

No. 174/2025/CV-TGD

Soc Trang, January 24, 2025

Abstract: Explanation of changes in profit after tax according to the separate financial statements for the 4th 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 issued by the Ministry of Finance providing guidance in information disclosure on the stock market,
- According to the separate 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 separate financial statements of the fourth quarter of 2024 compared to the fourth quarter of 2023 as follows:


Unit: Million VND

Items with fluctuations	Data		Up/Down Fluctuation	
	Quarter IV/2024	Quarter IV/2023	Absolute (million VND)	Relative (%)
Reduction of net interest income	698.582	723.795	(25.213)	(3,48)
Increase of income from service activities	23.723	20.497	3.226	15,74
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	459.564	425.997	33.567	7,88
Increase of credit risk provision	440.328	22.690	417.638	1.840,63
Reduction of current CIT expenses	63.575	79.784	(16.209)	(20,32)
Reduction of profit after tax	247.354	314.488	(67.133)	(21,35)

The Bank's profit after tax in the fourth quarter of 2024 compared to the fourth quarter of 2023 decreased by VND 67,133 million (equivalent to 21.35%), mainly due to the following items:



- Net interest income reached VND 698,582 million, reduced by 3.48% over the same period in 2023 due to Vietbank promoting fund mobilization activities from customers from the fourth quarter of 2024, fund mobilization costs increased, led to the decrease of net interest income.
- Income from service activities increased by 15.74%, 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, so the bank kept the portfolio stable for the rest of the year.
- Income from other activities increased by 720.01% over the same period in 2023 due to the collection of bad debts.
- Operating expenses increased by 7.88% mainly due to the increase in deposit insurance expenses and expenses for asset investment.
- Provision expenses increased by VND 417,638 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./ 

Recipients:

- As stated above;
- Archived by Admin.



CHIEF EXECUTIVE OFFICER 

TRAN TUAN ANH

