

FINANCIAL STATEMENTS

For Quarter II of 2025

KIEN LONG COMMERCIAL JOINT STOCK BANK



KIEN LONG COMMERCIAL JOINT STOCK BANK

40-42-44 Pham Hong Thai, Rach Gia Ward

An Giang Province, Vietnam

Form: B02a/TCTD

(Promulgated under Circular No. 27/2021/TT-NHNN
dated December 31, 2021 by the Governor of the SBV)**STATEMENT OF FINANCIAL POSITION****Quarter II Year 2025****Unit: VND million**

	Notes	30 June 2025	31 December 2024
A. ASSETS			
I. Cash, gold, silver, gemstones	5	769.709	538.410
II. Deposits at the State Bank of Vietnam	6	6.340.928	4.207.486
III. Deposits and Loans Granted to other Credit Institutions	7	10.338.801	15.504.604
1. Cash, gold deposited at other credit institutions		10.338.801	15.504.604
IV. Trading Securities		-	-
V. Financial Derivatives and other Financial Assets		-	-
VI. Customers lending		68.416.125	60.451.562
1. Customers lending	8	69.547.023	61.431.909
2. Provision for customers lending	9	(1.130.898)	(980.347)
VII. Factoring activities		-	-
VIII. Investment Securities	10	2.971.035	2.973.962
1. Available-for-sale securities		1.298.473	1.298.447
2. Held-to-maturity securities		1.672.562	1.675.515
3. Dự phòng giảm giá chứng khoán đầu tư		-	-
IX. Equity Investment and Other Investments	11	500.000	500.000
1. Investments in subsidiaries		500.000	500.000
X. Fixed assets		1.393.258	1.414.231
1. Tangible fixed assets	12	614.566	622.402
a. Cost		1.187.018	1.168.887
b. Accumulated depreciation		(572.452)	(546.485)
3. Intangible fixed assets	13	778.692	791.829
a. Cost		933.333	933.333
b. Accumulated depreciation		(154.641)	(141.504)
XI. Investment Properties		-	-
XII. Other long-term assets		7.217.285	6.902.052
1. Accounts receivable	14	5.396.596	5.285.668
2. Interests and fees receivable	15	1.631.269	1.393.393
4. Other assets	16	282.320	320.901
5. Provisions for other assets		(92.900)	(97.910)
TOTAL ASSETS		97.947.141	92.492.307

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dated December 31, 2021 by the Governor of the SBV)**STATEMENT OF FINANCIAL POSITION****Quarter II Year 2025****Unit: VND million**

	Notes	30 June 2025	31 December 2024
B. LIABILITIES AND OWNERS' EQUITY			
I. Borrowings from Government and the State Bank of Vietnam		-	-
II. Deposits and Borrowings from Other Credit Institutions	17	10.065.896	15.125.547
1. Deposits from other credit institutions		10.057.614	15.117.285
2. Borrowings from other credit institutions		8.282	8.262
III. Deposits from customers	18	73.469.851	63.761.497
IV. Derivative Financial Instruments and Other Financial Liabilities	19	35.876	112.476
V. Trust Funds and Other Borrowed Funds		-	-
VI. Issuance of Valuable Documents		4.129.616	4.028.106
VII. Other Liabilities		3.029.469	2.888.800
1. Interests, fees payable	20	1.161.574	1.009.703
3. Accounts payable and other liabilities	21	1.867.895	1.879.097
TOTAL LIABILITIES		90.730.708	85.916.426
VIII. Equity and Funds	22	7.216.433	6.575.881
1. Equity of credit institutions		3.618.619	3.618.619
a. Chartered Capital		3.652.819	3.652.819
d. Treasury stocks		(34.200)	(34.200)
2. Funds of credit institutions		726.381	549.912
3. Exchange rate difference		(50.326)	-
5. Undistributed profit		2.921.759	2.407.350
TOTAL LIABILITIES AND OWNERS' EQUITY		97.947.141	92.492.307

KIEN LONG COMMERCIAL JOINT STOCK BANK

40-42-44 Pham Hong Thai, Rach Gia Ward
An Giang Province, Vietnam

Form: B02a/TCTD

(Promulgated under Circular No. 27/2021/TT-NHNN
dated December 31, 2021 by the Governor of the SBV.)

STATEMENT OF FINANCIAL POSITION

Quarter II Year 2025

Unit: VND million

	Notes	30 June 2025	31 December 2024
OFF STATEMENT OF FINANCIAL POSITION			
2. Forex trading commitment	33	13.408.669	19.422.623
▪ Commitment to buy foreign currency		52.180	2.126.880
▪ Commitment to sell foreign currency		26.090	708.960
▪ Commit to swaps		13.330.399	16.586.783
4. Commitments in L/C	33	4.000.000	4.005.233
5. Other guarantees	33	2.791.401	4.129.036
7. Lending interest and receivable fees but not collected yet	34	291.718	331.341
8. Difficult to collect debts that have been settled	35	2.894.930	2.585.844
9. Assets and others	36	4.252.296	4.288.497

An Giang, day 15 month 07 year 2025

Prepared by

Chief Accountant

Chairman

Thi Duyen

Vu Dang Xuan Vinh



Tran Ngoc Minh

KIEN LONG COMMERCIAL JOINT STOCK BAI

40-42-44 Pham Hong Thai, Rach Gia Ward
An Giang Province, Vietnam

Form: B03a/TCTD
(Promulgated under Circular No. 27/2021/TT-NHNN
dated December 31, 2021 by the Governor of the SBV)

INCOME STATEMENT

Quarter II Year 2025

Unit: VND million

No	Items	Notes	Quarter II		Accumulated from the beginning of the year to the end of this quarter	
			Year 2025	Year 2024	Year 2025	Year 2024
1	Interest and similar income		1.999.778	1.809.610	3.987.621	3.502.639
2	Interest expense and similar charges		(1.119.833)	(894.687)	(2.262.822)	(1.980.639)
I	Net interest income	23	879.945	914.923	1.724.799	1.522.000
3	Income from services		165.881	155.315	339.295	273.358
4	Expenses of services		(23.201)	(40.983)	(44.602)	(50.020)
II	Net gain/loss from services	24	142.680	114.332	294.693	223.338
III	Net gain/loss from dealing in foreign currencies	25	20.414	(6.199)	41.352	4.992
IV	Net gain/loss from dealing in trading securities		-	-	-	-
V	Net gain/loss from dealing in investment securities	26	12.661	3.508	12.749	8.385
5	Income from other activities		126.879	49.416	238.868	81.644
6	Expenses of other activities		(1.591)	(909)	(10.006)	(5.396)
VI	Net gain/loss from other activities	27	125.288	48.507	228.862	76.248
VII	Gain from capital contribution and share acquisition		5.145	4.366	5.145	4.366
VIII	Operating Expenses	28	(289.376)	(495.393)	(859.000)	(931.733)
IX	Net operating income before provision for credit losses		896.757	584.044	1.448.600	907.596
X	Provision for credit losses		(329.943)	(244.365)	(528.141)	(355.967)
XI	Total profits before tax		566.814	339.679	920.459	551.629
7	Current corporate income tax		(112.681)	(67.973)	(183.925)	(110.739)
8	Deferred corporate income tax		-	-	-	-
XII	Corporate income tax	29	(112.681)	(67.973)	(183.925)	(110.739)
XIII	Profit after tax		454.133	271.706	736.534	440.890

Prepared by

Chief Accountant

Thi Duyen

Vu Dang Xuan Vinh



On Giang, day 15 month 07 year 2025
Chairman

Tran Ngoc Minh

CASH FLOWS STATEMENTS

Quarter II Year 2025

Unit: VND million

ITEMS	Accumulated from the start of the year through the end of this quarter	
	Year 2025	Year 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
01. Interest and similar income	3.749.744	3.356.358
02. Interest and similar expenses paid	(2.110.950)	(2.601.647)
03. Income from services	294.693	223.338
04. Differences of actual receipts/payments from operating activities (foreign currencies, gold, securities)	54.101	13.377
05. Other income	(546)	(3.107)
06. Receipts of debts written off and compensated by provisions for credit risks	221.948	78.732
07. Payments to employees and for management and administrative works	(822.771)	(780.622)
08. Tax actually paid during the year	(158.025)	(76.336)
Net cash flows from operating activities before changes in assets and working capital	1.228.194	210.093
(Increase)/decrease in operating assets		
10. (Increase)/ Decrease in proceeds from securities trading activities	2.926	(150.695)
12. (Increase)/ Decrease in loans to customers	(8.115.115)	(8.037.987)
13. Decrease in provision for losses	(377.590)	(190.937)
14. Other (Increases)/ Decreases in operating assets	(48.733)	(514.913)
Increase/(decrease) in operating liabilities	-	-
16. Increase/ (Decrease) in deposits and borrowings from other credit institutions	(5.059.650)	2.647.535
17. Increase/ (Decrease) in deposits from customers	9.708.354	1.508.764
18. Increase/ (Decrease) in issuance of valuable documents (excluding those being accounted to financing activities)	101.510	(231.041)
20. Increase/ (Decrease) in derivative financial instruments and other financial	(76.600)	170.599
21. Increases/ (Decrease) in operating liabilities	(88.773)	705.625
22. Chi từ các quỹ của tổ chức tín dụng	(1.029)	(1.299)
I. Net cash flows from operating activities	(2.726.506)	(3.884.256)
CASH FLOW FROM INVESTMENT ACTIVITIES		
01. Purchase of fixed assets	(36.835)	(11.475)
02. Proceeds on disposal of fixed assets	7.460	623
09. Dividends and profits from long-term investments and capital contributions	5.145	4.366
II. Cash flows from investing activities	(24.230)	(6.486)
CASH FLOW FROM FINANCIAL ACTIVITIES		

KIEN LONG COMMERCIAL JOINT STOCK BANK

40-42-44 Pham Hong Thai, Rach Gia Ward
An Giang Province, Vietnam

Form: B04a/TCTD
(Promulgated under Circular No. 27/2021/TT-NHNP
dated December 31, 2021 by the Governor of the SBI)

CASH FLOWS STATEMENTS

Quarter II Year 2025

Unit: VND million

III. Cash flows from financing activities	-	-
IV. Net cash flows	(2.750.736)	(3.890.742)
V. Cash and cash equivalents at the beginning of the year	20.250.500	25.168.780
VI. Adjustments to impacts of exchange rate changes	(50.326)	(18.333)
VII. Cash and cash equivalents at the year end (Note 30)	17.449.438	21.259.705

An Giang, day 15 month 07 year 2025

Prepared by

Thi Duyen

Chief Accountant

Vu Dang Xuan Vinh

Chairman



Tran Ngoc Minh

NOTES TO THE FINANCIAL STATEMENTS
Quarter II Year 2025

Unit: VND million

1. Business Highlights of Credit Institutions**a. Certificate of establishment, operation, validity period**

Kien Long Commercial Joint Stock Bank is established and operates under banking license No. 0056/NH-GP dated September 18, 1995 issued by the State Bank of Vietnam. Banking license No. 1115/GP-UB dated October 2, 1995 issued by the People's Committee of Kien Giang province. Business registration certificate No. 1700197787, first registered on October 10, 1995, issued by the Department of Planning and Investment of Kien Giang province and most recently adjusted on July 24, 2024.

Term of operation is 50 years since the license date.

Chartered capital: VND 3.652.819 million

Up to Jun 30, 2025, the Bank's chartered capital is VND 3.652.819 million

b. Structure of ownership: Share capital.**c. Principal activities**

- Mobilise short, medium and long-term capital in the form of term deposits, demand deposits; certificates of deposit.
- Providing short-term, medium-term and long-term credit to organizations and individuals based on the nature and capital capacity of the bank.
- Performing treasury payment operations and other banking services permitted by the State Bank of Vietnam;
- Contributing capital, purchasing shares, investing in bonds and trading in foreign currencies in accordance with the provisions of law.
- Providing asset management and preservation services, renting cabinets and safes.

Stock code: KLB (UPCoM).

d. The Board of Director

Mr. Tran Ngoc Minh	Chairman
Ms. Nguyen Thi Hong Hanh	Vice chairman
Mr. Bui Thanh Hai	Member
Mr. Le Khac Gia Bao	Member
Mr. Nguyen Cao Cuong	Member
Ms. Nguyen Thi Thanh Huong	Member
Ms. Nguyen Thuy Nguyen	Independent member
Mr. Kim Minh Tuan	Independent member
Mr. Nguyen Chi Hieu	Independent member

e. The Board of Supervisors

Ms. Do Thi Tuyet Trinh	Head of the Board of Supervisors
Mr. Dang Minh Quan	Member
Ms. Hoang Thi Phuong	Member
Ms. Nguyen Thi Khanh Phuong	Member
Mr. Dao Ngoc Hai	Member

NOTES TO THE FINANCIAL STATEMENTS**Quarter II Year 2025**

Unit: VND million

f. The Board of General Directors and Chief Accountant:

Mr. Tran Hong Minh	Acting General Director
Mr. Nguyen Hoang An	Deputy General Director
Mr. Nguyen Van Minh	Deputy General Director
Mr. Tran Van Thai Binh	Deputy General Director
Ms. Nguyen Thi Hong Van	Deputy General Director
Ms. Vu Dang Xuan Vinh	Chief Accountant

g. Legal representative

Mr. Tran Ngoc Minh	Chairman
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h. Head office:

Head office: 40-42-44 Pham Hong Thai, Rach Gia Ward, An Giang Province.

Until the issuing date of the consolidated financial statements, the Bank has 01 head office, 2 representative office, 31 branches, 103 transaction offices nationwide. The Bank has one subsidiary.

i. Subsidiary:

Kienlongbank Asset Management Company is established under license No. 1701452905, first registered on November 12, 2010, last registered on October 27, 2023, issued by the Department of Planning and Investment of Kien Giang province. The main business activities of the subsidiary are consulting, business brokerage, leasing of real estate, land use rights, management of loans and loan collateral; valuation and management of collateral records, restructuring of loans, purchasing and selling debts to credit institutions. As of March 31, 2025, the Bank's ownership interest and voting rights in this subsidiary were 100%.

j. Total employees to 30 June 2025: 3,460 people.

Total employees to December 31, 2024: 3.587 người.

2 Accounting Period and Reporting Currency

a. Fiscal year: The fiscal year is begun on 1 January and ended on 31 December annually.

b. Reporting currency: VND.

3. Adoption of Accounting Standards and Policies:**Disclosure of compliance with Vietnamese Accounting Standards (VAS) and the prevailing regulations:**

The Bank's financial statements are prepared at original cost and in compliance with Vietnamese Accounting Standards, the Accounting System and relevant regulations applicable to the bank and other credit institutions operating in the Socialist Republic of Vietnam. Therefore, the financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and outside Vietnam. The accounting principles and practices utilised in the Socialist Republic of Vietnam may differ from those generally accepted in other countries.

Accounting regime and form applied:

NOTES TO THE FINANCIAL STATEMENTS**Quarter II Year 2025**

Unit: VND million

The Bank applies the Vietnamese accounting system applicable to credit institutions in accordance with Decision No. 479/2004/QĐ-NHNN dated April 29, 2004, financial reporting policies for credit institutions under Decision No. 16/2007/QĐ-NHNN dated April 18, 2007 and Circular No. 10/2014/TT-NHNN dated March 20, 2014 and Circular No. 49/2014/TT-NHNN dated December 31, 2014; Circular 22/2017/TT-NHNN dated December 29, 2017 and Circular No. 27/2021/TT-NHNN dated December 31, 2021 issued by the State Bank of Vietnam and relevant Vietnamese Accounting Standards.

Basis of measurement and accounting estimates applied

The preparation of separate financial statements requires Management to make estimates and assumptions that affect the reported amounts of assets, liabilities, as well as the presentation of contingent liabilities. These estimates and assumptions also affect income, expenses, and the resulting reserve figures. These estimates are based on assumptions about a number of factors with varying degrees of subjectivity and uncertainty. Therefore, actual results may differ, leading to adjustments to the relevant items in the future

4. Accounting policies applied at the Bank**a. Monetary exchange**

The exchange rate used to record transactions of buying and selling foreign currencies is the actual buying and selling rate when the main economic and financial transactions arise.

The exchange rate used to post other businesses in foreign currency for VND conversion: The average exchange ratio between ask and bid spot exchange rate of that foreign currency in the date of transaction.

Closing balance of monetary items denominated in foreign currencies must be revaluated at the spot exchange rate at the end of the last working day of the reporting period, if this exchange rate get less than 1% in comparison with average buying and selling exchange rate at the last day. If this exchange rate get more than 1% in comparison with average buying and selling exchange rate at the last day of the reporting period then the mentioned average exchange rate is applied.

Foreign exchange differences upon the generated transactions and revaluation of monetary items denominated in foreign currencies are recorded in the statement of income.

Exchange rate as at 30/06/2025:

26,090 VND/USD	180,47 VND/JPY
19,059 VND/CAD	17,060 VND/AUD
30,593 VND/EUR	32,653 VND/CHF
35,795 VND/GBP	800 VND/THB
20,458 VND/SGD	19,23VND/KRW
15,844 VND/NZD	

3. Cash and cash equivalents

Cash and cash equivalents include cash on hand, gold, deposits at the State Bank of Vietnam, government bills and other short-term valuable papers eligible for rediscounting with the State Bank of Vietnam, deposits at financial institutions and other credit institutions with no term and maturity not exceeding three (03) months from the date of deposit and securities with a term of recovery or maturity not exceeding three (03) months from the date of purchase.

b. Deposits and loans to other credit institutions

Deposits and loans to other credit institutions are disclosed and presented at the principal balance at the end of the accounting period.

NOTES TO THE FINANCIAL STATEMENTS**Quarter II Year 2025**

Unit: VND million

The classification of credit risks for deposits and loans to other credit institutions and the corresponding provisioning shall be implemented in accordance with the provisions of Circular No. 31/2024/TT-NHNN dated June 30, 2024 of the State Bank of Vietnam and Decree No. 86/2024/ND-CP dated July 11, 2024. Accordingly, the Bank shall make specific provisions for deposits (except for payment deposits, deposits at social policy banks according to the State Bank's regulations on state-owned credit institutions maintaining deposit balances at social policy banks) at other credit institutions, foreign bank branches according to the provisions of law and deposits at foreign credit institutions and loans to other credit institutions similar to those for customer loans. The Bank is not required to make general provisions for the above deposits and loans.

c. Derivative financial instruments and provision for losses

Derivative financial instruments are recorded in the financial statements at the contract value on the date which the contract is entered into and then revaluated at the fair value in the end of each month. The profit or loss after the derivative financial instruments have been realized are recorded in the income statement. Unrealized profit or loss is recorded in the foreign exchange differences in the balance sheet at the month end and be transferred to the income statement at the year end.

d. Accounting for interest income, interest expenses and termination of interest accruals

The Bank records interest income and interest expenses by accrued method on daily basis. Interests on overdue loans are not recorded on accrual basis, but in the off- balance sheet. When a loan becomes overdue, the accrued interest will be deferred and recorded in the off-balance sheet. These interests will be recorded in the income statement once they are collected.

e. Accounting for loans granted to customers, debt dealing**Accounting for loans granted to customers**

Recording and measuring loans to customers

Loans granted to customers are stated at the balance of loan (principal) less provision for loss.

Short-term loans are those with a repayment date within one year, medium-term loans are those with a final repayment date between one and five years and long-term loans are those with a repayment date of more than five years.

Debt classification and credit risk provisioning are in accordance with Circular 31 and Decree 86.

Classification of debts

Debt classification for term deposits and loans to other credit institutions, unlisted corporate bonds, customer loans, and credit trusts (collectively referred to as "debts") is performed monthly based on the quantitative method prescribed in Article 10 of Circular No. 31/2024/TT-NHNN dated June 30, 2024 ("Circular 31"). The Bank performs monthly debt classification based on the principal balance on the last day of the previous month.

Debts are classified according to the risk levels as follows: Qualified debt, Attention debt, Substandard debt, Doubtful debt and Potential loss of capital debt. Bad debts are debt which are classified as Substandard debt, Doubtful debt and Potential loss of capital debt. Debts are classified and provision at the end of each month of the fiscal year.

- Qualified debt (group 1) include: a) Debts that are due and assessed as being able to fully recover both principal and interest on time; b) Debts that are overdue for less than 10 days and are assessed as being able to fully recover overdue principal and interest and fully recover the remaining principal and interest on time. Debts are classified into group 1 because they meet the criteria to be classified into lower risk debt group.

NOTES TO THE FINANCIAL STATEMENTS**Quarter II Year 2025****Unit: VND million**

- Attention debt (group 2) include: a) Debts that are overdue from 10 days to 90 days, except for debts specified at point (b) of standard debts and debts classified into groups of higher risks or b) Debts which have been adjusted for the first time for repayment are still within due date, except for loans classified and grouped with lower risks and debts classified into groups of higher risks according to regulations; or c) The debt is classified into group 2 because it meets the criteria to be classified into the group of lower-risk debt or because the debt is classified into the group of higher-risk debt according to regulations.
- Substandard debts (group 3) include: a) Debts that are overdue from 91 days to 180 days; except for the debt specified in Clause 3, Article 10 of Circular 31; or b) Debts renewed for the first time are still due; except for the debt specified at point (b) clause 2 and clause 3 Article 10 of Circular 31; or c) Debts eligible for interest exemption or reduction due to the customer's inability to pay interest in full as agreed, except for the debt specified in Clause 3, Article 10 of Circular 31; or d) Debts falling into one of the following cases that have not been recovered within less than 30 days from the date of issuance of a recovery decision: debts in violation of the provisions of Clauses 1,3,4,5,6 of this Article 126 Law on credit institutions or violating debt specified in Clauses 1,2,3,4, Article 127 of Law on Credit Institutions or violating debt specified in Clauses 1,2,5, Article 128 Law on credit institutions; e) Debts within the collection period according to inspection conclusions; f) Debts to be recovered under the decision on early debt recovery due to the customer's breach of the agreement have not been recovered within less than 30 days from the date of issuance of the recovery decision; or g) Debts are classified into group 3 according to the provisions of Clauses 2 and 3, Article 10 of Circular 31; or h) Debts that must be classified into group 3 according to the provisions of Clause 4, Article 8 of Circular 31.
- Doubtful debts (group 4) include: a) Debts that are overdue from 181 days to 360 days, except for the debt specified in Clause 3, Article 10 of Circular 11; or b) first-time rescheduled debt is overdue for up to 90 days according to the first-time rescheduled term, except for the debt specified in Clause 3, Article 10 of Circular 31; or c) the second time restructured debt is still due, except for the debt specified at point (b) clause 2 and clause 3 Article 10 of Circular 31; or d) the debt specified in point (d) of the substandard debt that has not been collected within the period from 30 days to 60 days from the date of the decision on collection; or e) Debts to be recovered under the decision of the inspector but beyond the time limit for collection according to the inspection conclusion by 60 days but still not recovered or f) Debts to be recovered under the decision on early debt collection issued by the customer. The goods in breach of the agreement have not been recovered within 30 days to 60 days from the date of the decision to withdraw; or g) Debts are classified into group 4 according to the provisions of Clause 2, Article 3, Article 10 of Circular 31; or h) Debts that must be classified into group 4 as prescribed in Clause 4, Article 8 of Circular 31.
- Potential loss of capital debt (group 5): a) Debts that are overdue for more than 360 days; or b) First-time rescheduled debt is overdue for 91 days or more according to the first rescheduled repayment term; or c) Debts which have been restructured for the second time and are overdue according to the second restructured repayment term; or d) Debts which have been rescheduled for the third time or more, even if they are not overdue or overdue; or e) Debts specified at point (d) of sub-standard debts that have not been recovered for more than 60 days from the date of issuance of a decision on recovery; or f) Debts to be recovered under the inspection decision but still not recovered by more than 60 days past the time limit for collection according to the inspection conclusion; or g) Debts to be recovered under the decision on early debt recovery because the customer has not recovered from the agreement's violation for more than 60 days from the date of the decision on recovery; or h) Debts of customers being credit institutions announced by the State Bank of Vietnam to be placed under special control, or foreign bank branches whose capital and assets are frozen; or i) Debts classified into group 5 according to the provisions of Clause 3, Article 10 of Circular 31; or j) Debts that must be classified into group 5 according to the provisions of Clause 4, Article 8 of Circular 31.

NOTES TO THE FINANCIAL STATEMENTS**Quarter II Year 2025****Unit: VND million**

The Bank restructures the debt repayment period and maintains the debt group to support customers facing difficulties in production and business activities and customers facing difficulties in repaying loans for living and consumption needs according to the provisions of Circular No. 02/2023/TT-NHNN dated April 23, 2023 and Circular No. 06/2024/TT-NHNN dated June 18, 2024 of the State Bank.

Debts are classified into the group of lower-risk debts in the following cases:*For overdue debt*

- The customer has fully paid the overdue principal and interest (including interest applicable to the overdue principal) and the principal and interest of the following repayment terms within a minimum period of 03 (three) months for medium-term and long-term debt, 01 (one) month for short-term debt, from the date of starting to fully pay overdue principal and interest; and the bank has documents and records to prove that the customer has paid the debt;
- The bank has sufficient information and documents to assess that customers are capable of fully paying the remaining principal and interest on time.

For debt with repayment term structure

- The customer has fully paid the principal and interest according to the restructured repayment term for at least 03 (three) months for medium-term and long-term debt, 01 (one) month for short-term debt, from the date of commencement of full payment of principal and interest according to the restructured term.
- The bank has sufficient information and documents to assess that customers are capable of fully paying the remaining principal and interest on time.

Debts are classified into higher risk debt group in the following cases:

- The indicators of profitability, solvency, debt-to-capital ratio, cash flow, and debt repayment ability of customers decreased continuously through 03 times of continuous assessment and classification of debts.
- The customer fails to provide sufficient, timely and truthful information at the request of the credit institution, foreign bank branch to assess the customer's debt repayment ability.
- Debts that have been classified into group 2, group 3, group 4 according to the provisions of points a and b of this clause for 01 (one) year or more but are not eligible for classification into the group of lower-risk debts.
- Debts for which the act of credit extension is administratively sanctioned as prescribed by law.

The bank is required to use the risk classification results provided by the Credit Information Center of the State Bank ("CIC") to classify the bank's loans to customers into the higher-risk group between the debt group assessed by the bank and the debt group provided by CIC.

In the event that a customer has more than one debt with the bank and any debt is transferred to a higher-risk debt group, the bank is required to classify the remaining debts of that customer into debt groups that have a commensurate level of risk.

The monthly provision is recognized in the Bank's separate income statement.

Provision for credit risk

Provision for credit losses includes general and specific provisions.

According to the provisions of Decree No. 86/2024/ND-CP dated July 11, 2024 ("Decree 86"), the Bank establishes specific credit risk provisions based on the provision rates corresponding to the debt classification results and the outstanding principal balance less the deductible value of discounted collateral. Specific provisions are calculated based on the debt classification results and the outstanding principal balance as of the last working day of the month.

NOTES TO THE FINANCIAL STATEMENTS**Quarter II Year 2025****Unit: VND million**

Specific loan is made for the losses that may happen to each individual loan with the provision rate applicable to each group as follows:

	Debt classification	Specific provisioning rate
Group 1	Qualified debts	0%
Group 2	Attention debt	5%
Group 3	Substandard debt	20%
Group 4	Doubtful debt	50%
Group 5	Potential loss of capital debt	100%

Specific provisions are calculated based on the outstanding balance of individual customer loans as of the last working day of each month, less the deductible value of the collateral. The deduction rate for collateral is specified in Clause 2, Article 6 of Decree 86.

According to Clause 1, Article 7 of Decree 86, general provisions are established to provide for losses that have not been identified during the debt classification and specific provision establishment process, and in cases where credit institutions encounter financial difficulties due to a decline in the quality of debts. Accordingly, the Bank must establish and maintain general provisions equal to 0,75% of the total outstanding balance of debts from group 1 to group 4, excluding the following items:

- Deposits at credit institutions and foreign bank branches as stipulated by law, and deposits at credit institutions abroad;
- Loans and repurchase agreements of valuable papers between credit institutions and foreign bank branches in Vietnam;
- Purchases of certificates of deposit and bonds issued by other domestic credit institutions and foreign bank branches;
- Repurchase transactions of government bonds on the securities market as stipulated by the law on the issuance, registration, deposit, listing, and trading of government debt instruments on the securities market;
- Other debts arising from activities specified in Clause 2, Article 3 of Decree 86 between credit institutions and foreign bank branches in Vietnam as stipulated by law.

Using provision risk

Provisions are recorded as an expense on the separate statement of operations and are used to handle debts classified in group 5, borrowers who are dissolved or bankrupt legal entities, individuals who are dead or missing, and to handle asset losses for debts as prescribed in Article 11 of Decree 86/2024/ND-CP.

Handling credit risks

From the date of using provisions to handle risks and after implementing measures to recover the debt but failing to do so, the bank is authorized to write off the risk-handled debt from the off-balance sheet based on Article 12 of Decree 86/2024/ND-CP.

f. Accounting for business operations and securities investment**Securities trading:**

Trading securities are securities acquired with the intent to sell them in the near future to profit from short-term price fluctuations.

NOTES TO THE FINANCIAL STATEMENTS**Quarter II Year 2025****Unit: VND million**

Accounting principles for recognizing the value of trading securities: Trading securities are initially recorded at their purchase cost (original cost), which includes the purchase price plus (+) any directly attributable costs (if any). Subsequently, they are carried at cost less any impairment allowance.

Profit or loss on trading securities is recognized in the income statement on a net basis.

Securities that are not actively traded or for which market values cannot be reliably determined are not subject to impairment and are carried at cost.

Income earned during the holding period of trading securities is recognized in the income statement on a cash basis.

Investment in securities

Investment securities consist of securities held to maturity and securities available for sale. Banks classify investment securities at the time of purchase as either held-to-maturity securities or securities available for sale. According to Circular No. 2601/NHNN-TCKT dated April 14, 2009 of the State Bank of Vietnam, banks are allowed to reclassify investment securities at most once after the initial classification at the time of purchase.

Available-for-sale securities are debt or equity securities held for an indefinite period and can be sold at any time.

Held-to-maturity securities are debt securities whose terms and payments are fixed or identifiable and the Board of Management intends and can hold to their maturity.

Accounting principles for recognizing the value of investment securities: Trading securities are initially recorded at their purchase cost (original cost), which includes the purchase price plus (+) any directly attributable costs (if any). Subsequently, they are carried at cost less any impairment allowance.

Held-to-maturity securities are carried at cost less any impairment loss. An impairment loss is recognized when the market value of the securities falls below the carrying amount or when there are indications of a decline in value based on the assessment of the Board of Managements.

Any premium or discount arising from the purchase of held-to-maturity securities is amortized to the income statement of the bank over the life of the securities using the straight-line method.

Interest income earned after the purchase of held-to-maturity securities is recognized in the income statement on an accrual basis.

Securities that cannot be actively traded on the market or whose market value cannot be determined shall not be provided for and shall be reflected at cost.

Available-for-sale debt securities and held-to-maturity debt securities are initially recognized at cost, which includes the purchase price plus directly attributable costs such as brokerage fees, transaction fees, information fees, taxes, levies, and bank charges. Subsequently, these securities are carried at amortized cost (affected by the amortization of discount and premium) less allowance for credit losses (including allowance for credit losses and impairment losses). The premium or discount arising from the purchase of debt securities is amortized to the income statement using the straight-line method over the holding period.

Listed available-for-sale debt securities are carried at cost less impairment loss by referring to the closing price on the Hanoi Stock Exchange at the end of the fiscal year. The bank does not recognize an allowance for held-to-maturity debt securities unless there are indications of a prolonged decline in the value of the securities or there is convincing evidence that the bank is unlikely to recover the full amount of the investment.

Available-for-sale debt securities and held-to-maturity debt securities of unlisted enterprises are recorded at cost less credit risk provisions in accordance with Decree 86/2024/ND-CP.

Income earned during the holding period of trading securities is recognized in the income statement on a cash basis.

NOTES TO THE FINANCIAL STATEMENTS**Quarter II Year 2025****Unit: VND million**

Interest earned after the purchase of available-for-sale debt securities and held-to-maturity debt securities is recognized in the income statement on an accrual basis. Any accrued interest prior to the purchase by the bank shall be deducted from the purchase price.

Discontinuation of recognition of investment securities

Investment securities are derecognized on the trade date for listed securities or when the bank has formally transferred ownership in accordance with the law for unlisted securities.

g. Investments in subsidiaries

Investments in subsidiaries are recognized when the Bank holds more than 50% of the voting rights and has the power to govern the financial and operating policies so as to obtain benefits from its activities. When the Bank no longer holds control of the Subsidiary, the investment in the subsidiary is reduced. Investments in Subsidiaries are stated in the financial statements using the historical cost method.

Investments in subsidiaries are recognized when the Bank holds more than 50% of the voting rights and has the power to govern the financial and operating policies so as to obtain benefits from its activities. When the Bank no longer holds control of the Subsidiary, the investment in the subsidiary is reduced. Investments in Subsidiaries are stated in the financial statements using the historical cost method.

Provision for losses on investments in subsidiaries is established when the Bank determines that these investments have suffered a permanent and unexpected decline in value due to the losses incurred by the invested subsidiaries.

h. Principles of recognition of tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. The expenditures incurred beyond their originally assessed standard of performance are capitalized as an additional cost of tangible fixed assets when they have resulted in an increase in the future economic benefits expected to be obtained from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the year.

When the assets are sold or disposed, their original costs and the accumulated depreciation which have been written off and any gain or loss from disposal of assets are recorded in the income statement.

Tangible fixed assets purchased

The original cost of purchased tangible fixed assets shall consist of the actual purchase price less (-) trade discounts or reduction plus (+) taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation such as fees for installation and trial operation of fixed assets; specialists and other direct costs.

The original cost of a tangible fixed asset formed from capital construction under the mode of tendering shall be the finalization price of the construction project, other relevant fees plus (+) registration fee (if any).

Fixed assets which are buildings, structures attached to land use right, the value of land use right is computed separately and recorded as intangible fixed assets.

i. Principles for recording intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortization. The original cost of an intangible fixed asset comprises all costs of owning the asset to the date it is put into operation as expected.

Purchase of separate intangible fixed assets

NOTES TO THE FINANCIAL STATEMENTS**Quarter II Year 2025****Unit: VND million**

The original cost of purchased intangible fixed assets shall consist of the actual purchase price payable less (-) trade discounts or reduction plus (+) taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation. The land use rights which are purchased together with buildings, structures will be determined separately and recorded as intangible fixed assets.

Intangible fixed assets formed from the exchange and payment of documents related to the ownership of capital of the entity, the historical cost of the intangible fixed assets is the fair value of the relevant issued documents to capital ownership.

Land use right

The original cost of an intangible fixed asset which is the land use right shall be the payment made to obtain the lawful land use right plus (+) compensatory payments for clearance of site, expenses for leveling the ground, registration fee...or land use right as contribution in joint-venture.

Computer software

Computer software is the total cost incurred by the Bank up to the time the software is put into use.

j. Method of depreciating and amortizing fixed assets

Depreciation is charged to write off the cost of fixed assets on a straight line basis over their estimated useful lives. Useful life means the duration in which the tangible fixed assets produce their effect on production and business.

The estimated useful life for assets is as follows:

<i>Buildings and structures</i>	<i>5 - 50 years</i>
<i>Machinery and equipment</i>	<i>5 - 15 years</i>
<i>Transportation and facilities</i>	<i>6 - 10 years</i>
<i>Office equipment</i>	<i>3 - 8 years</i>
<i>Other fixed assets</i>	<i>5 - 10 years</i>
<i>Intangible fixed assets</i>	<i>3 - 8 years</i>

Land use rights which are granted for a definite term are amortized in conformity with the term stated in the certificate of land use right.

Land use rights which are granted for an indefinite term are carried at cost and not amortized.

k. Accounting for finance leases

Operating leases: Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

l. Cash and cash equivalents

In the statement of cash flows: cash and cash equivalents includes cash, precious metal and gemstones, payment deposits at the State Bank of Vietnam, demand deposits and deposits with the term of under 90 days since deposit date at other credit institutions, government bond and other short-term valuable paper qualified to be discounted with SBV, securities with recoverable or maturity term of less than 3 months since purchase date, convertible to certain amount, containing not many risks relating to value change, and bare for the purpose of meeting engagement of short-term payment rather than for investment or others.

m. Provisions, contingent liabilities and unidentified assets

NOTES TO THE FINANCIAL STATEMENTS**Quarter II Year 2025****Unit: VND million**

Provisions are recorded when: the Bank has present obligations as a result of past events; It is probable that an outflow of resources will be required to settle the obligation; The obligation is estimated reliably; Provision is not recorded for the operating loss in the future.

When there are similar obligations, the possibility of outflow of resources due to the settlement of obligations is determined by considering the whole group in general. Provision will be made though the outflow due to obligation settlement is very small.

Provision is calculated at present value of estimated expenses for settling debts at the discount interest rate before tax and reflects the assessment based on present market of the market price of currency and specific risk of those debts. The increase of provision throughout time will be recorded as interest expense.

Other assets are considered for risk provisioning for on-balance sheet assets based on the age of overdue debt or the expected loss that may occur in the event that the debt has not yet reached maturity but the economic organization is bankrupt or undergoing dissolution procedures; the debtor is missing, absconding, being prosecuted, tried by law enforcement agencies, or serving a sentence or has died. The provisioning costs incurred are accounted for in operating expenses during the year.

For overdue assets, the Bank applies the provisioning level based on the overdue period as guided in Circular No. 48/2019/TT-BTC issued by the Ministry of Finance on August 8, 2019 and amended by Circular No. 24/2022/TT-BTC issued by the Ministry of Finance on April 7, 2022 for each bad debt based on the age of the overdue debt or the expected loss that may occur. Increases and decreases in the balance of the provision for bad debts that must be set up at the end of the fiscal year are recorded in operating expenses.

n. Accounting for obligations to employees

The Bank records salaries, wages and other payables to employees in the operating expenses in the period on the basis of salary expenses incurred in the period. The salaries, wages to employees are based on the conditions and level provided in the following documents: Labor Law of Vietnam, Labor Contract, Union Agreement, Financial Statue of the Bank and Group, Statute on bonus regulated by the Chairman, General Manager, Director on the basis of the Bank, Group's Financial Statute.

o. Principles and methods of recording current taxes, deferred taxes

Corporate income taxes for the year comprises current and deferred tax when profit or loss of one accounting period is determined.

Current corporate income tax is the tax payable (or recoverable) on the taxable income and tax rate enacted in current year in accordance with the law on corporate income tax.

Deferred corporate income tax is provided for temporary on the date of balance sheet differences between the carrying amounts of assets and liabilities and book value financial reporting purposes and the amounts used for taxation purposes. Deferred income tax liability is provided for all temporary differences, deferred income tax asset is only provided when there is enough taxable profit in the future for deducting the temporary differences.

The carrying amount of deferred corporate income tax assets must be reassessed at each balance sheet date and reduced to the extent that it is certain that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax assets to be utilized. The unrecognized deferred tax assets will be reassessed at each balance sheet date and recognized to the extent that it has become certain sufficient taxable profit will allow the deferred tax asset to be utilized.

The deferred tax is charged or credited in the income statement except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in equity.

NOTES TO THE FINANCIAL STATEMENTS**Quarter II Year 2025****Unit: VND million**

The Bank offsets deferred tax assets and deferred tax liabilities only to the extent that it has a legally enforceable right to set off current tax assets against current tax liabilities and other assets. deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the same taxable entity and the enterprise intends to pay current tax liabilities and current tax assets on a net basis.

The tax amounts payable to the State budget will be finalized with the tax office. Differences between the tax amounts payable specified in the book and the tax amounts under finalization will be adjusted when the tax finalization has been issued by the tax office.

The bank has been inspected for tax finalization up to 2018.

p. Owners' equity

Chartered capital: The capital sourced from shares, securities purchased by members or shareholders or added from the profit after tax in accordance with the Resolution of annual shareholders' meeting or the Company's charter. Business fund will be recorded at the actual contributed capital by cash or assets computed at the par value in the early establishment period or additional mobilization to expand operation scale.

Treasury share is the share the Bank issued and purchased back. The payment for purchasing share, including directly attributable expenses, will be deducted into the owners' equity till the treasury share has been cancelled or reissued. The received amount from reissue or sale of the treasury share, deducting expenses related to the reissue or sale will be included in the owners' equity.

Principles for recognizing undistributed profit

Principle for recognizing undistributed profit: the undistributed profit is recorded as the profit (loss) from the Company's result of operation after deducting the current year corporate income tax and the adjusted items due to the retroactive application of changes in accounting policy and adjustments for material misstatement of the previous year.

The distributing of profit and fund appropriation are based on the charter of the Company approved by the annual shareholder meeting.

q. Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to the common stockholders of the Bank after setting aside the Bonus and Welfare Fund by the weighted average number of shares. popular circulation in the period. According to Circular 200/2014/TT-BTC basic earnings per share are not presented in the separate statement, only in the consolidated statement of the bank.

r. Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Bank. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Bank that gives them significant influence over the enterprise, key management personnel, including the Board of Management and the Board of General Directors of the Bank and close members of the family of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

s. Principles of presenting assets, revenue, and operating results by segment

Business segments include business segments and geographical segments.

NOTES TO THE FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

A business segment is a distinguishable component of the Bank that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of the Bank that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of segments operating in other economic environments.

For management purposes, a Bank with a national scale should present its primary segment report by business segment and its secondary segment report by geographical area.

Additional information for items presented in the Statement of Financial Position

	30 June 2025	31 December 2024
5. Cash, gold, silver, gemstones		
Cash in VND	748.793	517.848
Cash in foreign currency	20.916	20.562
Total	769.709	538.410
6. Deposits at the State Bank of Vietnam		
VND	5.809.710	4.202.344
Foreign currencies	531.218	5.142
Total	6.340.928	4.207.486
Deposits at the SBV include required reserves and current deposit accounts. According to the regulations of the SBV on compulsory reserve, banks are allowed to maintain a floating balance at the required reserve account:		
<ul style="list-style-type: none"> • Demand deposits and time deposits of less than 12 months: 3% for VND, 8% for foreign currencies. • Time deposits of 12 months or more: 1% for VND, 6% for foreign currencies. • Foreign deposits: 1% for foreign currencies. 		
7. Deposits at other Credit Institutions and Loans Granted to other Credit Institutions		
Demand deposits		
VND	1.585.565	3.059.725
Foreign currencies	220.786	527.534
Term deposits		
VND	7.488.850	9.385.345
Foreign currencies	1.043.600	2.532.000
Total	10.338.801	15.504.604
8. Customers lending		
Lending to economic organizations and individuals in the country	69.547.023	61.431.909
Total	69.547.023	61.431.909
Analysis by loan quality		
Group 1 - Qualified debts	67.130.959	59.353.660
Group 2 - Attention debt	1.050.394	837.674
Group 3 - Substandard debt	325.786	231.594
Group 4 - Doubtful debt	431.698	170.332
Group 5 - Potential loss of capital debt	608.186	838.649
Total	69.547.023	61.431.909

NOTES TO THE FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

Analyze debt balance over time	30 June 2025	31 December 2024
Short-term debt	43.647.387	38.555.215
Medium-term debt	21.465.613	19.621.779
Long-term debt	4.434.023	3.254.915
Total	69.547.023	61.431.909

Analyze loan balances by customer type and business type	30 June 2025	31 December 2024
Business households, individuals	13.294.000	14.093.586
Other limited liability company	51.025.051	42.429.072
Joint Stock Company	5.227.972	4.909.251
Total	69.547.023	61.431.909

Analysis of loan balance by industry	30 June 2025	31 December 2024
Production of material products and services for private consumption by households	4.515.309	3.921.624
Agriculture, forestry and aquaculture	4.398.520	4.712.515
Other service activities	1.539.822	12.418.593
Financial, banking, and insurance activities	4.369	-
Real estate sector (business, self-use)	11.188.991	9.108.693
Wholesale and retail, repairing motor vehicle and others engine	22.073.730	13.209.112
Construction	23.791.038	17.515.810
Transportation and warehousing	22.683	11.070
Processing and manufacturing industry	620.915	309.705
Accommodation and food services	1.192.444	121.637
Health and social assistance	32.243	28.722
Information and communication	4.973	3.862
Education and training	32.454	30.030
Production and distribution of electricity, gas, hot water, steam and air conditioning	4.181	3.628
Art and amusement activities	24.379	3.240
Mineral extraction	11.532	8.596
Administrative activities and support services	37.812	10.196
Professional, scientific and technological activities	8.710	1.782
Water supply; waste and wastewater management and treatment activities.	42.918	13.094
Total	69.547.023	61.431.909

9. For changes (increase/decrease) of Credit risk provisions	30 June 2025	31 December 2024
Provision for risk of lending the customers		
General Provisions	516.921	454.450
Specific Provisions	613.977	525.897
Total	1.130.898	980.347

NOTES TO THE FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

	General	Specific
	Provisions	Provisions
Current period		
Opening balance	454.450	525.897
Risk provision made during the year /(Reversed during the year)	62.471	465.670
Use of credit risk reserves during the year	-	(377.590)
Closing balance	516.921	613.977
Prior year	General	Specific
	Provisions	Provisions
Opening balance	364.535	258.698
Risk provision made during the year /(Reversed during the year)	89.915	733.033
Use of credit risk reserves during the year	-	(465.834)
Closing balance	454.450	525.897
10. Investment securities	30 June 2025	31 December 2024
<i>Available-for-sale investment securities</i>		
<i>Debt Securities</i>		
Government Securities	1.298.473	1.298.447
Sub Total	1.298.473	1.298.447
<i>Held-to-maturity investment securities:</i>		
<i>Debt Securities</i>		
Government Bonds	1.672.562	1.675.515
Sub Total	1.672.562	1.675.515
Total	2.971.035	2.973.962

11. Equity Investment and Other Investments

Capital contribution to the KienLongBank Asset Management Company. This company operates under Business Registration Certificate number 1701452905, initially registered on November 12, 2010, and most recently amended on April 03, 2025, by the Department of Planning and Investment of Kien Giang Province. As of June 30 2025, Kienlong Joint Stock Commercial Bank has fully contributed its charter capital as stated in the Business Registration Certificate, amounting to VND 500.000.000.000.

KIEN LONG COMMERCIAL JOINT STOCK BANK

40-42-44 Pham Hong Thai, Rach Gia Ward

An Giang Province, Vietnam

Form: B05a/TCTD
(Promulgated under Circular No. 27/2021/TT-NHNN
dated 31/12/2021 by the Governor of the SBV)**NOTES TO THE FINANCIAL STATEMENTS****Quarter II Year 2025****Unit: VND million****12. Tangible fixed assets**

Items	Buildings, structures	Machinery equipment	Transportation Facilities	Office equipment	Others fixed assets	Total
Original Cost						
Opening balance	728.825	83.392	149.727	184.038	22.905	1.168.887
Purchase for the year	69	291	-	17.756	117	18.233
Construction investment completed	-	-	-	-	-	-
Disposals, sales	-	(102)	-	-	-	(102)
Closing balance	728.894	83.581	149.727	201.794	23.022	1.187.018
Acc. Depreciation						
Opening balance	245.354	53.167	112.288	120.054	15.622	546.485
Depreciation during the period	13.900	2.970	3.983	4.798	418	26.069
Disposals, sales	-	(102)	-	-	-	(102)
Closing balance	259.254	56.035	116.271	124.852	16.040	572.452
Net book value						
Opening balance	483.471	30.225	37.439	63.984	7.283	622.402
Closing balance	469.640	27.546	33.456	76.942	6.982	614.566

NOTES TO THE FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

13. Intangible fixed assets

Items	Land use right	Computer software	Others fixed assets	Total
Original cost				
Opening balance	686.287	227.032	20.014	933.333
Purchase during the period	-	-	-	-
Construction investment completed	-	-	-	-
Closing balance	686.287	227.032	20.014	933.333
Amortization				
Opening Balance	14.163	108.646	18.695	141.504
Depreciation during the period	920	11.569	648	13.137
Closing balance	15.083	120.215	19.343	154.641
Net book value				
Opening balance	672.124	118.386	1.319	791.829
Closing balance	671.204	106.817	671	778.692

14. Receivables

	30 June 2025	31 December 2024
Purchase of fixed assets	29.747	11.145
Amount for supporting interest rate awaiting	3.822	3.943
Office rental deposit and contract advance	49.191	32.583
Internal receivables: Advances	14.181	2.273
Input value-added tax	1.163	-
Receivables from credit card operations and Banknetvn	1.163.022	1.098.367
Receivables from non-recourse bill discounting under letters of credit	4.000.000	4.000.000
Receivables from customers in letter of credit operations	36.484	35.902
Others	98.986	101.455
Total	5.396.596	5.285.668

NOTES TO THE FINANCIAL STATEMENTS
Quarter II Year 2025

Unit: VND million

	30 June 2025	31 December 2024
15. Interests and fees receivable		
Interest receivable from deposits	15.848	28.982
Interest receivable from securities investment	45.463	22.897
Interest receivable from credit activities	1.569.104	1.301.275
Interest receivable from derivative financial instruments	854	40.239
Total	1.631.269	1.393.393
16. Other assets		
Cost awaiting allocation	140.347	136.125
Tools and instruments	11.379	12.438
Assets for debt assignment have transferred ownership to the Bank pending processing	117.460	117.460
Other assets	13.134	54.878
Total	282.320	320.901
17. Deposits and Borrowings from Other Credit Institutions		
Demand deposits in VND	1.525.014	3.025.715
Term deposits		
VND	7.489.000	9.382.330
Foreign currencies	1.043.600	2.709.240
Borrowings		
VND	7.601	7.601
Foreign currencies	681	661
Total	10.065.896	15.125.547
18. Deposits from customers		
Demand deposits		
VND	5.611.169	4.069.129
Foreign currencies	12.916	8.135
Term deposits		
VND	1.932.251	2.282.732
Savings deposits		
Non-term savings deposits in VND	13.959	11.527
Non-term savings deposits in Foreign currencies	4.032	3.662
Term savings deposits in VND	65.845.636	57.335.634
Term savings deposits in Foreign currencies	40.014	41.182
Margin deposit		
VND	9.874	9.496
Total	73.469.851	63.761.497

NOTES TO THE FINANCIAL STATEMENTS
Quarter II Year 2025

Unit: VND million

- Explanation according to customer and type of business	30 June 2025	31 December 2024
Deposits from economic institutions	2.715.393	3.724.628
Joint stock companies	1.209.140	1.538.298
Limited company	821.138	1.108.053
Private enterprise	2.502	1.519
Other organizations	682.613	1.076.758
Deposits from individuals	70.754.458	60.036.869
Total	73.469.851	63.761.497
19. Derivative Financial Instruments and Other Financial Liabilities		
	Total value of the contract (according to the exchange rate on the effective date of the contract)	Total book value (according to exchange rate at the reporting date)
Balance as of Jun 30, 2025		Assets Liabilities
Currency swap transactions	2.364.404	35.876
Currency forward transactions	-	0
Total	2.364.404	- 35.876
Balance as of Dec 31, 2024		
Currency swap transactions	1.944.849	106.071
Currency forward transactions	246.795	6.405
Total	2.191.644	- 112.476
20. Interests, fees payable	30 June 2025	31 December 2024
Interest payable on deposits	1.074.148	977.077
Interest payable on issuance of securities	85.585	32.399
Interest payable on loan	10	6
Interest payable on derivative financial instruments	1.831	221
Total	1.161.574	1.009.703
21. Accounts payable, other liabilities and provision for other losses	30 June 2025	31 December 2024
Payables to staffs	268.135	266.101
Taxes and payables to the State (Note 32)	132.723	116.461
Bonus and welfare fund (i)	82.027	45.171
Payables to Banknet and other pending payment items	1.123.426	1.024.863
Remittances payable	7.884	3.678
Money held and awaiting payment	8.085	8.806
Other payables	245.615	414.017
Total	1.867.895	1.879.097
	Current	Year 2024
(i) Details of the bonus and welfare fund	period	
Opening balance	45.171	6.415
Fund provision	44.627	39.688
Use during the period	(7.771)	(932)
Closing balance	82.027	45.171

NOTES TO THE FINANCIAL STATEMENTS
Quarter II Year 2025

Unit: VND million

22. Equity and Funds of credit institutions

Report on changes in Owner's Equity

	Owner's Equity	Treasury stocks	Reserve fund to supplement charter capital	Exchange rate difference	Undistributed profit	Total
Opening balance	3.652.819	(34.200)	549.912	-	2.407.350	6.575.881
Profit after-tax in period			-	(50.326)	736.534	686.208
Bank Funds (*)			176.469	-	(176.469)	-
Bonus and welfare fund			-	-	(44.627)	(44.627)
Transfer funds to subsidiaries			-	-	(1.029)	(1.029)
Closing balance	3.652.819	(34.200)	726.381	(50.326)	2.921.759	7.216.433

<i>Stock</i>	30 June 2025	31 December 2024
Number of shares registered for issuance	365.281.878	365.281.878
Number of shares sold to the public	365.281.878	365.281.878
- Ordinary stock	365.281.878	365.281.878
Number of shares repurchased	(3.800.000)	(3.800.000)
- Ordinary stock	(3.800.000)	(3.800.000)
Number of outstanding shares	361.481.878	361.481.878
- Ordinary stock	361.481.878	361.481.878
Par value of outstanding shares: VND 10,000		

(*) **Bank Funds**

	Reserve fund for additional charter	Financial reserve fund	Other funds	Total
Opening balance	120.995	- 428.914	3	549.912
Increase in period	88.235	- 88.234	-	176.469
Closing balance	209.230	- 517.148	3	726.381

NOTES TO THE FINANCIAL STATEMENTS
Quarter II Year 2025

Unit: VND million

Additional Information for Items Presented in the Income Statement

The information presented in this section:

Current period from 01/01/2025 to 30/06/2025; Previous period from 01/01/2024 to 30/06/2024.

23. Net interest income

Interest and similar income	Current period	Previous period
Interest income from deposits	240.437	157.838
Interest income from customer loans	3.497.702	3.099.308
Income from business profits, investment in debt securities	36.796	77.335
Income from guarantee activities	22.822	21.073
Other income from credit activities	189.864	147.085
	3.987.621	3.502.639
Interest expense and similar charges		
Interest payment on deposits	(2.017.168)	(1.619.607)
Interest payment on loans	(4.747)	(128.325)
Interest payment on securities issuance	(137.739)	(112.852)
Other credit activities' expenses	(103.168)	(119.855)
	(2.262.822)	(1.980.639)
Total	1.724.799	1.522.000

24. Net gain/loss from services

Service revenue	Current period	Previous period
Payment services	297.224	236.297
Treasury, Trust and Agency services	137	142
Insurance Business and services	25.552	26.110
Other services	16.382	10.809
	339.295	273.358
Service expenses		
Payment and treasury services	(16.080)	(18.972)
Consulting services	(1.772)	(150)
Postal charges for telecommunications networks	(19.429)	(22.228)
Other service expenses	(7.321)	(8.670)
	(44.602)	(50.020)
Total	294.693	223.338

25. Net gain/loss from dealing in foreign currencies

Gain from dealing in foreign currencies	Current period	Previous period
Revenue from spot foreign currency trading	105.658	109.411
Revenue from currency derivative financial instruments	7.138	68.428
Loss from dealing in foreign currencies		
Spot foreign exchange trading expenses	(9.030)	(11.884)
Currency derivative financial instruments expenses	(62.414)	(160.963)
Total	41.352	4.992

26. Net gain/loss from dealing in investment securities

	Current period	Previous period
Revenue from trading investment securities	12.749	8.786
Cost of buying and selling investment securities	-	(401)
Total	12.749	8.385

NOTES TO THE FINANCIAL STATEMENTS
Quarter II Year 2025

	Unit: VND million	
	Current period	Previous period
27. Net gain/loss from other activities		
Income from sale of assets for debt assignment	7.460	991
Income from bad debts has been handled by risk provisions	5.010	-
Other incomes	221.948	78.732
	4.450	1.921
	<u>238.868</u>	<u>81.644</u>
Others expenses		
Cost of social work activities	(3.716)	(4.654)
Cost of debt trading operations	(4.320)	-
Cost of debt settlement, other costs	(1.970)	(742)
	<u>(10.006)</u>	<u>(5.396)</u>
Total	<u>228.862</u>	<u>76.248</u>
28. Operating Expenses	Current period	Previous period
1. Payment of taxes and fees	9.764	13.333
2. Expenses for employees	549.971	606.572
In which:	-	-
<i>Salaries and allowances</i>	484.855	540.749
<i>Contribution expenses based on salary</i>	40.540	35.142
<i>Costumes and other related expenses</i>	24.576	30.681
3. Expenses on assets	133.655	119.494
In which:	-	-
<i>Depreciation and amortization of fixed assets</i>	39.206	40.330
<i>Asset rental expenses</i>	59.565	45.348
<i>Asset repair and maintenance expenses</i>	20.801	22.536
<i>Expenses for procurement of work tools</i>	13.622	11.086
<i>Other expenses</i>	461	194
4. Expenses of mission management	116.919	126.194
In which:	-	-
<i>Cost of advertising, marketing, promotions and office materials</i>	31.368	24.744
<i>Business fee</i>	6.856	7.046
<i>Cost of electricity, water, cleaning, petrol</i>	19.312	20.574
<i>Cost of communication, research and application of science and technology</i>	11.990	18.120
<i>Training costs</i>	1.051	1.382
<i>Conference, reception and celebration costs</i>	37.733	43.721
<i>Other costs</i>	8.609	10.607
5. Payment insurance premiums and preserve customer deposits	48.691	41.054
6. Provision for risks of on-balance sheet assets	-	25.086
Total	<u>859.000</u>	<u>931.733</u>

NOTES TO THE FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

29. Corporate income tax	Current period	Previous period
The bank is required to pay corporate income tax on taxable income at a tax rate of 20%.		
Profit before tax	920.459	551.629
<i>Add-back adjustments</i>	<i>4.312</i>	<i>6.430</i>
Total taxable income	924.771	558.059
<i>Tax-free income (previous year's profits transferred by subsidiaries)</i>	<i>(5.145)</i>	<i>(4.366)</i>
Taxable income	919.626	553.693
<i>Income tax expense rate</i>	<i>20%</i>	<i>20%</i>
Corporate income tax expense	183.925	110.739

The determination of corporate income tax payable by the Bank is based on prevailing tax regulations. However, these regulations are subject to change from time to time, and tax provisions applicable to various types of transactions may be interpreted in different ways. Therefore, the amount of tax presented in the separate financial statements may change upon inspection by the tax authorities.

30. Cash and cash equivalents	Current period	Previous period
Cash and cash equivalents on hand	769.709	638.867
Deposits at State Bank of Vietnam	6.340.928	2.843.413
Cash, gold at other credit institutions (no term or the term of less than 3 months)	10.338.801	17.777.425
Total	17.449.438	21.259.705

31. Income situation of staff and employees	Current period	Previous period
Total employees	3.549	3.636
Income of staff	-	-
Total income	378.912	460.719
Bonus	113.714	80.030
Total Income	492.626	540.749
Average monthly salary (VND million/person/month)	18	21
Average monthly income(VND million/person/month)	23	25

32. Clearance of obligations to the State Budget

Items	Opening	Movements		Closing Balance	
		To be paid	Paid		
VAT	6.805	15.005	(18.549)	3.261	-
Corporate income tax	98.761	183.925	(158.025)	124.661	-
Personal income tax	10.895	38.491	(44.585)	4.801	-
Total	116.461	237.421	(221.159)	132.723	-

33. Contingencies and commitments	30 June 2025	31 December 2024
Commitments on foreign currency transactions	13.408.669	19.422.623
▪ Commitment to buy foreign currency	52.180	2.126.880
▪ Commitment to sell foreign currency	26.090	708.960
▪ Commitment to swap transactions	13.330.399	16.586.783

NOTES TO THE FINANCIAL STATEMENTS
Quarter II Year 2025

		Unit: VND million			
<i>Commitment in L/C business</i>	<i>4.000.000</i>	<i>4.005.233</i>			
Payment commitment in L/C business	4.000.000	4.006.085			
Minus deposit	-	(852)			
<i>Other commitments</i>	<i>2.791.401</i>	<i>4.129.036</i>			
Contract value	2.801.638	4.131.387			
Minus the security deposit	(10.237)	(2.351)			
34. Lending interest and receivable fees but not collected yet	30 June 2025	31 December 2024			
Lending interest in VND but not collected yet	291.718	331.341			
35. Bad debts that have been settled	30 June 2025	31 December 2024			
Principal debt that have been dealt with risks are under monitoring	1.271.196	1.072.357			
Interest debt that have been dealt with risks are under monitoring	1.623.734	1.513.487			
Total	2.894.930	2.585.844			
36. Assets and other documents	30 June 2025	31 December 2024			
Other assets being kept	4.121.704	4.118.432			
Other valuable documents being preserved	130.592	170.065			
Total	4.252.296	4.288.497			
37. Types and value of secured assets of customers	30 June 2025	31 December 2024			
Real estates	35.302.356	36.689.741			
Machinery and equipment	50.570	52.487			
Transportation	573.021	593.681			
Shares Issued by Credit Institutions	75.000	15.709			
Shares issued by economic organizations	25.379.380	20.219.882			
Saving book, bill of exchange and other valuable papers	2.267.719	2.555.675			
Other mortgaged assets	79.334.058	109.067.904			
Total	142.982.104	169.195.079			
38. Geographical concentration of assets, liabilities and off-balance sheet items					
	Total deposits and outstanding loans	Total customer deposits	Derivative instruments (total value by contract)	Credit commitments	Securities trading and investment
Closing balance	86.226.752	87.665.363	2.364.404	6.801.638	2.971.035
Domestic	86.226.752	87.665.363	2.364.404	6.801.638	2.971.035
Opening balance	81.143.999	82.915.150	2.191.644	8.137.472	2.973.962
Domestic	81.143.999	82.915.150	2.191.644	8.137.472	2.973.962

NOTES TO THE FINANCIAL STATEMENTS
Quarter II Year 2025

Unit: VND million

39. Market risk

39.1 Liquidity risks

Analysis of assets and liabilities by remaining maturity

The table below analyzes the Bank's assets and liabilities by group based on the remaining maturity period from the end of the reporting period to the contractual maturity date. The actual maturity of assets and liabilities may differ from the contractual terms depending on contract annexes, if any.

As of 30 June 2025

Items	Overdue		Current					Total
	Over 3 months	Up to 3 months	Up to 1 month	From 1-3 months	From 3-12 months	From 1-5 years	Over 5 years	
Cash, gold, silver and gemstones	-	-	769.709	-	-	-	-	769.709
Deposits at the State Bank of Vietnam	-	-	6.340.928	-	-	-	-	6.340.928
Deposits at other credit institutions and loans granted to other credit institutions	-	-	8.777.751	1.561.050	-	-	-	10.338.801
Loans granted to customers (*)	1.365.670	1.050.394	2.866.510	9.113.844	33.121.087	18.219.374	3.810.144	69.547.023
Investment securities (*)	-	-	-	-	-	-	2.971.035	2.971.035
Equity and long term investments	-	-	-	-	-	-	500.000	500.000
Fixed assets and investment properties	-	-	614.020	189	1.460	45.596	731.993	1.393.258
Other long term assets (*)	55.066	-	1.631.269	5.623.850	-	-	-	7.310.185
Total assets	1.420.736	1.050.394	21.000.187	16.298.933	33.122.547	18.264.970	8.013.172	99.170.939
Liabilities								
Deposits and borrowings from the State Bank and other credit institutions	-	-	8.496.414	1.561.200	-	7.601	681	10.065.896
Deposits from customers	-	-	19.062.175	16.054.859	38.125.467	226.533	817	73.469.851
Financial derivatives and other financial liabilities	-	-	35.876	-	-	-	-	35.876
Issue of valuable papers	-	-	-	-	1.928.183	51.400	2.150.033	4.129.616
Other liabilities	-	-	3.029.469	-	-	-	-	3.029.469
Total liabilities	-	-	30.623.934	17.616.059	40.053.650	285.534	2.151.531	90.730.708
Difference of net liquidity	1.420.736	1.050.394	(9.623.747)	(1.317.126)	(6.931.103)	17.979.436	5.861.641	8.440.231

(*) These items do not include the balance of provision for risks.

KIEN LONG COMMERCIAL JOINT STOCK BANK

40-42-44 Pham Hong Thai, Rach Gia Ward

An Giang Province, Vietnam

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NOTES TO THE FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND Million

39.2 Interest rate risks

As of 30 June 2025

Items	Overdue	Non-interest bearing	Within 1 month	From 1-3 months	From 3-6 months	From 6 - 12 months	From 1-5 years	Over 5 years	Total
Cash, gold, silver and gemstones	-	769.709	-	-	-	-	-	-	769.709
Deposits at the State Bank of Vietnam	-	-	6.340.928	-	-	-	-	-	6.340.928
Deposits at other credit institutions and loans granted to other credit institutions	-	-	8.777.751	1.561.050	-	-	-	-	10.338.801
Loans granted to customers (*)	2.416.064	-	2.866.510	9.113.844	6.727.782	26.393.305	18.219.374	3.810.144	69.547.023
Investment securities (*)	-	-	-	-	-	-	-	2.971.035	2.971.035
Equity and long term investments	-	500.000	-	-	-	-	-	-	500.000
Fixed assets and investment properties	-	1.393.258	-	-	-	-	-	-	1.393.258
Other long term assets (*)	55.066	7.255.119	-	-	-	-	-	-	7.310.185
Total assets	2.471.130	9.918.086	17.985.189	10.674.894	6.727.782	26.393.305	18.219.374	6.781.179	99.170.939
Liabilities									
Deposits and borrowings from the State Bank and other credit institutions	-	-	8.496.414	1.561.200	-	-	7.601	681	10.065.896
Deposits from customers	-	-	19.062.175	16.054.859	18.794.853	19.330.614	226.533	817	73.469.851
Financial derivatives and other financial liabilities	-	-	35.876	-	-	-	-	-	35.876
Issue of valuable papers	-	-	-	-	1.928.183	-	51.400	2.150.033	4.129.616
Other liabilities	-	3.029.469	-	-	-	-	-	-	3.029.469
Total liabilities		3.029.469	27.594.465	17.616.059	20.723.036	19.330.614	285.534	2.151.531	90.730.708
The different sensitivity level with the interest rate in the balance sheet	2.471.130	6.888.617	(9.609.276)	(6.941.165)	(13.995.254)	7.062.691	17.933.840	4.629.648	8.440.231
Off balance sheet commitments affecting the sensitivity level with the interest rate of assets and liabilities (net)	-	(6.791.401)	-	-	-	-	-	-	(6.791.401)
The different sensitivity level with the interest rate in and off the balance sheet	2.471.130	97.216	(9.609.276)	(6.941.165)	(13.995.254)	7.062.691	17.933.840	4.629.648	1.648.830

(*)These items do not include the balance of provision for risks.

NOTES TO THE FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND Million

39.3 Currency risks

Items	VND	Converted EUR	Converted USD	Other converted foreign currencies	Total
Assets					
Cash, gold, silver and gemstones	748.793	19.073	1.684	159	769.709
Deposits at the State Bank of Vietnam	5.809.709	531.219	0	0	6.340.928
Deposits at other credit institutions and loans granted to other credit institutions	9.074.415	1.250.185	2.966	11.235	10.338.801
Loans granted to customers (*)	69.485.759	61.264	0	0	69.547.023
Investment securities (*)	2.971.035	0	0	0	2.971.035
Equity and long term investments	500.000	0	0	0	500.000
Fixed assets and investment properties	1.393.258	0	0	0	1.393.258
Other long term assets (*)	7.310.185	0	0	0	7.310.185
Total assets	97.293.154	1.861.741	4.650	11.394	99.170.939
Liabilities and owners' equity					
Deposits and borrowings from the State Bank and other credit institutions	9.021.615	1.044.281	0	0	10.065.896
Deposits from customers	73.412.889	56.313	605	44	73.469.851
Financial derivatives and other financial liabilities	-2.364.404	2.400.280	0	0	35.876
Issue of valuable papers	4.129.616	0	0	0	4.129.616
Other liabilities	3.029.469	0	0	0	3.029.469
Equity and funds	7.216.433	0	0	0	7.216.433
Total liabilities and owners' equity	94.445.618	3.500.874	605	44	97.947.141
Position of currencies in balance sheet	2.847.536	(1.639.133)	4.045	11.350	1.223.798
Position of currencies off balance sheet					-
Position of currencies in and off balance sheet	2.847.536	(1.639.133)	4.045	11.350	1.223.798

(*)These items do not include the balance of provision for risks.

NOTES TO THE FINANCIAL STATEMENTS
Quarter II Year 2025

Unit: VND Million

40. Segment report

(a) Major segment report

Reporting period from 01/01/2025 to 30/06/2025

	Northern region	The Central Region	Southern region	Adjust	Total
I. Incomes	614.004	614.838	3.711.445	(243.812)	4.696.475
1. Interest income	530.269	575.504	3.125.660	(243.812)	3.987.621
2. Income from service activities	24.723	18.781	295.791	-	339.295
3. Income from other business activities	59.012	20.553	289.994	-	369.559
II. Expenses	(269.825)	(501.977)	(2.719.885)	243.812	(3.247.875)
1. Interest expense	(197.556)	(398.334)	(1.910.744)	243.812	(2.262.822)
2. Depreciation costs of fixed assets	(524)	(3.572)	(35.110)	-	(39.206)
3. Costs directly related to business operations	(71.745)	(100.071)	(774.031)	-	(945.847)
Operating profit before allowance expenses for credit note	344.179	112.861	991.560	-	1.448.600
Allowance expenses for credit losses	(9.819)	(46.961)	(471.361)	-	(528.141)
Allowance expenses for credit losses	334.360	65.900	520.199	-	920.459
Segment profit/(loss)					

As of 30 June 2025

	Northern region	The Central Region	Southern region	Adjust	Total
III. Assets	17.716.810	8.074.946	72.155.385	-	97.947.141
1. Cash	35.285	142.086	592.338	-	769.709
2. Fixed assets	4.593	231.890	1.156.775	-	1.393.258
3. Other assets	17.676.932	7.700.970	70.406.272	-	95.784.174
IV. Liabilities	9.721.563	15.301.686	65.707.459	-	90.730.708
1. Accounts payable	9.716.479	15.299.052	63.847.282	-	88.862.813
2. Other liabilities	5.084	2.634	1.860.177	-	1.867.895

(b) Minor segment report

The Bank has two business divisions: banking and asset management and asset exploitation.

Prepared by

Chief Accountant

An Giang, day 15 month 07 year 2025

Chairman

Duy

Thi Duyen

Vu Dang Xuan Vinh

Vu Dang Xuan Vinh



Tran Ngoc Minh