**VAB: Explanation on fluctuations in Profit after tax in 2023**

On March 28, 2024, VietNam – Asia Commercial Joint Stock Bank announced Official Dispatch No. 1092/2024/BC-VAB on explaining the reason why the profit after tax in the Financial Statements 2023 fluctuated more than 10% compared to 2022 as follows:

Unit: Billion VND, %

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Targets | 2023 | 2022 | Increase/Decrease | Difference |
| Separate profit after tax | 711.5 | 838.1 | -126.6 | -15.1% |
| Consolidated profit after tax | 744.1 | 890.6 | -146.5 | -16.5% |

Net interest income from other activities decreased compared to 2022 (in 2022, income increased due to recording profits from debt-clearing asset sales). Income from foreign exchange activities decreased by VND 3.5 billion, decreased by 36.1% compared to 2022, also contributing to the decrease in profits in 2023. Increased operating costs (salary costs, asset investment costs...) in 2023 also reduced the Bank's profits.

In addition, the Bank continued to strengthen bad debt handling and provisioning, so provision costs increased by VND 625.3 billion, leading to a decrease in profit in 2023 compared to 2022.

Thus, from the above reasons, individual profit after tax in 2023 increased by VND 126.6 billion, an increase of 15.1% compared to 2022. Consolidated profit after tax in 2023 decreased by VND 146.5 billion, decreased by 16.45% compared to consolidated profit after tax in 2022.