

Abstract: Explanation of the reasons for changes in profit after-tax according to the consolidated Financial Statements of the fourth quarter of 2024

To: - State Securities Commission of Vietnam
 - Hanoi Stock Exchange

- Pursuant to Clause 4, Article 14 of Circular 96/2020/TT-BTC dated 16/11/2020 of the Ministry of Finance V/v Guiding information disclosure on the stock market,
- According to the consolidated financial statements of the fourth quarter of 2024 and the actual situation of Vietnam Thuong Tin Commercial Joint Stock Bank,

Vietnam Thuong Tin Commercial Joint Stock Bank provided reasons for changes in profit after-tax according to the consolidated financial statements for the fourth quarter of 2024 compared to the fourth quarter of 2023 as follows:

Unit: million VND

Items that have changes	Data		Up/Down fluctuation	
	Q4/2024	Q4/2023	Absolute (million VND)	Relative (%)
Reduction of net interest income	698.594	723.815	(25.221)	(3,48)
Increase of income from service activities	26.871	25.540	1.331	5,21
Increase of income from FX trading	25.177	7.842	17.335	221,05
Decrease of income from trading investment securities	7.095	35.186	(28.091)	(79,84)
Increase of income from other activities	456.245	55.639	400.606	720,01
Increase of operation expenses	462.613	431.719	30.894	7,16
Increase of credit risk provision	440.440	22.690	417.750	1.841,12
Reduction of current CIT expenses	63.575	79.784	(16.209)	(20,32)
Reduction of profit after-tax	247.354	313.829	(66.475)	(21,18)

The Bank's profit after tax in the fourth quarter of 2024 compared to the fourth quarter of 2023 decreased **66.475** million VND (equivalent to 21.18%) mainly due to the following items:



- Net interest income reached VND 698,594 million, reduced by 3.48% over the same period in 2023 due to Vietbank's promotion of fund mobilization activities from customers from the fourth quarter of 2024, fund mobilization expenses increased, led to the decrease of net interest income.
- Income from service activities increased by 5.21%, mainly from digital banking services.
- Income from FX trading reached VND 25,177 million, increased by 221.05% over the same period due to favorable FX rate fluctuations.
- Income from trading investment securities decreased due to unfavorable interest rate movements in the market, therefore the bank kept the portfolio stable for the rest of the year.
- Income from other activities increased over the same period in 2023 due to the collection of bad debts.
- Operating expenses increased by 7.16% mainly due to the increase in deposit insurance expenses and expenses of asset investment.
- Provision expenses increased by VND 417,750 billion due to an increase in general provisioning expenses (increased outstanding loans) and at the same time the bank increased specific provisioning expenses to create a solid reserve buffer and improve asset quality in the future.

Kind regards./.

Recipient:

-As stated above;

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CHIEF EXECUTIVE OFFICER

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