

No: 208 /NHKL

Regarding explanation of profit fluctuations  
after tax separate Q4 2024  
and the whole year 2024

Rach Gia, date 23 month 01 year 2025

**Dear :**

- **State Securities Commission;**
- **Hanoi Stock Exchange.**

Kienlong Commercial Joint Stock Bank, stock symbol KLB, would like to explain the fluctuations in KienlongBank's individual after-tax profit in the fourth quarter of 2024 and the whole year of 2024 as follows:

**1. KienlongBank's individual after-tax profit in the fourth quarter of 2024 increased by over 10% compared to the same period in 2023:**

KienlongBank's separate after-tax profit in the fourth quarter of 2024 increased by VND 217,241 million, equivalent to an increase of 348.04% compared to the fourth quarter of 2023, mainly due to the following main reasons:

- Total revenue increased by VND 330,637 million, equivalent to an increase of 44.28%, mainly due to net interest income and other income from debt handling and collection .
- Total expenses increased by VND 58,658 million, equivalent to an increase of 8.77% , mainly due to increased credit risk provisioning costs , contributing to increasing the credit risk buffer .

**2. KienlongBank's individual after-tax profit in 2024 increased by over 10% compared to 2023:**

KienlongBank's separate after-tax profit in 2024 increased by VND 318,639 million, equivalent to an increase of 56.09% compared to 2023, mainly due to the following reasons:

- Total revenue increased by VND 1,185,822 million, equivalent to an increase of 43.39%, mainly due to KienlongBank effectively using mobilized capital from the beginning of the year and effectively implementing debt handling and collection.
- Total cost increased by 787,383 million VND, equivalent to an increase of 38.95%. In which:
  - + Operating expenses increased by VND 382,355 million, equivalent to an increase of 23.84%, mainly due to KienlongBank focusing on promoting investment in materials, IT infrastructure, digitalization projects , strengthening remuneration policies, and increasing income for employees .
  - + Credit risk provisioning expenses increased by VND 405,028 million, equivalent to an increase of 96.92%, mainly due to KienlongBank increasing provisioning to improve asset quality, accumulate risk handling resources as well as create a solid reserve buffer, increase bad debt coverage ratio, to cope with unpredictable fluctuations in the future, ensuring safe and sustainable operations.

Best regards./.

**Recipient:**

- As above;
- Board of Directors, Supervisory Board (for reporting);
- Board of Management (for direction);
- Save: CR.



Acting Chief Executive Officer

Tran Hong Minh