

No: 05/BC-BKS

*Rach Gia, April 01<sup>st</sup>, 2026*

**REPORT OF THE BOARD OF SUPERVISORS  
ON ACTIVITIES IN 2025 AND ACTIVITY PLAN FOR 2026**

**To: The General Meeting of Shareholders.**

- Pursuant to the Law on Credit Institutions of 2024 (“Law on Credit Institutions”) and its amendments;
- Pursuant to the Charter of Kien Long Commercial Joint Stock Bank (“KienlongBank/Bank”).

In fulfilling the functions and duties of the Board of Supervisors as stipulated in the Law on Credit Institutions and the KienlongBank Charter, the Board of Supervisors (“BOS”) hereby reports to the Annual General Meeting of Shareholders of 2026 on the following matters:

**I. RESULTS OF THE BOARD OF SUPERVISORS’ ACTIVITIES IN 2025**

**1. Organization and operation of the BOS in 2025**

**1.1. Organizational structure and personnel of the BOS**

As of December 31, 2025, the BOS for the 2023-2027 term has 05 (five) members:

No	Full name	Title	Date of commencement/ cessation of membership in the BOS
1	Ms. Do Thi Tuyet Trinh	Head of BOS (Full-time member)	Elected by the 2023 Annual General Meeting of Shareholders on April 27, 2023
2	Mr. Dang Minh Quan	BOS Member (Full- time member)	Elected by the 2023 Annual General Meeting of Shareholders on April 27, 2023
3	Ms. Hoang Thi Phuong	BOS Member (Full- time member)	Elected by the 2024 Annual General Meeting of Shareholders on April 26, 2024
4	Ms. Nguyen Thi Khanh Phuong	BOS Member (Full- time member)	Elected by the 2024 Annual General Meeting

No	Full name	Title	Date of commencement/cessation of membership in the BOS
			Meeting of Shareholders on October 26, 2024
5	Mr. Dao Ngoc Hai	BOS Member (Full-time member)	Elected by the 2024 Extraordinary General Meeting of Shareholders on October 26, 2024

## 1.2. Summary of BOS Meetings

In 2025, the BOS held 6 meetings. All members of the BOS attended the meetings fully, discussing, contributing opinions, and unanimously voting to implement: the BOS's operational plan approved by the General Meeting of Shareholders; assigning tasks to BOS members; approving the internal audit plan; directing and supervising internal audit activities; recruiting/appointing/reappointing and approving some personnel policies for the Internal Audit Department; selecting and proposing to the General Meeting of Shareholders for approval the list of audit firms to conduct audits.

The Head of the BOS fully attended all regular/extraordinary meetings of the Board of Directors. In addition, the Head of the BOS/members of the BOS attended meetings to approve audit reports, enabling the BOS to understand the business operations and risk control work of the Units. From there, we will direct the rectification and correction of shortcomings and deficiencies, and strengthen internal auditing to limit errors, prevent risks, and ensure safety in operations.

## 2. Result of BOS' monitoring activities

### 2.1. Coordination of activities between the BOS and the Board of Directors and the Board of Management

The coordination of activities between the BOS and the Board of Directors ("BOD") and the Board of Management ("BOM") always ensures compliance with the law, KienlongBank regulations, and the common interests of the Bank. The BOS is provided with all necessary information, reports, and data by the Board of Directors and the Board of Management to perform its functions and duties as stipulated by law.

The Head of the BOS attends all regular/extraordinary meetings of the Board of Directors.

### 2.2. Monitoring the compliance with legal regulations and KienlongBank's Charter in governance and management

In 2025, the Board of Supervisors (BOS) fulfilled its oversight duties regarding: (i) compliance with legal regulations and KienlongBank's Charter in governance and

management; (ii) the implementation of business orientations, goals, and targets approved by the General Meeting of Shareholders (GMS) and the BOD; and (iii) other duties as prescribed by law, KienlongBank's Charter, and the BOS's Operational Regulations. The results of supervision and internal audits indicate:

- The BOD performed the following:
  - + Directed and successfully organized the 2025 Annual General Meeting and the 2025 Extraordinary General Meeting. Supervised the implementation of GMS resolutions, including increasing charter capital and listing KienlongBank's shares on the Ho Chi Minh City Stock Exchange (HOSE).
  - + Strengthened senior leadership, including the appointment of a new General Director to enhance KienlongBank's governance and operational capacity while ensuring compliance with legal and internal regulations.
  - + The oversight role of Senior Management over the General Director and the BOM was clearly demonstrated through: (i) regular BOD meetings to review operations and make timely decisions; (ii) establishing and maintaining specialized committees to assist the BOD in gathering information for informed decision-making; (iii) participating in BOM meetings and monitoring performance via business indicators, financial statements, and other executive reports.
  - + Directed the implementation of the ESG (Environmental, Social, and Governance) strategy and the adoption of Basel III advanced practices to ensure sustainable, efficient, and stable growth.
- The General Director and the BOM proactively realized the business plans:
  - + Promoted credit growth while focusing on portfolio quality; intensified bad debt recovery; implemented solutions to boost capital mobilization and increased the CASA ratio to optimize funding costs.
  - + Executed key projects and comprehensive digital transformation initiatives to enhance customer experience, increase transaction volume, and optimize processing time and operating expenses;
  - + Reviewed the business network to align with local administrative restructuring;
  - + Acted upon findings and recommendations from state regulatory authorities, the BOS, and Internal Audit;
  - + Operated functional councils to support the BOM in making timely and appropriate business decisions;



- + Reviewed the internal document system to ensure legal and charter compliance; measured and monitored safety limits to comply with State Bank of Vietnam regulations and internal policies.
- Regarding the internal control system, KienlongBank has established three independent lines of defense that fundamentally meet the requirements of Circular 13/2018/TT-NHNN dated May 18, 2018, regulating the internal control system of commercial banks and branches of foreign banks, including: (i) ensuring the existence of mechanisms for decentralization, delegation of organizational structure, operating mechanisms, regulations, and procedures; (ii) Having functions for identifying and controlling risks within the business units themselves and providing direct support; (iii) Developing internal policies/regulations on risk management, risk measurement, monitoring, and compliance with legal regulations; (iv) Establishing several units for cross-checking/controlling in certain high-risk business areas/ or having supporting systems.

### 2.3. Monitoring the Implementation of the General Shareholders' Meeting Resolutions

The Board of Directors has directed the General Director to implement Resolution No. 01/NQ-DHDCD dated April 25, 2025, of the 2025 Annual Shareholders' Meeting and Resolution No. 02/NQ-DHDCD dated July 15, 2025, of the 2025 Extraordinary Shareholders' Meeting. The results achieved are as follows:

a) Contents completed according to Resolution No. 01/NQ-DHDCD dated April 25, 2025:

- Exceeded several financial targets according to the 2025 business plan assigned by the Shareholders' Meeting, specifically:

*Unit: VND billion*

Indicator	Plan 2025	Actual 2025	% of plan implementation for 2025
1. Total Asset	102,000	103,303	101.28
2. Mobilized Capital	93,000	91,361	98.24
3. Credit Outstanding	71,000	71,588	100.83
4. NPL Ratio (%)	< 3.00	1.57	
5. Pre-tax Profit	1,379	2,322.70	168.43

- Completed the allocation of funds (capital reserve fund, financial reserve fund, reward fund) as stipulated.

- Completed the listing of KienlongBank shares on the Ho Chi Minh City Stock Exchange.

- Completed the listing of KienlongBank bonds on the Hanoi Stock Exchange.

- Completed several tasks authorized by the General Meeting of Shareholders: The Board of Directors unanimously selected A&C Auditing and Consulting Co., Ltd. as the auditor for the financial statements and the internal control system for the 2026 fiscal year of KienlongBank.

- Remuneration of the Board of Directors and Board of Supervisors: Paid according to Resolution 01/NQ-DHDCD and within the budget limits approved by the General Meeting of Shareholders. Operating expenses of the BOS are part of the Bank's general operating budget and are managed according to KienlongBank's financial regulations.

*b) Contents completed according to Resolution No. 02/NQ-DHDCD dated July 15, 2025:*

Completed the increase of KienlongBank's charter capital from VND 3,652,818,780,000 to VND 5,821,710,040,000, through the issuance of shares as dividend payments to existing shareholders.

#### **2.4. Monitoring Internal Audit Activities**

The BOS regularly monitors and directs internal audit activities in accordance with the regulations in Circular 13/2018/TT-NHNN dated May 18, 2018 (Circular 13) and KienlongBank's internal regulations. Internal audit activities have contributed to supporting the Board of Directors and the BOM in improving the internal control system, while proactively detecting, preventing, and handling violations within the system, specifically:

- The Internal Audit Department has conducted audits according to the 2025 internal audit plan approved by the BOS.

- The results of internal audits have been fully sent to the Board of Directors, the General Director, and relevant units. At the same time, the Internal Audit Department has also actively monitored and urged the progress of rectifying audit recommendations and suggestions for audited units in accordance with KienlongBank's internal regulations.

#### **2.5. Financial Statement Audit Results**

During the year, the BOS collaborated with A&C Auditing and Consulting Co., Ltd. in auditing KienlongBank's consolidated financial statements, interim separate financial statements, and 2025 annual financial statements. The audit results of the BOS and A&C Auditing and Consulting Co., Ltd. are as follows:

- The recording, archiving of documents, and preparation of accounting books were carried out in accordance with Decision No: 1913/2005/QD-NHNN dated December 30, 2005, of the State Bank of Vietnam.

- KienlongBank's consolidated financial statements for 2025 were prepared in accordance with Decision No. 16/2007/QD-NHNN dated April 18, 2007, Circular 49/2014/TT-NHNN dated December 31, 2014, Circular No. 22/2017/TT-NHNN dated December 29, 2017, and Circular No. 27/2021/TT-NHNN dated December 31, 2021 of the State Bank of Vietnam and relevant accounting standards.

- The consolidated financial statements fairly and reasonably reflect, in all material respects, the consolidated financial position of KienlongBank and its subsidiaries as of December 31, 2025, as well as the consolidated operating results and consolidated cash flow for the year ended on the same date, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to credit institutions issued by the State Bank of Vietnam, and relevant legal regulations on the preparation and presentation of consolidated financial statements.

The financial position is fully and clearly presented in KienlongBank's audited consolidated financial statements for 2025, which have been published on the Bank's website in accordance with current regulations. Some important financial indicators are as follows:

a) Regarding basic financial indicators:

*Unit: VND billion*

No	Indicators	Actual 2024	Actual 2025	Increase/Decrease (+/-) in 2025 compared to 2024	
				Balance	Ratio (%)
1	Charter capital	3,653	5,821	2,168	59.35
2	Total assets	92,176	103,303	11,127	12.07
3	Total mobilized capital	82,575	91,361	8,786	10.64
4	Outstanding credit balance	61,432	71,588	10,156	16.53
5	Non-performing loan ratio (%)	1.60	1.57		(0.03)
6	Pre-tax profit	1,112.06	2,322.70	1,210.64	108.86

b) Safety indicators as of December 31, 2025:

No	Indicators	Unit	Actual 2025	SBV requirements
1	Minimum capital adequacy ratio	%	14.38	≥ 8.00
2	Liquidity reserve ratio	%	26.80	≥ 10.00

No	Indicators	Unit	Actual 2025	SBV requirements
3	Ratio of total investment and equity contributions to charter capital and supplementary charter capital reserves	%	8.29	≤ 40.00
4	Number of credit institutions in which KienlongBank purchasing shares	Number	-	≤ 2 credit institutions in which the credit institution invests, contributes capital, or purchases shares.
5	Ratio of short-term funding to medium- and long-term loans	%	14.22	≤ 30.00
6	Ratio of outstanding loans to total deposits	%	78.13	≤ 85.00

## 2.6. Other Supervisory Activities

The BOS has fully carried out other supervisory activities as required by law and KienlongBank's Charter:

- The establishment, maintenance, and updates of the list of founding shareholders, major shareholders, and related persons of the members of the Board of Directors, the BOS, and the Director General (CEO) of KienlongBank, as well as shareholders owning 01% or more of the charter capital, have been performed periodically by the BOS and fully archived in accordance with regulations.

- The BOS monitors compliance with the regulations in Chapter VII of the Law on Credit Institutions regarding restrictions to ensure safety in the operation of credit institutions. KienlongBank complies with the regulations on safety limit indicators as prescribed by law.

- In 2025, KienlongBank will complete the distribution of profits and dividends in accordance with the principles approved by the General Meeting of Shareholders and the approval of the State Bank of Vietnam.

- Monitoring the implementation of contracts and transactions with related parties, including: Kien Long Commercial Bank Asset Management and Exploitation Company Limited; transactions with members of the Board of Directors, members of the BOS, General Director, Deputy General Director, and related parties.

## 2.7. Issues to Note in Management and Operation

Besides the achievements, the BOS notes the following issues for the Board of Directors and the General Director:

- Regarding credit granting activities: Credit granting activities in the 2025 fiscal year basically complied with the law and KienlongBank's internal regulations, grew within the limits allowed by the State Bank of Vietnam, and exceeded the business plan targets approved by the General Meeting of Shareholders. However, during the implementation of business activities, some errors/limitations in operation still exist. Therefore, in 2026, management and operation need to strengthen risk control and improve compliance with internal regulations and laws regarding credit granting activities to minimize and limit risks from the first line of defense; - Timely and thorough rectification of existing issues according to recommendations from the Internal Audit, BOS, and the State Bank of Vietnam's inspection agency...

- Regarding the improvement of the internal regulatory system: several documents from competent state agencies on banking operations will officially come into effect in 2026 and have a comprehensive impact on the operations of commercial banks. KienlongBank needs to proactively update, review, and adjust its internal regulatory system to ensure timeliness and compliance. At the same time, the Bank also needs to proactively assess the impact of changes in legal regulations on risk appetite and business operations to provide appropriate guidance and direction in governance and management.

- Other contents: (i) Strengthening centralized risk management, loan classification, provisioning and use of risk reserves; (ii) For Information Technology: continue to strengthen the management and supervision of information technology operations; (iii) Ensure that the information technology system operates stably, securely, and meets development requirements; accelerate digital transformation to keep pace with the market and increase business efficiency. Simultaneously, focus on information security and cybersecurity; strengthen control over the deployment of technology projects and management of outsourced IT services; (iii) Continue to review and improve internal control and operational processes in payment activities to ensure safe and smooth transaction processing. Simultaneously, strengthen operational risk control measures, improve the efficiency of reconciliation and error handling, and ensure compliance with regulatory requirements; (iv) In the context of a volatile economy, proactively develop financial contingency measures to ensure safe and efficient operations; and continue to increase non-interest income, especially income from service activities.

## **II. BOARD OF SUPERVISORS' ACTIVITY PLAN FOR 2026**

Based on KienlongBank's business development orientation, the BOS identifies the following key activities for 2026:

1. Strengthening and improving the effectiveness of inspection and supervision of compliance with legal regulations and KienlongBank's charter in governance, operation, and implementation of resolutions of the General Meeting of Shareholders.

2. Inspecting financial activities, supervising compliance with accounting regulations, income distribution, and fund utilization; monitoring financial indicators and safety ratios in KienlongBank's operations.

3. Enhance the effectiveness of internal audit activities and high-level supervision of internal audits as stipulated in Circular 83/2025/TT-NHNN (hereinafter referred to as "Circular 83") dated December 31, 2025 of the State Bank of Vietnam (effective from July 1, 2026) and KienlongBank's internal regulations, specifically: (i) Strengthen supervision of internal audit activities according to the approved 2026 audit plan and the orientation for developing the 2027 audit plan; (ii) Review and adjust the internal document system related to the activities of the BOS and internal audit to ensure compliance with legal regulations and effectiveness in actual operations; (iii) Organize internal training and continuously improve audit methods to ensure compliance with KienlongBank's operating model and the requirements of Circular 13 and Circular 83. In addition, strengthen encouragement and support for employees to complete relevant professional certifications, as well as attract and recruit competent personnel from within and outside the bank.

4. Appraise semi-annual and annual financial statements.

5. Prepare, maintain, and update the list of founding shareholders, major shareholders, and related parties of the Board of Directors, BOS members, and General Director of KienlongBank, and shareholders owning 1% or more of the charter capital as prescribed by law.

6. Perform other functions and duties of the BOS as prescribed by the State Bank of Vietnam, the charter, and internal regulations of KienlongBank.

### **III. RECOMMENDATION OF THE BOARD OF SUPERVISORS**

Based on KienlongBank's Charter, the organizational and operational regulations of the BOS, and the business orientation for 2026, the BOS recommends the Board of Directors and the General Director the following issues regarding KienlongBank's operations:

1. Strictly comply with the provisions of the law, the charter, and KienlongBank's internal regulations in governance and management; develop safe and sustainable business operations in accordance with the directions of the Government and the State Bank of Vietnam.



2. Regularly review, improve, and promptly adjust the system of internal regulations, rules, and procedures to conform with current legal regulations and the actual business situation.

3. Continue to improve the effectiveness of KienlongBank's internal control system in accordance with international practices such as Basel 3 and the requirements of Circular 83/2025/TT-NHNN dated December 31, 2025, and other regulations of the State Bank of Vietnam. Strengthen risk management capacity for key risks, paying attention to regularly reviewing and improving risk management regulations and strategies, especially including credit risk and concentration risk, as required by Circular 83 and legal regulations, KienlongBank's internal regulations, and the macroeconomic situation, in order to identify and provide early warnings of potential risks that may negatively impact KienlongBank's operations.

The above is the report on the results of operations in 2025 and the plan for operations in 2026 of the BOS.

*Respectfully submitted to the General Meeting of Shareholders for consideration and approval./.*

**Recipients:**

- As above;
- Board of Directors;
- Archived at: Board of Supervisors.

**ON BEHALF OF BOARD OF SUPERVISORS**

**HEAD OF THE BOARD**



**Do Thi Tuyet Trinh**