Addition/(reversal) of allowance for other commitments  | 9                   | 950                 |
| Reversal of allowance for others                        | (23,376)            | (89,940)            |
|                                                         | <b>9,576,644</b>    | <b>6,087,032</b>    |

**37. CURRENT CORPORATE INCOME TAX EXPENSE**

Parent bank and subsidiaries in Viet Nam has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits according to Circular No. 78/2014/TT-BTC which became effective from 2 August 2014 guiding the implementation of the Government's Decree No. 218/2013/ND-CP dated 26 December 2013, detailing and guiding the implementation of the law on CIT.

For MB Bank (Cambodia) PLC., a subsidiary of the Bank, MB shall calculate and determine its CIT in compliance with Cambodian regulations on corporate income tax. According to the Tax Act dated 8 January 1997, the corporate income tax of MB Cambodia is determined to be the greater of the minimum tax payable determined by 1% of total revenue (including value added tax) or 20% of profits earned.

For the Bank's branch in Laos, the Bank calculates and determines its CIT in accordance with the income tax regulations in Laos. According to the Tax Ordinance No. 67 dated 18 June 2019 issued by the Lao P,D,R Parliament and became effective from 17 February 2020, CIT of the branch is defined as 20% of the profit of the branch.

MB's tax reports are subject to examination by the tax authorities. Because the application of tax laws and regulations to many types of transactions and in each country is susceptible to varying interpretations, amount reported in the consolidated financial statements could be changed at a later date upon final determination of the local tax authorities.

Current corporate income tax payables are determined based on taxable income of the year. Taxable income differs from the one reported in the consolidated statement of income since taxable income excludes incomes which are taxable or expenses which are deducted in prior periods due to the differences between MB's accounting policies and the tax regulations. It also excludes tax exempted income and non-deductible expenses. The current corporate income tax payable of MB is calculated based on the statutory tax rates applicable at the end of the annual accounting period.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 37. CURRENT CORPORATE INCOME TAX EXPENSE (continued)

Current income tax expense during the year is estimated as follows:

|                                                      | 2024<br>VND million | 2023<br>VND million |
|------------------------------------------------------|---------------------|---------------------|
| <b>Consolidated accounting profit</b>                | <b>28,829,328</b>   | <b>26,306,089</b>   |
| <i>Adjusted for</i>                                  |                     |                     |
| - Accounting profit of subsidiaries                  | (2,134,540)         | (2,045,725)         |
| - Non-deductible expenses of the parent bank         | 446,806             | 14,931              |
| - Profit of overseas branches                        | (20,865)            | (35,232)            |
| - Non-taxable dividend income of the bank            | (19,149)            | (32,736)            |
| - Non-taxable consolidation adjustments              | 22,778              | 44,730              |
| <b>Estimated taxable income</b>                      | <b>27,124,358</b>   | <b>24,252,057</b>   |
| Parent Bank's CIT expenses in Vietnam                | 5,424,872           | 4,850,411           |
| <i>Additional:</i>                                   |                     |                     |
| Overseas branches' CIT expenses                      | 4,172               | 7,049               |
| Subsidiaries' CIT expenses                           | 444,314             | 412,409             |
| Adjustments according to the annual tax finalization | 14,908              | -                   |
| <b>Total CIT expenses in the year</b>                | <b>5,888,266</b>    | <b>5,269,869</b>    |
| CIT payable at the beginning of the year             | 3,322,906           | 3,127,484           |
| CIT paid during the year in Vietnam                  | (6,021,975)         | (5,078,090)         |
| Adjustments according to the annual tax finalization | 10,852              | 4,019               |
| Foreign exchange differences                         | (31)                | (376)               |
| <b>CIT payable at the end of the year</b>            | <b>3,200,018</b>    | <b>3,322,906</b>    |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 38. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share for the year ended 31 December 2024 is based on the net profit attributable to ordinary shareholders of the Bank.

### Basic earnings per share

|                                                                          | 2024          | 2023<br>(Restated) | 2023<br>(Prior<br>statement) |
|--------------------------------------------------------------------------|---------------|--------------------|------------------------------|
| Net profit after tax attributable to ordinary shareholders (VND million) | 22,633,757    | 20,676,788         | 20,676,788                   |
| Decrease due to appropriation to bonus and welfare fund (*)              | -             | (1,663,858)        | -                            |
| Net profit for calculation of basic earnings per share                   | 22,633,757    | 19,012,930         | 20,676,788                   |
| Weighted average number of ordinary shares for the year (**)             | 6,077,883,807 | 6,010,032,659      | 5,214,084,052                |
| <b>Basic earnings per share (VND/share)</b>                              | <b>3,724</b>  | <b>3,164</b>       | <b>3,966</b>                 |

(\*) Net profit for the purpose of calculating basic earnings per share for the year ended 31 December 2023 was adjusted for the corresponding appropriation to bonus and welfare fund, which was approved at the Bank's 2024 General Meeting of Shareholders. The Bank's Board of Management has not estimated the appropriation to the bonus and welfare fund for the year of 2024.

(\*\*) Changes in the weighted average number of ordinary shares for the year were as follows:

|                                                                          | 2024                 | 2023<br>(Restated)   | 2023<br>(Prior<br>statement) |
|--------------------------------------------------------------------------|----------------------|----------------------|------------------------------|
| <b>Number of ordinary shares issued at the beginning of the year</b>     | <b>5,214,084,052</b> | <b>4,533,986,133</b> | <b>4,533,986,133</b>         |
| Impact of dividend issuance in 2023                                      | -                    | 680,097,919          | 680,097,919                  |
| Impact of private placement of shares for the year                       | 57,442,623           | -                    | -                            |
| Impact of issuance of shares under the employee option plan for the year | 10,408,525           | -                    | -                            |
| Impact of dividend issuance in 2025 (Note 55)                            | 795,948,607          | 795,948,607          | -                            |
| <b>Weighted average number of ordinary shares in the year</b>            | <b>6,077,883,807</b> | <b>6,010,032,659</b> | <b>5,214,084,052</b>         |

(\*) According to VAS 30 - Earnings per share, the weighted average number of outstanding ordinary shares in current period and all presented period must be adjusted for events that have changed in the number of outstanding ordinary shares without a corresponding in resources. The Bank adjusted the average number of ordinary shares from impact of the above event.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 39. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the consolidated statement of cash flows include items in the consolidated statement of financial position as follows:

|                                                                                        | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|----------------------------------------------------------------------------------------|---------------------------|---------------------------|
| Cash and cash equivalents on hand                                                      | 3,349,166                 | 3,675,394                 |
| Balances with the State Bank                                                           | 29,803,270                | 66,300,091                |
| Demand deposits at other credit institutions                                           | 11,260,009                | 16,126,886                |
| Deposits with other credit institutions with original term of three (3) months or less | 52,627,828                | 22,992,747                |
|                                                                                        | <b>97,040,273</b>         | <b>109,095,118</b>        |

## 40. MORTGAGED, PLEDGED AND DISCOUNTED AND REDISCOUNTED ASSETS

### 40.1 Mortgaged, pledged and discounted and rediscounted assets of customers

|                   | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-------------------|---------------------------|---------------------------|
| Real estates      | 772,485,557               | 630,518,715               |
| Movables          | 115,532,050               | 100,934,858               |
| Valuable papers   | 83,407,616                | 65,280,072                |
| Receivables       | 153,599,499               | 246,597,588               |
| Other collaterals | 356,603,539               | 327,912,303               |
|                   | <b>1,481,628,261</b>      | <b>1,371,243,536</b>      |

### 40.2 Mortgaged, pledged and discounted and rediscounted assets

|                 | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-----------------|---------------------------|---------------------------|
| Valuable papers | 12,260,320                | 2,104,000                 |

## 41. EMPLOYEES' REMUNERATION

|                                                                   | 2024<br>VND million | 2023<br>VND million |
|-------------------------------------------------------------------|---------------------|---------------------|
| Average Number of employees (persons)                             | 17,108              | 16,324              |
| Total income of employees                                         | 7,677,049           | 6,933,968           |
| <b>Income per capita per month<br/>(VND million/person/month)</b> | <b>37.40</b>        | <b>35.40</b>        |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam)

## 42. CONTINGENT LIABILITIES AND COMMITMENTS

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

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

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

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

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

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

Contingent liabilities and commitments are detailed as follows:

|                                             | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|---------------------------------------------|---------------------------|---------------------------|
| Loan guarantees                             | 238,395                   | 154,358                   |
| Foreign exchange commitments                | 263,133,210               | 394,715,794               |
| <i>Foreign exchange commitments - buy</i>   | 4,416,403                 | 1,945,064                 |
| <i>Foreign exchange commitments - sell</i>  | 4,492,239                 | 1,423,038                 |
| <i>Cross currency swap contracts - buy</i>  | 127,747,604               | 195,798,455               |
| <i>Cross currency swap contracts - sell</i> | 126,476,964               | 195,549,237               |
| Letters of credit                           | 29,138,440                | 23,214,316                |
| Other guarantees                            | 135,649,614               | 121,825,143               |
| Other commitments                           | 72,142,229                | 81,444,111                |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 43. Uncollected loan interest and fees

|                                 | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|---------------------------------|---------------------------|---------------------------|
| Uncollected loan interest       | 8,878,831                 | 6,531,682                 |
| Uncollected securities interest | 186,922                   | 182,011                   |
| Uncollected fees                | 178,704                   | 164,308                   |
|                                 | <b>9,244,457</b>          | <b>6,878,001</b>          |

## 44. Bad debts written off

|                                                   | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|---------------------------------------------------|---------------------------|---------------------------|
| Written-off principal of debts under surveillance | 25,563,790                | 19,615,657                |
| Written-off interest of debts under surveillance  | 18,413,364                | 15,637,235                |
|                                                   | <b>43,977,154</b>         | <b>35,252,892</b>         |

## 45. Other assets and documents in custody

|                                          | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|------------------------------------------|---------------------------|---------------------------|
| Precious metals, gems kept under custody | 48,518                    | 21,756                    |
| Other assets kept under custody          | 129,049,077               | 108,366,629               |
| Other valuable documents in custody      | 173,763,516               | 177,557,374               |
|                                          | <b>302,861,111</b>        | <b>285,945,759</b>        |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 46. 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. A party is related to the MB if:

- (a) Directly, or indirectly through one or more intermediaries, the party:
  - controls, is controlled by, or is under common control by MB (including parents and subsidiaries);
  - has an interest (owning 5% or more of the charter capital or voting share capital) in MB that gives 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 over 11% of the charter capital or voting share capital, but is not a subsidiary);
- (c) The party has a member which is the member of the key management personnel of MB or Board of Directors of MB;
- (d) The party is a close member of 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).

Details of significant balances with related parties as at the reporting date were as follows:

|                                         | 31/12/2024<br>VND million<br>Receivables/<br>(Payables) | 31/12/2023<br>VND million<br>Receivables/<br>(Payables) |
|-----------------------------------------|---------------------------------------------------------|---------------------------------------------------------|
| <b>Unconsolidated Subsidiary</b>        |                                                         |                                                         |
| Modern Bank of Vietnam Limited          |                                                         |                                                         |
| - Receivables from debt sale activities | 5,852,543                                               | -                                                       |
| <b>Major shareholders</b>               |                                                         |                                                         |
| Deposits at MB                          | (40,239,944)                                            | (39,740,091)                                            |

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

|                                    | 2024<br>VND million<br>Gain/(expend) | 2023<br>VND million<br>Gain/(expend) |
|------------------------------------|--------------------------------------|--------------------------------------|
| <b>Unconsolidated Subsidiary</b>   |                                      |                                      |
| Modern Bank of Vietnam Limited     |                                      |                                      |
| - Debt Sale during the year        | 5,852,543                            | -                                    |
| <b>Major shareholders</b>          |                                      |                                      |
| - Interest expenses for deposits   | (1,728,013)                          | (1,781,386)                          |
| - Cash dividends paid for the year | (1,062,442)                          | (892,124)                            |
| - Capital contributed for the year | 1,165,007                            | -                                    |

Military Commercial Joint Stock Bank made payment of the remuneration of the Board of Directors and the Supervisory Board based on Resolution No. 12/NQ-MB-DHCD dated 19 April 2024 of the General Meeting of Shareholders, accordingly the remuneration and operating budget ratio is 1.2% of profit after tax.

Salaries of the Executive Board and other managers are paid according to MB's salary regulations.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

Remuneration of members of the Board of Directors and salary of the Chief Executive Officer and other management personnel were as follows:

|                                                                                                                             |                                                             | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|-----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------------------|---------------------------|
| <b>1. Remuneration of the Board of Directors</b>                                                                            | <b>Title</b>                                                | <b>13,618</b>             | <b>15,153</b>             |
| Mr. Luu Trung Thai                                                                                                          | Chairman<br>(Appointed on 12 April 2023)                    | 3,258                     | 1,989                     |
| Mr. Le Huu Duc                                                                                                              | Chairman<br>(Resigned on 12 April 2023)                     | -                         | 958                       |
| Ms. Vu Thi Hai Phuong                                                                                                       | Vice Chairman                                               | 2,575                     | 2,576                     |
| Ms. Nguyen Thi Ngoc                                                                                                         | Member<br>(Resigned on 15 June 2024)                        | 1,301                     | 2,409                     |
| Ms. Nguyen Thi Thuy                                                                                                         | Member<br>(Resigned on 15 June 2024)                        | 1,301                     | 2,409                     |
| Mr. Le Viet Hai                                                                                                             | Member                                                      | 2,089                     | 2,018                     |
| Mr. Hoang Van Sam                                                                                                           | Independent Member<br>(Appointed on 15 June 2024)           | 152                       | -                         |
| Mr. Tran Trung Tin                                                                                                          | Independent Member<br>(Until 15 June 2024)                  | 326                       | 586                       |
| Remuneration paid to the members of the Board of Directors through the enterprises appointing a representatives (5 persons) |                                                             | 2,616                     | 2,208                     |
| <b>2. Board of Supervision</b>                                                                                              |                                                             | <b>7,040</b>              | <b>6,340</b>              |
| <b>3. Salaries of the Chief Executive Officer (CEO), Deputy CEOs and Members of The Board of Executive</b>                  |                                                             | <b>29,015</b>             | <b>25,358</b>             |
| Mr. Luu Trung Thai                                                                                                          | Chief Executive Officer<br>(Resigned on 12 April 2023)      | -                         | 1,253                     |
| Mr. Pham Nhu Anh                                                                                                            | Chief Executive Officer<br>(Appointed on 18 May 2023)       | 3,248                     | 2,688                     |
| Ms. Nguyen Minh Chau                                                                                                        | Deputy CEO                                                  | 3,044                     | 2,834                     |
| Mr. Tran Minh Dat                                                                                                           | Deputy CEO                                                  | 2,618                     | 2,364                     |
| Ms. Pham Thi Trung Ha                                                                                                       | Deputy CEO                                                  | 2,941                     | 2,761                     |
| Mr. Ha Trong Khiem                                                                                                          | Deputy CEO                                                  | 2,440                     | 2,258                     |
| Mr. Le Quoc Minh                                                                                                            | Deputy CEO                                                  | 2,416                     | 2,233                     |
| Mr. Nguyen Xuan Hoc                                                                                                         | Deputy CEO<br>(Appointed on 2 July 2024)                    | 1,851                     | 1,713                     |
| Mr. Vu Thanh Trung                                                                                                          | Member of Board of Executive<br>(Until 10 December 2024)    | 1,817                     | 1,697                     |
| Mr. Vu Hong Phu                                                                                                             | Member of Board of Executive                                | 1,841                     | 1,710                     |
| Ms. Tran Thi Bao Que                                                                                                        | Member of Board of Executive                                | 1,931                     | 1,792                     |
| Ms. Nguyen Thi Ngoc                                                                                                         | Member of Board of Executive<br>(Appointed on 15 June 2024) | 1,355                     | -                         |
| Ms Nguyen Thi Thuy                                                                                                          | Member of Board of Executive<br>(Appointed on 15 June 2024) | 1,339                     | -                         |
| Mr Le Xuan Vu                                                                                                               | Member of Board of Executive<br>(Until 10 December 2024)    | 2,174                     | 2,055                     |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated  
31 December 2014 of the State Bank of Viet Nam)

## 47. SEGMENT REPORT

### 47.1 Business segment report

Operation results by divisions for the year ended 31 December 2024 were as follows:

|                                                        | <i>Banking and<br/>Finance<br/>VND million</i> | <i>Securities – Fund<br/>Management<br/>VND million</i> | <i>Insurance<br/>VND million</i> | <i>Debt collection –<br/>Asset management<br/>VND million</i> | <i>Net off<br/>VND million</i> | <i>Total<br/>VND million</i> |
|--------------------------------------------------------|------------------------------------------------|---------------------------------------------------------|----------------------------------|---------------------------------------------------------------|--------------------------------|------------------------------|
| <b>I. Income</b>                                       | <b>176,660,057</b>                             | <b>3,235,224</b>                                        | <b>9,718,743</b>                 | <b>1,582,097</b>                                              | <b>(90,073,119)</b>            | <b>101,123,002</b>           |
| 1. Interest and similar income                         | 140,949,237                                    | 1,426,885                                               | 916,612                          | 18,904                                                        | (74,249,745)                   | 69,061,893                   |
| 2. Fee and commission income                           | 6,152,383                                      | 730,559                                                 | 8,553,003                        | 1,539,906                                                     | (2,373,249)                    | 14,602,602                   |
| 3. Income from other business<br>operations            | 29,558,437                                     | 1,077,780                                               | 249,128                          | 23,287                                                        | (13,450,125)                   | 17,458,507                   |
| <b>II. Expenses</b>                                    | <b>(131,864,413)</b>                           | <b>(2,233,199)</b>                                      | <b>(9,324,409)</b>               | <b>(933,426)</b>                                              | <b>81,638,417</b>              | <b>(62,717,030)</b>          |
| 1. Interest and similar expenses                       | (102,156,275)                                  | (528,174)                                               | (1,629)                          | -                                                             | 74,776,404                     | (27,909,674)                 |
| 2. Depreciation expenses                               | (1,353,339)                                    | (64,195)                                                | (186,279)                        | (20,176)                                                      | -                              | (1,623,989)                  |
| 3. Expenses directly related to<br>business operations | (28,354,799)                                   | (1,640,830)                                             | (9,136,501)                      | (913,250)                                                     | 6,862,013                      | (33,183,367)                 |
| <b>Operation results before<br/>allowance expenses</b> | <b>44,795,644</b>                              | <b>1,002,025</b>                                        | <b>394,334</b>                   | <b>648,671</b>                                                | <b>(8,434,702)</b>             | <b>38,405,972</b>            |
| Allowance expenses                                     | (18,034,718)                                   | -                                                       | 23,598                           | (226)                                                         | 8,434,702                      | (9,576,644)                  |
| <b>Operation results by divisions</b>                  | <b>26,760,926</b>                              | <b>1,002,025</b>                                        | <b>417,932</b>                   | <b>648,445</b>                                                | <b>-</b>                       | <b>28,829,328</b>            |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated  
31 December 2014 of the State Bank of Viet Nam)

## 47. SEGMENT REPORT (continued)

### 47.1 Business segment report (continued)

Assets and liabilities by divisions as at 31 December 2024 were as follows:

|                         | Banking and<br>Finance<br>VND million | Securities – Fund<br>Management<br>VND million | Insurance<br>VND million | Debt collection –<br>Asset<br>management<br>VND million | Net off<br>VND million | Total<br>VND million |
|-------------------------|---------------------------------------|------------------------------------------------|--------------------------|---------------------------------------------------------|------------------------|----------------------|
| <b>III. Assets</b>      | <b>1,111,192,632</b>                  | <b>22,729,848</b>                              | <b>23,113,662</b>        | <b>1,950,940</b>                                        | <b>(30,186,020)</b>    | <b>1,128,801,062</b> |
| 1. Cash on hand         | 3,348,007                             | 348                                            | 569                      | 242                                                     | -                      | 3,349,166            |
| 2. Fixed assets         | 4,858,928                             | 166,443                                        | 353,749                  | 51,296                                                  | -                      | 5,430,416            |
| 3. Other assets         | 1,102,985,697                         | 22,563,057                                     | 22,759,344               | 1,899,402                                               | (30,186,020)           | 1,120,021,480        |
| <b>IV. Liabilities</b>  | <b>998,651,487</b>                    | <b>15,235,258</b>                              | <b>18,999,635</b>        | <b>797,055</b>                                          | <b>(21,941,954)</b>    | <b>1,011,741,481</b> |
| 1. External liabilities | 981,581,568                           | 14,207,082                                     | (1,050)                  | -                                                       | (21,457,266)           | 974,330,334          |
| 2. Internal liabilities | 1,889,521                             | 12,797                                         | 119,395                  | 105,049                                                 | (62,785)               | 2,063,977            |
| 3. Other liabilities    | 15,180,398                            | 1,015,379                                      | 18,881,290               | 692,006                                                 | (421,903)              | 35,347,170           |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No. 49/2014/TT-NHNN dated  
31 December 2014 of the State Bank of Viet Nam)

## 47. SEGMENT REPORT (continued)

### 47.1 Business segment report (continued)

Operation results by divisions for the year ended 31 December 2023:

|                                                     | <i>Banking and<br/>Finance<br/>VND million</i> | <i>Securities –<br/>Fund<br/>Management<br/>VND million</i> | <i>Insurance<br/>VND million</i> | <i>Debt collection –<br/>Asset<br/>management<br/>VND million</i> | <i>Net off<br/>VND million</i> | <i>Total<br/>VND million</i> |
|-----------------------------------------------------|------------------------------------------------|-------------------------------------------------------------|----------------------------------|-------------------------------------------------------------------|--------------------------------|------------------------------|
| <b>I. Income</b>                                    | <b>173,430,359</b>                             | <b>1,886,673</b>                                            | <b>9,313,473</b>                 | <b>1,201,031</b>                                                  | <b>(92,636,688)</b>            | <b>93,194,848</b>            |
| 1. Interest and similar income                      | 68,017,459                                     | 1,028,466                                                   | 871,417                          | 31,612                                                            | (805,911)                      | 69,143,043                   |
| 2. Fee and commission income                        | 5,572,987                                      | 691,748                                                     | 8,337,209                        | 1,145,090                                                         | (2,609,410)                    | 13,137,624                   |
| 3. Income from other business operations            | 99,839,913                                     | 166,459                                                     | 104,847                          | 24,329                                                            | (89,221,367)                   | 10,914,181                   |
| <b>II. Expenses</b>                                 | <b>(142,682,793)</b>                           | <b>(1,143,968)</b>                                          | <b>(8,897,937)</b>               | <b>(713,717)</b>                                                  | <b>92,636,688</b>              | <b>(60,801,727)</b>          |
| 1. Interest and similar expenses                    | (31,511,869)                                   | (363,940)                                                   | (1,309)                          | -                                                                 | 1,417,923                      | (30,459,195)                 |
| 2. Depreciation expenses                            | (1,217,864)                                    | (61,430)                                                    | (167,951)                        | (15,428)                                                          | -                              | (1,462,673)                  |
| 3. Expenses directly related to business operations | (109,953,060)                                  | (718,598)                                                   | (8,728,677)                      | (698,289)                                                         | 91,218,765                     | (28,879,859)                 |
| <b>Operation results before allowance expenses</b>  | <b>30,747,566</b>                              | <b>742,705</b>                                              | <b>415,536</b>                   | <b>487,314</b>                                                    | <b>-</b>                       | <b>32,393,121</b>            |
| Allowance expenses                                  | (6,136,058)                                    | (40,942)                                                    | 90,849                           | (881)                                                             | -                              | (6,087,032)                  |
| <b>Operation results by divisions</b>               | <b>24,611,508</b>                              | <b>701,763</b>                                              | <b>506,385</b>                   | <b>486,433</b>                                                    | <b>-</b>                       | <b>26,306,089</b>            |

**Military Commercial Joint Stock Bank**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
for the year ended 31 December 2024

*B05/TCTD-HN*  
*(Issued under Circular No.49/2014/TT-NHNN dated*  
*31 December 2014 of the State Bank of Viet Nam*

**47. SEGMENT REPORT (continued)**

**47.1 Business segment report (continued)**

Assets and liabilities by divisions as at 31 December 2023:

|                         | <i>Banking and<br/>Finance<br/>VND million</i> | <i>Securities –<br/>Fund<br/>Management<br/>VND million</i> | <i>Insurance<br/>VND million</i> | <i>Debt collection –<br/>Asset<br/>management<br/>VND million</i> | <i>Net off<br/>VND million</i> | <i>Total<br/>VND million</i> |
|-------------------------|------------------------------------------------|-------------------------------------------------------------|----------------------------------|-------------------------------------------------------------------|--------------------------------|------------------------------|
| <b>III. Assets</b>      | <b>931,026,034</b>                             | <b>15,886,784</b>                                           | <b>19,625,338</b>                | <b>1,763,140</b>                                                  | <b>(23,347,656)</b>            | <b>944,953,640</b>           |
| 1. Cash on hand         | 3,674,289                                      | 336                                                         | 439                              | 330                                                               | -                              | 3,675,394                    |
| 2. Fixed assets         | 4,177,476                                      | 214,079                                                     | 413,874                          | 48,757                                                            | -                              | 4,854,186                    |
| 3. Other assets         | 923,174,269                                    | 15,672,369                                                  | 19,211,025                       | 1,714,053                                                         | (23,347,656)                   | 936,424,060                  |
| <b>IV. Liabilities</b>  | <b>837,492,036</b>                             | <b>10,300,789</b>                                           | <b>15,658,457</b>                | <b>720,036</b>                                                    | <b>(15,928,837)</b>            | <b>848,242,481</b>           |
| 1. External liabilities | 815,863,548                                    | 10,047,508                                                  | 1,400                            | -                                                                 | (15,906,517)                   | 810,005,939                  |
| 2. Internal liabilities | 1,082,071                                      | 13,953                                                      | 125,264                          | 55,382                                                            | -                              | 1,276,670                    |
| 3. Other liabilities    | 20,546,417                                     | 239,328                                                     | 15,531,793                       | 664,654                                                           | (22,320)                       | 36,959,872                   |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated  
31 December 2014 of the State Bank of Viet Nam)

## 47. SEGMENT REPORT (continued)

### 47.2 Geographical segment report

Geographic segment performance for the year ended 31 December 2024:

|                                                     | North<br>VND million | Central<br>VND million | South<br>VND million | Overseas<br>VND million | Net off<br>VND million | Total<br>VND million |
|-----------------------------------------------------|----------------------|------------------------|----------------------|-------------------------|------------------------|----------------------|
| <b>I. Income</b>                                    | <b>151,246,693</b>   | <b>6,036,328</b>       | <b>32,864,213</b>    | <b>1,048,881</b>        | <b>(90,073,113)</b>    | <b>101,123,002</b>   |
| 1. Interest and similar income                      | 108,369,617          | 5,172,837              | 28,842,601           | 926,583                 | (74,249,745)           | 69,061,893           |
| 2. Fee and commission income                        | 15,632,563           | 191,826                | 1,093,084            | 58,378                  | (2,373,249)            | 14,602,602           |
| 3. Income from other business operations            | 27,244,513           | 671,665                | 2,928,528            | 63,920                  | (13,450,119)           | 17,458,507           |
| <b>II. Expenses</b>                                 | <b>(118,675,262)</b> | <b>(3,879,291)</b>     | <b>(20,845,471)</b>  | <b>(955,417)</b>        | <b>81,638,411</b>      | <b>(62,717,030)</b>  |
| 1. Interest and similar expenses                    | (81,831,010)         | (3,073,264)            | (17,098,449)         | (683,355)               | 74,776,404             | (27,909,674)         |
| 2. Depreciation expenses                            | (1,518,182)          | (25,197)               | (67,012)             | (13,598)                | -                      | (1,623,989)          |
| 3. Expenses directly related to business operations | (35,326,070)         | (780,830)              | (3,680,010)          | (258,464)               | 6,862,007              | (33,183,367)         |
| <b>Operation results before Allowance expenses</b>  | <b>32,571,431</b>    | <b>2,157,037</b>       | <b>12,018,742</b>    | <b>93,464</b>           | <b>(8,434,702)</b>     | <b>38,405,972</b>    |
| Allowance expenses                                  | (9,431,852)          | (695,981)              | (7,815,982)          | (67,531)                | 8,434,702              | (9,576,644)          |
| <b>Operation results by divisions (before tax)</b>  | <b>23,139,579</b>    | <b>1,461,056</b>       | <b>4,202,760</b>     | <b>25,933</b>           | <b>-</b>               | <b>28,829,328</b>    |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated  
31 December 2014 of the State Bank of Viet Nam)

## 47. SEGMENT REPORT (continued)

### 47.2 Geographical segment report (continued)

Assets and liabilities by geography as at 31 December 2024:

|                         | North<br>VND million | Central<br>VND million | South<br>VND million | Overseas<br>VND million | Net off<br>VND million | Total<br>VND million |
|-------------------------|----------------------|------------------------|----------------------|-------------------------|------------------------|----------------------|
| <b>III. Assets</b>      | <b>790,548,293</b>   | <b>55,154,822</b>      | <b>302,676,568</b>   | <b>10,607,399</b>       | <b>(30,186,020)</b>    | <b>1,128,801,062</b> |
| 1. Cash on hand         | 1,557,600            | 464,875                | 1,237,218            | 89,473                  | -                      | 3,349,166            |
| 2. Fixed assets         | 4,992,950            | 47,907                 | 153,718              | 235,841                 | -                      | 5,430,416            |
| 3. Other assets         | 783,997,743          | 54,642,040             | 301,285,632          | 10,282,085              | (30,186,020)           | 1,120,021,480        |
| <b>IV. Liabilities</b>  | <b>671,599,607</b>   | <b>53,988,390</b>      | <b>299,554,504</b>   | <b>8,540,935</b>        | <b>(21,941,955)</b>    | <b>1,011,741,481</b> |
| 1. External liabilities | 757,034,413          | 41,539,109             | 189,100,043          | 8,114,037               | (21,457,268)           | 974,330,334          |
| 2. Internal liabilities | 2,028,615            | (11,386)               | 53,738               | 55,795                  | (62,785)               | 2,063,977            |
| 3. Other liabilities    | (87,463,421)         | 12,460,667             | 110,400,723          | 371,103                 | (421,902)              | 35,347,170           |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated  
31 December 2014 of the State Bank of Viet Nam)

## 47. SEGMENT REPORT (continued)

### 47.2 Geographical segment report (continued)

Geographic segment performance for the year ended 31 December 2023:

|                                                     | North<br>VND million | Central<br>VND million | South<br>VND million | Overseas<br>VND million | Net off<br>VND million | Total<br>VND million |
|-----------------------------------------------------|----------------------|------------------------|----------------------|-------------------------|------------------------|----------------------|
| <b>I. Income</b>                                    | <b>147,470,124</b>   | <b>6,961,415</b>       | <b>30,889,777</b>    | <b>510,220</b>          | <b>(92,636,688)</b>    | <b>93,194,848</b>    |
| 1. Interest and similar income                      | 35,004,543           | 5,949,326              | 28,627,483           | 367,602                 | (805,911)              | 69,143,043           |
| 2. Fee and commission income                        | 14,726,867           | 149,000                | 844,524              | 26,643                  | (2,609,410)            | 13,137,624           |
| 3. Income from other business operations            | 97,738,714           | 863,089                | 1,417,770            | 115,975                 | (89,221,367)           | 10,914,181           |
| <b>II. Expenses</b>                                 | <b>(127,482,803)</b> | <b>(4,212,443)</b>     | <b>(21,287,446)</b>  | <b>(455,723)</b>        | <b>92,636,688</b>      | <b>(60,801,727)</b>  |
| 1. Interest and similar expenses                    | (10,474,540)         | (3,452,058)            | (17,709,805)         | (240,715)               | 1,417,923              | (30,459,195)         |
| 2. Depreciation expenses                            | (1,365,638)          | (23,437)               | (66,219)             | (7,379)                 | -                      | (1,462,673)          |
| 3. Expenses directly related to business operations | (115,642,625)        | (736,948)              | (3,511,422)          | (207,629)               | 91,218,765             | (28,879,859)         |
| <b>Operation results before allowance expenses</b>  | <b>19,987,321</b>    | <b>2,748,972</b>       | <b>9,602,331</b>     | <b>54,497</b>           | <b>-</b>               | <b>32,393,121</b>    |
| Allowance expenses                                  | (1,887,383)          | (713,054)              | (3,467,768)          | (18,827)                | -                      | (6,087,032)          |
| <b>Operation results by divisions (before tax)</b>  | <b>18,099,938</b>    | <b>2,035,918</b>       | <b>6,134,563</b>     | <b>35,670</b>           | <b>-</b>               | <b>26,306,089</b>    |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated  
31 December 2014 of the State Bank of Viet Nam)

## 47. SEGMENT REPORT (continued)

### 47.2 Geographical segment report (continued)

Assets and liabilities by segment as at 31 December 2023:

|                         | North<br>VND million | Central<br>VND million | South<br>VND million | Overseas<br>VND million | Net off<br>VND million | Total<br>VND million |
|-------------------------|----------------------|------------------------|----------------------|-------------------------|------------------------|----------------------|
| <b>III. Assets</b>      | <b>670,276,168</b>   | <b>43,321,583</b>      | <b>248,924,007</b>   | <b>5,779,538</b>        | <b>(23,347,656)</b>    | <b>944,953,640</b>   |
| 1. Cash on hand         | 1,679,519            | 479,203                | 1,474,904            | 41,768                  | -                      | 3,675,394            |
| 2. Fixed assets         | 4,652,222            | 51,306                 | 125,335              | 25,323                  | -                      | 4,854,186            |
| 3. Other assets         | 663,944,427          | 42,791,074             | 247,323,768          | 5,712,447               | (23,347,656)           | 936,424,060          |
| <b>IV. Liabilities</b>  | <b>575,079,553</b>   | <b>41,523,478</b>      | <b>244,025,615</b>   | <b>3,542,672</b>        | <b>(15,928,837)</b>    | <b>848,242,481</b>   |
| 1. External liabilities | 655,825,780          | 30,719,414             | 136,135,877          | 3,231,385               | (15,906,517)           | 810,005,939          |
| 2. Internal liabilities | 1,277,859            | -                      | 240                  | (1,429)                 | -                      | 1,276,670            |
| 3. Other liabilities    | (82,024,086)         | 10,804,064             | 107,889,498          | 312,716                 | (22,320)               | 36,959,872           |

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated  
31 December 2014 of the State Bank of Viet Nam)

## 47. SEGMENT REPORT (continued)

### 47.3 Concentration based on geographical areas of assets, liabilities and off-balance items

As at 31 December 2024:

|         | <i>Total loans and<br/>receivables from<br/>customer<br/>VND million</i> | <i>Total deposits at the<br/>State Bank, deposits<br/>and loans to other<br/>credit institutions<br/>VND million</i> | <i>Off-balance sheet<br/>commitments<br/>VND million</i> | <i>Derivative<br/>financial<br/>instruments<br/>VND million</i> | <i>Securities trading<br/>and investment<br/>VND million</i> |
|---------|--------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------|
| Local   | 769,363,498                                                              | 103,884,469                                                                                                          | 237,168,678                                              | 191,545                                                         | 217,995,033                                                  |
| Oversea | 7,294,348                                                                | 2,732,272                                                                                                            | -                                                        | -                                                               | 57,261                                                       |
|         | <b>776,657,846</b>                                                       | <b>106,616,741</b>                                                                                                   | <b>237,168,678</b>                                       | <b>191,545</b>                                                  | <b>218,052,294</b>                                           |

As at 31 December 2023:

|          | <i>Total loans and<br/>receivable from<br/>customer<br/>VND million</i> | <i>Total deposits at the<br/>State Bank, deposits<br/>and loans to other<br/>credit institutions<br/>VND million</i> | <i>Off-balance sheet<br/>commitments<br/>VND million</i> | <i>Derivative<br/>financial<br/>instruments<br/>VND million</i> | <i>Securities trading<br/>and investment<br/>VND million</i> |
|----------|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------|
| Local    | 607,682,561                                                             | 111,307,681                                                                                                          | 226,637,928                                              | 141,294                                                         | 192,584,063                                                  |
| Overseas | 3,366,269                                                               | 1,363,211                                                                                                            | -                                                        | -                                                               | 66,000                                                       |
|          | <b>611,048,830</b>                                                      | <b>112,670,892</b>                                                                                                   | <b>226,637,928</b>                                       | <b>141,294</b>                                                  | <b>192,650,063</b>                                           |

**48. FINANCIAL RISK MANAGEMENT POLICIES**

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

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. MB holds many assets that are high-quality financial instruments to hedge risks 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 cross currency swap commitments for the purpose of managing interest rate risk and 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.

**49. 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 risk management environment;
- Operate under healthy credit granting procedure;
- Maintain appropriate credit managing, measuring, 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, the Bank's credit approval model has the participation of the Credit Council to ensure that credit approval activities are concentrated with the highest quality.

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 allowance for credit risks in accordance with regulations.

**50. INTEREST RATE RISK**

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 year-end.

The interest rate re-pricing term is the remaining period from the year-end 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; long-term investments and other assets (including fixed assets and some other assets) are classified as non-interest bearings;
- ▶ Deposits at the State Banks are classified as demand deposits, therefore interest re-pricing term is classified as up to one 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 annual 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 the year-end;
  - 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 year-end;
  - Items with floating interest rates: The interest rate re-pricing term is based on the latest interest rate re-pricing date from the year-end;
- ▶ Other liabilities are classified as not affected by interest rate re-pricing.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated 31  
December 2014 of the State Bank of Viet Nam)

## 50. INTEREST RATE RISK (continued)

The below table shows an analysis of the interest re-pricing period of assets and liabilities of MB as at 31 December 2024:

|                                                                              | Overdue<br>VND million | Non-interest<br>bearing<br>VND million | Interest re-pricing period      |                                      |                                      |                                       |                                     |                                | Total<br>VND million |
|------------------------------------------------------------------------------|------------------------|----------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|-------------------------------------|--------------------------------|----------------------|
|                                                                              |                        |                                        | Up to 1<br>month<br>VND million | From 1 to 3<br>months<br>VND million | From 3 to 6<br>months<br>VND million | From 6 to 12<br>months<br>VND million | From 1 to 5<br>years<br>VND million | Over 5<br>years<br>VND million |                      |
| <b>Assets</b>                                                                |                        |                                        |                                 |                                      |                                      |                                       |                                     |                                |                      |
| Cash, gold and gemstones                                                     | -                      | 3,349,166                              | -                               | -                                    | -                                    | -                                     | -                                   | -                              | 3,349,166            |
| Balances with the State Banks                                                | -                      | 29,825,253                             | -                               | -                                    | -                                    | -                                     | -                                   | -                              | 29,825,253           |
| Deposits with and loans to<br>other credit institutions (*)                  | -                      | -                                      | 64,954,583                      | 3,885,740                            | 2,718,747                            | 2,535,499                             | 2,696,919                           | -                              | 76,791,488           |
| Securities held for trading (*)                                              | -                      | 212,152                                | 7,719,682                       | -                                    | -                                    | -                                     | -                                   | -                              | 7,931,834            |
| Loans to customers and Debt purchase<br>(*)                                  | 18,894,036             | -                                      | 251,016,585                     | 282,018,924                          | 97,486,454                           | 85,893,184                            | 41,905,455                          | 484,570                        | 777,699,208          |
| Investment securities (*)                                                    | 226,635                | -                                      | 20,895,655                      | 20,328,109                           | 21,361,341                           | 42,640,018                            | 44,438,056                          | 60,230,646                     | 210,120,460          |
| Long-term investments (*)                                                    | -                      | 775,670                                | -                               | -                                    | -                                    | -                                     | -                                   | -                              | 775,670              |
| Fixed assets and investment properties                                       | -                      | 5,664,531                              | -                               | -                                    | -                                    | -                                     | -                                   | -                              | 5,664,531            |
| Other assets (*)                                                             | 291,790                | 28,900,121                             | -                               | -                                    | -                                    | -                                     | -                                   | -                              | 29,191,911           |
| <b>Total assets (1)</b>                                                      | <b>19,412,461</b>      | <b>68,726,893</b>                      | <b>344,586,505</b>              | <b>306,232,773</b>                   | <b>121,566,542</b>                   | <b>131,068,701</b>                    | <b>89,040,430</b>                   | <b>60,715,216</b>              | <b>1,141,349,521</b> |
| <b>Liabilities</b>                                                           |                        |                                        |                                 |                                      |                                      |                                       |                                     |                                |                      |
| Due to the Government and the SBV                                            | -                      | -                                      | 8,156,285                       | -                                    | -                                    | -                                     | -                                   | -                              | 8,156,285            |
| Deposits and borrowings from other<br>credit institutions                    | -                      | -                                      | 89,519,309                      | 8,597,611                            | 3,590,615                            | 8,462,050                             | -                                   | -                              | 110,169,585          |
| Deposits from customer                                                       | -                      | -                                      | 386,473,392                     | 120,624,054                          | 114,310,515                          | 80,948,040                            | 11,778,306                          | 20,172                         | 714,154,479          |
| Derivatives and other financial liabilities                                  | -                      | -                                      | (193,425)                       | 72,330                               | 91,253                               | 153,387                               | 68,000                              | -                              | 191,545              |
| Other borrowed and entrusted funds                                           | -                      | -                                      | 540,433                         | 1,411,277                            | 774,781                              | -                                     | 62,249                              | 4,713                          | 2,793,453            |
| Valuable papers issued                                                       | -                      | -                                      | 4,899,998                       | 5,050,569                            | 30,297,714                           | 35,928,347                            | 39,985,764                          | 12,801,641                     | 128,964,033          |
| Other liabilities (*)                                                        | -                      | 47,311,049                             | -                               | -                                    | -                                    | -                                     | -                                   | -                              | 47,311,049           |
| <b>Total liabilities (2)</b>                                                 | <b>-</b>               | <b>47,311,049</b>                      | <b>489,395,992</b>              | <b>135,755,841</b>                   | <b>149,064,878</b>                   | <b>125,491,824</b>                    | <b>51,894,319</b>                   | <b>12,826,526</b>              | <b>1,011,740,429</b> |
| <b>Interest sensitivity gap<br/>(on balance sheet items) (3) = (1) – (2)</b> | <b>19,412,461</b>      | <b>21,415,844</b>                      | <b>(144,809,487)</b>            | <b>170,476,932</b>                   | <b>(27,498,336)</b>                  | <b>5,576,877</b>                      | <b>37,146,111</b>                   | <b>47,888,690</b>              | <b>129,609,092</b>   |

(\*) Excluding allowance

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated 31  
December 2014 of the State Bank of Viet Nam

## 50. INTEREST RATE RISK (continued)

The below table shows an analysis of the interest re-pricing period of assets and liabilities of MB as at 31 December 2023:

|                                                                              | Overdue<br>VND million | Non-interest<br>bearing<br>VND million | Interest re-pricing period      |                                      |                                      |                                       |                                     | Over 5<br>years<br>VND million | Total<br>VND million |
|------------------------------------------------------------------------------|------------------------|----------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|-------------------------------------|--------------------------------|----------------------|
|                                                                              |                        |                                        | Up to 1<br>month<br>VND million | From 1 to 3<br>months<br>VND million | From 3 to 6<br>months<br>VND million | From 6 to 12<br>months<br>VND million | From 1 to 5<br>years<br>VND million |                                |                      |
| <b>Assets</b>                                                                |                        |                                        |                                 |                                      |                                      |                                       |                                     |                                |                      |
| Cash, gold and gemstones                                                     | -                      | 3,675,394                              | -                               | -                                    | -                                    | -                                     | -                                   | -                              | 3,675,394            |
| Balances with the State Banks                                                | -                      | 66,321,652                             | -                               | -                                    | -                                    | -                                     | -                                   | -                              | 66,321,652           |
| Deposits with and loans to<br>other credit institutions (*)                  | -                      | -                                      | 20,204,609                      | 19,723,605                           | 2,625,536                            | 1,712,513                             | 2,082,977                           | -                              | 46,349,240           |
| Securities held for trading (*)                                              | -                      | 156,220                                | 44,095,180                      | -                                    | -                                    | -                                     | -                                   | -                              | 44,251,400           |
| Derivatives and other financial assets                                       | -                      | -                                      | 22,776                          | 113,886                              | 76,643                               | (17,677)                              | (54,334)                            | -                              | 141,294              |
| Loans to customers and Debt<br>purchase (*)                                  | 20,529,823             | -                                      | 191,791,810                     | 188,804,735                          | 100,268,536                          | 71,592,654                            | 38,984,461                          | 925,674                        | 612,897,693          |
| Investment securities (*)                                                    | 226,635                | -                                      | 22,516,957                      | 32,073,897                           | 15,286,240                           | 6,857,251                             | 23,441,844                          | 47,995,839                     | 148,398,663          |
| Long-term investments (*)                                                    | -                      | 779,587                                | -                               | -                                    | -                                    | -                                     | -                                   | -                              | 779,587              |
| Fixed assets and investment properties                                       | -                      | 5,094,480                              | -                               | -                                    | -                                    | -                                     | -                                   | -                              | 5,094,480            |
| Other assets (*)                                                             | 210,131                | 29,182,889                             | -                               | -                                    | -                                    | -                                     | -                                   | -                              | 29,393,020           |
| <b>Total assets (1)</b>                                                      | <b>20,966,589</b>      | <b>105,210,222</b>                     | <b>278,631,332</b>              | <b>240,716,123</b>                   | <b>118,256,955</b>                   | <b>80,144,741</b>                     | <b>64,454,948</b>                   | <b>48,921,513</b>              | <b>957,302,423</b>   |
| <b>Liabilities</b>                                                           |                        |                                        |                                 |                                      |                                      |                                       |                                     |                                |                      |
| Due to the Government and the SBV                                            | -                      | -                                      | 8,738                           | -                                    | -                                    | -                                     | -                                   | -                              | 8,738                |
| Deposits and borrowings from other credit<br>institutions                    | -                      | -                                      | 76,504,545                      | 7,587,972                            | 8,410,806                            | 274,643                               | 7,032,500                           | -                              | 99,810,466           |
| Deposits from customer                                                       | -                      | -                                      | 317,812,836                     | 72,046,276                           | 96,881,703                           | 65,309,500                            | 15,462,936                          | 19,326                         | 567,532,577          |
| Other borrowed and entrusted funds                                           | -                      | -                                      | 1,006,172                       | 1,171,005                            | 525,376                              | 12,793                                | 74,799                              | 9,718                          | 2,799,863            |
| Valuable papers issued                                                       | -                      | -                                      | 3,700,736                       | 29,733,705                           | 37,224,649                           | 27,692,162                            | 22,953,723                          | 5,158,135                      | 126,463,110          |
| Other liabilities (*)                                                        | -                      | 51,626,733                             | -                               | -                                    | -                                    | -                                     | -                                   | -                              | 51,626,733           |
| <b>Total liabilities (2)</b>                                                 | <b>-</b>               | <b>51,626,733</b>                      | <b>399,033,027</b>              | <b>110,538,958</b>                   | <b>143,042,534</b>                   | <b>93,289,098</b>                     | <b>45,523,958</b>                   | <b>5,187,179</b>               | <b>848,241,487</b>   |
| <b>Interest sensitivity gap<br/>(on balance sheet items) (3) = (1) – (2)</b> | <b>20,966,589</b>      | <b>53,583,489</b>                      | <b>(120,401,695)</b>            | <b>130,177,165</b>                   | <b>(24,785,579)</b>                  | <b>(13,144,357)</b>                   | <b>18,930,990</b>                   | <b>43,734,334</b>              | <b>109,060,936</b>   |

(\*) Excluding allowance

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 51. CURRENCY RISK

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 December 2024 were as follows:

|                                                                 | USD<br>equivalent<br>VND million | EUR<br>equivalent<br>VND million | Other<br>currencies<br>equivalent<br>VND million | Total<br>VND million |
|-----------------------------------------------------------------|----------------------------------|----------------------------------|--------------------------------------------------|----------------------|
| <b>Assets</b>                                                   |                                  |                                  |                                                  |                      |
| Cash, gold and gemstones                                        | 256,940                          | 48,988                           | 57,730                                           | 363,658              |
| Balances with the State Banks                                   | 2,472,885                        | 2,407                            | 140,486                                          | 2,615,778            |
| Deposits with and loans to other credit institutions            | 4,690,728                        | 487,551                          | 2,015,671                                        | 7,193,950            |
| Loans to customers and debt purchase (*)                        | 38,586,938                       | -                                | 1,151,561                                        | 39,738,499           |
| Investment securities (*)                                       | -                                | -                                | 57,261                                           | 57,261               |
| Long-term investments (*)                                       | -                                | 2,731                            | -                                                | 2,731                |
| Fixed assets and investment properties                          | 231,468                          | -                                | 4,374                                            | 235,842              |
| Other assets (*)                                                | 2,251,403                        | 107,619                          | 42,294                                           | 2,401,316            |
| <b>Total assets (1)</b>                                         | <b>48,490,362</b>                | <b>649,296</b>                   | <b>3,469,377</b>                                 | <b>52,609,035</b>    |
| <b>Liabilities</b>                                              |                                  |                                  |                                                  |                      |
| Deposits and loans from other credit institutions               | 18,085,016                       | 127,196                          | 803,897                                          | 19,016,109           |
| Deposits from customer                                          | 30,145,358                       | 5,030,936                        | 1,067,443                                        | 36,243,737           |
| Derivatives and other financial liabilities                     | (2,001,169)                      | (3,142,023)                      | 1,071,786                                        | (4,071,406)          |
| Other liabilities (*)                                           | 2,202,352                        | 14,243                           | 167,702                                          | 2,384,297            |
| <b>Total liabilities (2)</b>                                    | <b>48,431,557</b>                | <b>2,030,352</b>                 | <b>3,110,828</b>                                 | <b>53,572,737</b>    |
| <b>Foreign currency status on balance sheet (3) = (1) – (2)</b> | <b>58,805</b>                    | <b>(1,381,056)</b>               | <b>358,549</b>                                   | <b>(963,702)</b>     |
| <b>Foreign currency status off-balance sheet (4)</b>            | <b>(150,297)</b>                 | <b>26,715</b>                    | <b>47,747</b>                                    | <b>(75,835)</b>      |
| <b>FX position on balance sheet (5) = (3) + (4)</b>             | <b>(91,492)</b>                  | <b>(1,354,341)</b>               | <b>406,296</b>                                   | <b>(1,039,537)</b>   |

(\*) Excluding allowance

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 51. CURRENCY RISK (continued)

Classification of assets and liabilities in foreign currencies translated into VND as at 31 December 2023 were as follows:

|                                                                 | USD<br>equivalent<br>VND million | EUR<br>equivalent<br>VND million | Other<br>currencies<br>equivalent<br>VND million | Total<br>VND million |
|-----------------------------------------------------------------|----------------------------------|----------------------------------|--------------------------------------------------|----------------------|
| <b>Assets</b>                                                   |                                  |                                  |                                                  |                      |
| Cash, gold and gemstones                                        | 244,947                          | 48,448                           | 66,966                                           | 360,361              |
| Balances with the State Banks                                   | 10,617,840                       | 166                              | 155,839                                          | 10,773,845           |
| Deposits with and loans to other credit institutions            | 18,858,148                       | 334,220                          | 1,683,771                                        | 20,876,139           |
| Derivatives and other financial assets                          | (18,774,932)                     | 2,724,775                        | (414,759)                                        | (16,464,916)         |
| Loans to customers and debt purchase (*)                        | 32,522,281                       | -                                | 572,292                                          | 33,094,573           |
| Investment securities (*)                                       | -                                | -                                | 66,001                                           | 66,001               |
| Long-term investments (*)                                       | -                                | 2,731                            | -                                                | 2,731                |
| Fixed assets and investment properties                          | 60,979                           | -                                | 3,643                                            | 64,622               |
| Other assets (*)                                                | 5,700,775                        | 72,584                           | 63,175                                           | 5,836,534            |
| <b>Total assets (1)</b>                                         | <b>49,230,038</b>                | <b>3,182,924</b>                 | <b>2,196,928</b>                                 | <b>54,609,890</b>    |
| <b>Liabilities</b>                                              |                                  |                                  |                                                  |                      |
| Deposits and loans from other credit institutions               | 27,439,205                       | 78,680                           | 261,748                                          | 27,779,633           |
| Deposits from customer                                          | 21,027,511                       | 5,310,758                        | 789,602                                          | 27,127,871           |
| Other liabilities (*)                                           | 2,481,312                        | 9,372                            | 213,049                                          | 2,703,733            |
| <b>Total liabilities (2)</b>                                    | <b>50,948,028</b>                | <b>5,398,810</b>                 | <b>1,264,399</b>                                 | <b>57,611,237</b>    |
| <b>Foreign currency status on balance sheet (3) = (1) – (2)</b> | <b>(1,717,990)</b>               | <b>(2,215,886)</b>               | <b>932,529</b>                                   | <b>(3,001,347)</b>   |
| <b>Foreign currency status off-balance sheet (4)</b>            | <b>835,348</b>                   | <b>-</b>                         | <b>46,659</b>                                    | <b>882,007</b>       |
| <b>FX position on balance sheet (5) = (3) + (4)</b>             | <b>(882,642)</b>                 | <b>(2,215,886)</b>               | <b>979,188</b>                                   | <b>(2,119,340)</b>   |

(\*) Excluding allowance

## 52. LIQUIDITY RISK

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

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 year-end 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 Banks 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 date of Deposits 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 extended. In addition, customer loans are recorded at principal value excluding risk provisions;
- ▶ Trading securities which are equity securities are classified into securities with term up to one month;
- ▶ The maturity term of deposits and loans to credit institutions and customers is determined based on the maturity date of the specified contract. Actual maturity dates may vary due to extended loan agreements. In addition, loans to customers are presented in original value excluding provisions;
- ▶ The maturity term of capital contribution, investment securities which are equity securities is determined as having term from (1) year to (5) years since these investments have no maturity date;
- ▶ Deposits and borrowings from other credit institutions and deposits from customer 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; and
- ▶ The maturity term of fixed assets is determined as having term from one (1) to five (5) years.



# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated 31  
December 2014 of the State Bank of Viet Nam)

## 52. LIQUIDITY RISK (continued)

The below table presents the analysis of remaining maturity of assets and liabilities of MB as at 31 December 2024:

|                                                             | Overdue                          |                                   | Current                       |                                      |                                       |                                     |                             |                      |
|-------------------------------------------------------------|----------------------------------|-----------------------------------|-------------------------------|--------------------------------------|---------------------------------------|-------------------------------------|-----------------------------|----------------------|
|                                                             | Above 3<br>months<br>VND million | Within 3<br>months<br>VND million | Up to 1 months<br>VND million | From 1 to 3<br>months<br>VND million | From 3 to 12<br>months<br>VND million | From 1 to 5<br>years<br>VND million | Over 5 years<br>VND million | Total<br>VND million |
| <b>Assets</b>                                               |                                  |                                   |                               |                                      |                                       |                                     |                             |                      |
| Cash, gold and gemstones                                    | -                                | -                                 | 3,349,166                     | -                                    | -                                     | -                                   | -                           | 3,349,166            |
| Balances with the State Banks                               | -                                | -                                 | 29,825,253                    | -                                    | -                                     | -                                   | -                           | 29,825,253           |
| Deposits with and loans to other<br>credit institutions (*) | -                                | -                                 | 64,954,583                    | 3,885,740                            | 5,254,246                             | 2,696,919                           | -                           | 76,791,488           |
| Securities held for trading                                 | -                                | -                                 | 7,931,834                     | -                                    | -                                     | -                                   | -                           | 7,931,834            |
| Loans to customers and Debt<br>purchase (*)                 | 11,578,085                       | 7,315,951                         | 43,910,197                    | 121,190,706                          | 291,621,012                           | 152,724,625                         | 149,358,632                 | 777,699,208          |
| Investment securities (*)                                   | 226,635                          | -                                 | 2,003,036                     | 9,611,758                            | 67,504,868                            | 51,717,125                          | 79,057,038                  | 210,120,460          |
| Long-term investments (*)                                   | -                                | -                                 | -                             | -                                    | -                                     | 775,670                             | -                           | 775,670              |
| Fixed assets and investment<br>properties                   | -                                | -                                 | -                             | -                                    | -                                     | 5,664,531                           | -                           | 5,664,531            |
| Other assets (*)                                            | 291,790                          | -                                 | 26,208,728                    | 524,101                              | 1,905,589                             | 254,222                             | 7,481                       | 29,191,911           |
| <b>Total assets (1)</b>                                     | <b>12,096,510</b>                | <b>7,315,951</b>                  | <b>178,182,797</b>            | <b>135,212,305</b>                   | <b>366,285,715</b>                    | <b>213,833,092</b>                  | <b>228,423,151</b>          | <b>1,141,349,521</b> |
| <b>Liabilities</b>                                          |                                  |                                   |                               |                                      |                                       |                                     |                             |                      |
| Due to the Government and SBV                               | -                                | -                                 | 8,156,285                     | -                                    | -                                     | -                                   | -                           | 8,156,285            |
| Deposits and borrowings from other<br>credit institutions   | -                                | -                                 | 89,519,309                    | 8,597,611                            | 12,052,665                            | -                                   | -                           | 110,169,585          |
| Deposits from customer                                      | -                                | -                                 | 386,473,392                   | 120,624,054                          | 195,258,555                           | 11,778,306                          | 20,172                      | 714,154,479          |
| Derivatives and other financial<br>liabilities              | -                                | -                                 | (220,132)                     | 59,511                               | 244,640                               | 107,526                             | -                           | 191,545              |
| Other borrowed and trusted funds                            | -                                | -                                 | 540,433                       | 1,411,277                            | 774,781                               | 62,249                              | 4,713                       | 2,793,453            |
| Valuable papers issued                                      | -                                | -                                 | 4,899,998                     | 5,050,569                            | 66,226,061                            | 39,686,560                          | 13,100,845                  | 128,964,033          |
| Other liabilities (*)                                       | -                                | -                                 | 46,748,896                    | 50,817                               | 473,467                               | 37,525                              | 344                         | 47,311,049           |
| <b>Total liabilities (2)</b>                                | <b>-</b>                         | <b>-</b>                          | <b>536,118,181</b>            | <b>135,793,839</b>                   | <b>275,030,169</b>                    | <b>51,672,166</b>                   | <b>13,126,074</b>           | <b>1,011,740,429</b> |
| <b>Net liquidity gap (3) = (1) – (2)</b>                    | <b>12,096,510</b>                | <b>7,315,951</b>                  | <b>(357,935,384)</b>          | <b>(581,534)</b>                     | <b>91,255,546</b>                     | <b>162,160,926</b>                  | <b>215,297,077</b>          | <b>129,609,092</b>   |

(\*) Excluding allowance

**Military Commercial Joint Stock Bank**  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular No.49/2014/TT-NHNN dated 31  
December 2014 of the State Bank of Viet Nam)

**52. LIQUIDITY RISK (continued)**

The below table presents the analysis of remaining maturity of assets and liabilities of MB as at 31 December 2023:

|                                                          | <i>Overdue</i>                              |                                              | <i>Current</i>                              |                                                 |                                                  |                                                |                                           | <i>Total</i><br><i>VND million</i> |
|----------------------------------------------------------|---------------------------------------------|----------------------------------------------|---------------------------------------------|-------------------------------------------------|--------------------------------------------------|------------------------------------------------|-------------------------------------------|------------------------------------|
|                                                          | <i>Above 3 months</i><br><i>VND million</i> | <i>Within 3 months</i><br><i>VND million</i> | <i>Up to 1 months</i><br><i>VND million</i> | <i>From 1 to 3 months</i><br><i>VND million</i> | <i>From 3 to 12 months</i><br><i>VND million</i> | <i>From 1 to 5 years</i><br><i>VND million</i> | <i>Over 5 years</i><br><i>VND million</i> |                                    |
| <b>Assets</b>                                            |                                             |                                              |                                             |                                                 |                                                  |                                                |                                           |                                    |
| Cash, gold and gemstones                                 | -                                           | -                                            | 3,675,394                                   | -                                               | -                                                | -                                              | -                                         | 3,675,394                          |
| Balances with the State Banks                            | -                                           | -                                            | 66,321,652                                  | -                                               | -                                                | -                                              | -                                         | 66,321,652                         |
| Deposits with and loans to other credit institutions (*) | -                                           | -                                            | 20,204,609                                  | 19,723,605                                      | 4,338,049                                        | 2,082,977                                      | -                                         | 46,349,240                         |
| Securities held for trading                              | -                                           | -                                            | 44,251,400                                  | -                                               | -                                                | -                                              | -                                         | 44,251,400                         |
| Derivatives and other financial assets                   | -                                           | -                                            | 22,776                                      | 113,886                                         | 58,966                                           | (54,334)                                       | -                                         | 141,294                            |
| Loans to customers and Debt purchase (*)                 | 14,600,269                                  | 5,929,554                                    | 28,001,636                                  | 92,831,782                                      | 230,019,271                                      | 122,620,934                                    | 118,894,247                               | 612,897,693                        |
| Investment securities (*)                                | 226,635                                     | -                                            | 2,393,010                                   | 17,595,159                                      | 23,483,843                                       | 38,835,644                                     | 65,864,372                                | 148,398,663                        |
| Long-term investments (*)                                | -                                           | -                                            | -                                           | -                                               | -                                                | 779,587                                        | -                                         | 779,587                            |
| Fixed assets and investment properties                   | -                                           | -                                            | -                                           | -                                               | -                                                | 5,094,480                                      | -                                         | 5,094,480                          |
| Other assets (*)                                         | 210,131                                     | -                                            | 25,632,441                                  | 372,089                                         | 2,924,561                                        | 249,251                                        | 4,547                                     | 29,393,020                         |
| <b>Total assets (1)</b>                                  | <b>15,037,035</b>                           | <b>5,929,554</b>                             | <b>190,502,918</b>                          | <b>130,636,521</b>                              | <b>260,824,690</b>                               | <b>169,608,539</b>                             | <b>184,763,166</b>                        | <b>957,302,423</b>                 |
| <b>Liabilities</b>                                       |                                             |                                              |                                             |                                                 |                                                  |                                                |                                           |                                    |
| Due to SBV                                               | -                                           | -                                            | 8,738                                       | -                                               | -                                                | -                                              | -                                         | 8,738                              |
| Deposits and borrowings from other credit institutions   | -                                           | -                                            | 76,504,545                                  | 7,587,972                                       | 8,685,449                                        | 7,032,500                                      | -                                         | 99,810,466                         |
| Deposits from customer                                   | -                                           | -                                            | 317,812,836                                 | 72,046,276                                      | 162,191,203                                      | 15,462,936                                     | 19,326                                    | 567,532,577                        |
| Other borrowed and trusted funds                         | -                                           | -                                            | 1,006,172                                   | 1,171,005                                       | 538,169                                          | 74,799                                         | 9,718                                     | 2,799,863                          |
| Valuable papers issued                                   | -                                           | -                                            | 3,700,736                                   | 29,733,705                                      | 64,916,811                                       | 22,953,723                                     | 5,158,135                                 | 126,463,110                        |
| Other liabilities (*)                                    | -                                           | -                                            | 51,289,391                                  | 56,127                                          | 223,464                                          | 57,751                                         | -                                         | 51,626,733                         |
| <b>Total liabilities (2)</b>                             | <b>-</b>                                    | <b>-</b>                                     | <b>450,322,418</b>                          | <b>110,595,085</b>                              | <b>236,555,096</b>                               | <b>45,581,709</b>                              | <b>5,187,179</b>                          | <b>848,241,487</b>                 |
| <b>Net liquidity gap (3) = (1) – (2)</b>                 | <b>15,037,035</b>                           | <b>5,929,554</b>                             | <b>(259,819,500)</b>                        | <b>20,041,436</b>                               | <b>24,269,594</b>                                | <b>124,026,830</b>                             | <b>179,575,987</b>                        | <b>109,060,936</b>                 |

(\*): Excluding allowance

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 53. OPERATING LEASE COMMITMENTS

|                      | 31/12/2024<br>VND million | 31/12/2023<br>VND million |
|----------------------|---------------------------|---------------------------|
| Due within 1 year    | 77,697                    | 43,870                    |
| Due from 1 – 5 years | 1,187,143                 | 1,027,892                 |
| Due after 5 years    | 473,524                   | 387,020                   |
|                      | <b>1,738,364</b>          | <b>1,458,782</b>          |

## 54. PROFIT MOVEMENTS

Profit after tax of MB for the year ended 31 December 2024 increased by VND1,897,472 million in comparison with that of the corresponding period in 2023, equivalent to 9.01% which is attributable to the followings:

| Items of significant movements                                  | Amount<br>VND million |
|-----------------------------------------------------------------|-----------------------|
| Increase in net interest income                                 | 2,468,371             |
| Increase in net fee and commission income                       | 283,024               |
| Increase in net income from foreign exchange trading            | 790,339               |
| Increase in net income from trading securities                  | 1,214,456             |
| Increase in net income from investment securities               | 2,502,701             |
| Increase in net income from other operating activities          | 852,709               |
| Decrease in income from capital contribution, share acquisition | (4,440)               |
| Increase in operating expenses                                  | (2,094,309)           |
| Increase in allowance expenses for credit loss                  | (3,489,612)           |
| Increase in corporate income tax expenses                       | (625,767)             |
|                                                                 | <b>1,897,472</b>      |

## 55. EVENTS AFTER THE END OF THE ANNUAL ACCOUNTING PERIOD

According to the Report on the results of issuing shares to pay dividends No. 33/BC-MB-HDQT dated January 13, 2025 of the Bank and Official Dispatch No. 371/UBCK-QLCB dated January 17, 2025 of the State Securities Commission about the documents of the results of issuing shares to pay dividends of the Bank, the number of distributed shares is 795,948,607 shares. Accordingly, the total number of shares after the issuance of shares to pay dividends is 6,102,272,659 shares. The impact of this event toward earnings per share is presented in Note 38.

Other than the above event, as of the date of the consolidated financial statement, there are no events occurring after 31 December 2024 that require adjustments or disclosures in the Bank's consolidated financial statements.

# Military Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
(continued)  
for the year ended 31 December 2024

B05/TCTD-HN  
(Issued under Circular  
No.49/2014/TT-NHNN dated  
31 December 2014 of the  
State Bank of Viet Nam

## 56. EXCHANGE RATES OF FOREIGN CURRENCIES AGAINST VND AT THE END OF THE ANNUAL ACCOUNTING PERIOD

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

Prepared by:

Reviewed by:

Approved by:



Ms. Le Thi Huyen Trang  
Director of  
Accounting Center



Ms. Dang Thuy Dung  
Chief Accountant



Ms. Nguyen Thi Thanh Nga  
Chief Financial Officer




Mr. Pham Nhu Anh  
Chief Executive Officer

Hanoi, Vietnam

29 MAR 2025

