**SGB: Explanation on the fluctuations in profit after tax in 2023 compared to that of the last year**

On March 26, 2024, Sai Gon Bank for Industry and Trade announced Official Dispatch No. 1245/SGB-KH-BC on explaining as per Circular No. 96/2020/BTC dated November 16, 2020 of the Ministry Financial on information disclosure guidance on the stock market as follows:

1. Audited Separate Financial Statements 2023:

Profit after tax in 2023 is VND 266,789 million, which is an increase of VND 76,800 million compared to that of 2022 (VND 189,989 million). This is primarily because:

* Net interest income went from VND 870,103 million in 2022 to VND 890,717 million in 2023, equivalent to an increase of VND 20,614, thanks to growth in credit balance.
* Net profit and net loss from services went from VND 39,841 in 2022 to VND 42,277 million in 2023, equivalent to an increase of VND 2,436 million, thanks to property for rent.
* Net profit and net loss from foreign exchange services went from VND 47,797 million in 2022 to VND 33,611 million in 2023, equivalent to a decrease of VND 14,186 million, due to exchange rate fluctuations and import-export sales.
* Net profit and net loss from other activities went from VND 84,870 million in 2022 to VND 187,536 million in 2023, equivalent to an increase of VND 102,666 million, thanks to the strengthening of bad debt handling and collection of debts from used provisions.
* Income from capital contribution by share purchase went from VND 6,589 million in 2022 to VND 10,059 million in 2023, equivalent to an increase of VND 3,470 million, thanks to dividends from investment capital contribution.
* Operational expenses went from VND 562,521 million in 2022 to VND 563,768 million in 2023, equivalent to an increase of VND 1,247 million, thanks to reduction in salary and property expenses...
* Allowance for credit losses went from VND 250,448 million in 2022 to VND 268,905 million in 2023, equivalent to a decrease of VND 18,457 million, thanks to strengthening of bad debt handling and increase in provision.
* Corporate income tax expenses went from VND 46,242 million in 2022 to VND 64,738 million in 2023, equivalent to an increase of VND 18,496 million.
1. Audited Consolidated Financial Statements 2023:

Profit after tax in 2023 is VND 266,789 million, an increase of VND 76,800 million compared to that of 2022 ( VND 189,989 million). This is primarily because:

* Net interest income went from VND 875,318 million in 2022 to VND 891,944 million in 2023, equivalent to an increase of VND 16,626 million, thanks to growth in credit balance.
* Net profit and net loss from forex trading went from VND 38,205 million in 2022 to VND 39,004 million in 2023, equivalent to a decrease of VND 799 million.
* Net profit and net loss from foreign exchange services went from VND 47,797 million in 2022 to VND 33,611 million in 2023, equivalent to a decrease of VND 14,186 million, due to exchange rate fluctuations and import-export sales.
* Net profit and net loss from other activities went from VND 90,647 million in 2022 to VND 199,837 million in 2023, equivalent to an increase of VND 109,190 million, thanks to the strengthening of bad debt handling and collection of debts from used provisions.
* Income from capital contribution by share purchase went from VND 3,488 million in 2022 to VND 7,191 million in 2023, equivalent to an increase of VND 3,703 million, thanks to dividends from long-term investment capital contribution.
* Operational expenses went from VND 568,001 million in 2022 to VND 570,437 million in 2023, equivalent to an increase of VND 2,436 million.
* Provision expenses for the risk of credit losses went from VND 250,448 million in 2022 to VND 268,905 million in 2023, equivalent to a decrease of VND 18,457 million, thanks to the strengthening of bad debt handling and increase in provision.

Corporate income tax expenses went from VND 47,017 million in 2022 to VND 65,456 million in 2023, equivalent to an increase of VND 18,439 million.