

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

Unit: VND million

ITEMS	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. Gold and Deposits at other Credit Institutions and Loans Granted to other Credit Institutions	7	10.338.801	15.504.604
1. Gold and deposits at other credit institutions		10.338.801	15.504.604
2. Loans granted to other credit institutions		-	-
IV. Trading securities		-	-
V. Financial Derivatives and other Financial Assets		-	-
VI. Loans Granted to Customers		68.416.125	60.451.562
1. Loans granted to customers	8	69.547.023	61.431.909
2. Provision for loan losses	9	(1.130.898)	(980.347)
VII. Factoring activities		-	-
VIII. Investment securities	10	2.971.035	2.973.962
1. Available-for-sales securities		1.298.473	1.298.447
2. Held-to-maturity securities		1.672.562	1.675.515
3. Provisions for devaluation of securities		-	-
IX. Equity Investment and Other Investments		-	-
X. Fixed assets		1.393.870	1.414.961
1. Tangible fixed assets	11	615.141	623.092
a. Cost		1.189.582	1.171.451
b. Accumulated depreciation		(574.441)	(548.359)
2. Finance leased fixed assets		-	-
3. Intangible fixed assets	12	778.729	791.869
a. Cost		934.126	934.126
b. Accumulated depreciation		(155.397)	(142.257)
XI. Investment properties		-	-
XII. Other long-term assets		7.400.015	7.085.283
1. Accounts receivables	13	5.402.472	5.290.868
2. Interest and fee receivables	14	1.631.269	1.393.393
3. Deferred income tax assets		-	-
4. Other assets	15	460.620	500.378
5. Provision for other assets		(94.346)	(99.356)
TOTAL ASSETS		97.630.483	92.176.268

CONSOLIDATED STATEMENT OF FINANCIAL POSITION**Quarter II Year 2025**

Unit: VND million

ITEMS	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	16	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	17	73.173.554	63.521.494
IV. Derivative Financial Instruments and Other Financial Liabilities	18	35.876	112.476
V. Trust Funds and Other Borrowed Funds		-	-
VI. Issuance of Valuable Documents		4.082.122	3.928.457
VII. Other Liabilities		3.026.892	2.883.342
1. Interests, fees payable	19	1.153.731	1.002.054
3. Accounts payable and other liabilities	20	1.873.161	1.881.288
TOTAL LIABILITIES		90.384.340	85.571.316
VIII. Equity and Funds	21	7.246.143	6.604.952
1. Equity of credit institutions		3.618.619	3.618.619
a. Chartered Capital		3.652.819	3.652.819
b. Treasury stocks		(34.200)	(34.200)
2. Funds of credit institutions		751.337	573.838
3. Exchange rate difference		(50.326)	-
5. Undistributed profit		2.926.513	2.412.495
TOTAL LIABILITIES AND OWNERS' EQUITY		97.630.483	92.176.268

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Quarter II Year 2025

Unit: VND million

ITEMS	Notes	30 June 2025	31 December 2024
OFF BALANCE SHEET ITEMS			
2. Foreign exchange commitments	33	13.408.669	19.422.623
2.1 Foreign exchange commitments - buy		52.180	2.126.880
2.2 Foreign exchange commitments - sell		26.090	708.960
2.3 Swap commitments		13.330.399	16.586.783
3. Irrevocable loan commitments	33	4.000.000	4.005.233
5. Other guarantees	33	2.791.401	4.129.036
7. Uncollected interests and fees receivable	34	291.718	331.341
8. Bad debts written-off	35	2.894.930	2.585.844
9. Other assets and receipts	36	4.252.296	4.288.497

Prepared by

Duy Z

Thi Duyen

Chief Accountant

Vu Dang Xuan Vinh

Vu Dang Xuan Vinh

An Giang, ngày 15 tháng 07 năm 2025

Chairman



Tran Ngoc Minh

CONSOLIDATED INCOME STATEMENT

Quarter II Year 2025

Unit: VND million

No.	Items	Notes	Quarter II		Accumulated from the start of the year through the end of this quarter	
			Year 2025	Year 2024	Year 2025	Year 2024
I	Interest and similar income		1.999.778	1.809.610	3.987.621	3.502.639
2	Interest and similar expenses		(1.115.832)	(890.565)	(2.254.589)	(1.970.702)
I	Net interest and similar income	22	883.946	919.045	1.733.032	1.531.937
3	Fee and commission income		169.808	160.473	349.568	281.892
4	Fee and commission expenses		(21.150)	(39.666)	(41.331)	(47.944)
II	Net fee and commission income	23	148.658	120.807	308.237	233.948
III	Net gain/(loss) from foreign currencies and gold trading	24	20.414	(6.199)	41.352	4.992
IV	Net gain/(loss) from trading securities		-	-	-	-
V	Net gain/(loss) from investment securities	25	12.661	3.508	12.749	8.385
5	Other income		126.936	49.423	238.925	81.650
6	Other expenses		(1.591)	(913)	(10.006)	(5.400)
VI	Net gain/(loss) from other operating activities	26	125.345	48.510	228.919	76.250
VII	Income from capital contributions and equity investments		-	-	-	-
VIII	Operating expenses	27	(296.318)	(503.571)	(874.890)	(947.998)
IX	Operating profit before provision for credit losses		894.706	582.100	1.449.399	907.514
X	Provision for credit losses		(329.943)	(244.365)	(528.141)	(355.967)
XI	Profit before tax		564.763	337.735	921.258	551.547
7	Current corporate income tax expenses		(113.300)	(68.457)	(185.114)	(111.475)
8	Deferred income tax expenses (*)		-	-	-	(120)
XII	Corporate income tax expense	28	(113.300)	(68.457)	(185.114)	(111.595)
XIII	Profit after tax		451.463	269.278	736.144	439.952
XV	Earning per share (VND/share)	29	-	-	2.036	1.217

An Giang, ngày 15 tháng 07 năm 2025

Prepared by

Chief Accountant

Chairman

Thi Duyen

Vu Dang Xuan Vinh



Tran Ngoc Minh

Thi Duyen

Vu Dang Xuan Vinh

Tran Ngoc Minh

CONSOLIDATED CASH FLOW STATEMENT

Quarter II Year 2025

Unit: VND million

ITEMS	Quarter II	
	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	(2,102.912)	(2,575.777)
03. Income from services	308.237	233.948
04. Differences of actual receipts/payments from operating activities (foreign currencies, gold, securities)	54.101	13.377
05. Other income	(490)	(3,105)
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	(836.866)	(794.813)
08. Tax actually paid during the year	(158.472)	(76.538)
Net cash flows from operating activities before changes in assets and working capital	1,235.290	232.182
(Increase)/decrease in operating assets	-	-
10. (Increase)/Decrease in investment securities	2.926	(150.695)
12. (Increase)/Decrease in loans and advances to customers	(8,115.115)	(8,037.987)
13. (Decrease)/Increase in provisions for damages	(377.590)	(190.937)
14. (Increase)/Decrease in other operating assets	(48.230)	(488.847)
Increase/(decrease) in operating liabilities	-	-
16. Deposits and borrowings from other CIs	(5,059.650)	2,647.535
17. Deposits from customers	9,751.709	1,488.470
18. Valuable papers issued	54.016	(231.041)
20. Derivative and other financial liabilities	(76.600)	170.599
21. Other operating liabilities	(88.117)	680.874
I. Net cash flows from operating activities	(2,721.361)	(3,879.847)
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
01. Payments for purchase of fixed assets	(36.835)	(11,518)
02. Proceeds from disposal of fixed assets	7,460	623
II. Net cash flows from investing activities	(29,375)	(10,895)
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
III. Net cash flows from financing activities	-	-
IV. Net cash flows during the year	(2,750.736)	(3,890.742)

CONSOLIDATED CASH FLOW STATEMENT
Quarter II Year 2025

	Unit: VND million	
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 end of the year (Note no.30)	17.449.438	21.259.705

An Giang, ngày 15 tháng 07 năm 2025

Prepared by

Chief Accountant

Chairman


Thi Duyen


Vu Dang Xuan Vinh




Tran Ngoc Minh

NOTES TO THE CONSOLIDATED 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 June 30, 2025, the Bank's chartered capital is VND 3,652,819 million

b. Structure ownership: Share Capital**c. The Bank's 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. Board of Directors

Mr. Tran Ngoc Minh	Chairman
Ms. Nguyen Thi Hong Hanh	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. Board of Supervisors

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**Quarter II Year 2025****Unit: VND million****f. Board of 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 of Board
--------------------	-------------------

h. Head office:

Head office of the Bank: 40-42-44 Pham Hong Thai, Rach Gia ward, An Giang province.

Until the issuing date of the consolidated financial statements, the Bank has had 1 head office, 2 representative office, 31 branches, 103 transaction offices in the whole country. The Bank has 1 subsidiary.

i. Subsidiary:

Kien Long Commercial Joint Stock Bank's One Member Limited Liability Company for Debt Management and Asset Exploitation was established under license number 1701452905, initially registered on November 12, 2010, with the most recent update on April 3, 2025, issued by the Department of Planning and Investment of Kien Giang Province. The subsidiary's main business activities include consulting, real estate brokerage, leasing of real estate and land use rights, management of loan debts and collateral assets; asset valuation and collateral file management, loan restructuring, and the purchase and sale of debts to/from credit institutions. As of March 31, 2025, the Bank's ownership interest and voting rights in this subsidiary were 100%.

j. Total number of employees to June 30, 2025: 3,577 employees.

Total Employees to December 31, 2024: 3,717 people.

2. Accounting Period and Reporting Currency

a. Fiscal year: The fiscal year starts on 1 January and ends on 31 December annually.

b. Reporting currency: VND.

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

The Bank's consolidated financial statements are prepared at original cost and in compliance with Vietnamese Accounting Standards, the Financial Reporting Regime for Credit Institutions, the regulations of the State Bank of Vietnam, and relevant legal provisions related to the preparation of consolidated financial statements. The consolidated financial statements, therefore, do not aim to present the consolidated financial position of the Bank as well as its consolidated operating results and consolidated cash flows in accordance with accounting principles and practices accepted in countries and jurisdiction other than the Socialist Republic of Vietnam. The accounting principles and practices used in Vietnam may differ from those in other countries.

Accounting System

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

The Bank applies the 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, Circular No. 10/2014/TT-NHNN dated March 20, 2014, Circular No. 49/2014/TT-NHNN dated December 31, 2014 and Circular No. 22/2017/TT-NHNN dated December 29, 2017, Circular 27/2021/TT-NHNN dated December 31, 2021 issued by the State Bank of Vietnam and related accounting standards.

4. Applicable Accounting policies**a. Foreign currency conversion**

The exchange rate used for accounting of foreign currency buying and selling transactions is the actual buying and selling rate at the time of arising.

The exchange rate used to account for other foreign currency transactions to convert into Vietnam dong is the average exchange rate of buying and selling spot transfer of that foreign currency at the transaction date.

The ending balance of monetary items in foreign currencies must be revalued at the spot exchange rate at the end of the last working day of the reporting period, if this rate is less than 1% compared to the weighted average buying and selling exchange rate of the last working day of the reporting period. If this exchange rate is greater than 1% compared to the weighted average buying and selling exchange rate of the last working day of the reporting period, the weighted average exchange rate should be used.

Exchange differences of transactions arising during the year and revaluation of monetary items denominated in foreign currencies at the end of the year are included in the income statement for the year.

Exchange rate as at June 30, 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	19,23 VND/KRW
15,844 VND/NZD	

b. Principles for consolidating the financial statements

Subsidiary is a company over which the Bank has the power to govern the financial and operating policies. The subsidiary's financial statements are consolidated into the Bank's since the date the Bank holds control over the subsidiary and no longer be consolidated since the Bank ceases its control right.

The bank records business combination using purchase method. The purchase cost includes the fair value at the date of exchanging assets, equity instruments issued by the purchaser and liabilities incurred or recognized plus directly expenses related to the purchase of the subsidiary.

Intra-company balances, transactions and unrealized profit between the subsidiary and the Bank have been eliminated when the consolidated financial statements are prepared. The unrealized loss has been eliminated too, except the case where the transactions indicate the devaluation of the handed-over assets. The accounting policies that the subsidiary applies have to be changed, in appropriate, to be in consistency with those applied by the Bank.

c. Derivative financial instruments and provision for losses

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

Derivative financial instruments are recorded in the Balance Sheet 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. Fees and commissions income

Income from fee and commission include income from settlement service, treasury service, fee of guarantee and other services which are recorded when they are actually received.

f. 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.

Classification of debts

Debt classification for term deposits and loans to other credit institutions, unlisted corporate bonds, loans to customers, credit extension trusts (collectively, "debts") is performed monthly according to the quantitative method prescribed in Article 10 of Circular 31/2024/TT-NHNN dated June 30, 2024 ("Circular 31"). The Bank shall classify debts monthly based on the principal balance as at the last day of the preceding 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. c) Debts are classified into group 1 because they meet the criteria to be classified into lower risk debt group.

- 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.

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

- 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 11; 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 134 Law on credit institutions or violating debt specified in Clauses 1,2,3,4, Article 135 of Law on Credit Institutions or violating debt specified in Clauses 1,2,5, Article 136 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 11; or j) Debts that must be classified into group 5 according to the provisions of Clause 4, Article 8 of Circular 31.

The bank has implemented a restructuring of debt repayment terms while maintaining the current debt classification to support customers facing difficulties in their business operations and those struggling to repay loans for living and consumption needs, in accordance with Circular No. 02/2023/TT-NHNN dated April 23, 2023, and Circular No. 06/2024/TT-NHNN dated June 18, 2024, issued by the State Bank of Vietnam.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

- 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.

Provision for credit risk

Provision for credit losses includes general and specific provisions.

Specific provision

In accordance with Decree No. 86/2024/ND-CP dated July 11, 2024 ("Decree 86"), the Bank has established specific provisions for credit risk based on the provisioning ratio corresponding to the loan classification results and the outstanding principal balance, net of the discounted value of collateral. Specific provisions are calculated based on the loan classification results and the outstanding principal balance as of the last working day of the month.

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	Current debts	0%
Group 2	Special mentioned debts	5%
Group 3	Sub-standard debts	20%
Group 4	Doubtful debts	50%
Group 5	Loss debts	100%

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

Specific provision is calculated on the balance of loans to each customer on the last working day of each month less the amortized value of the collateral. The deduction rate of collateral is specified in Clause 2, Article 6 of Circular 86.

Pursuant to Clause 1, Article 7 of Decree 86, general provision is made to provide for unspecified losses during debt classification and individual provisioning and in cases where credit institutions face financial difficulties, mainly when the quality of the debt deteriorates. Accordingly, the Bank must make and maintain a general provision equal to 0.75% of the total balance of loans from group 1 to group 4, except for the following:

- Deposits at credit institutions, foreign bank branches as prescribed by law and deposits at overseas credit institutions.
- Loans and purchases with term of valuable papers between credit institutions, foreign bank branches in Vietnam.
- Purchases of certificates of deposit and bonds issued domestically by other credit institutions or foreign bank branches;
- Purchases and resales of government bonds on the securities market in accordance with the laws on issuance, registration, depository, 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 prescribed by law.

Using provision risk

Provisions are recognized as an expense in the consolidated statement of income and are used to settle debts classified in group 5, liquidated, bankrupt, or deceased or missing person and to deal with the loss of property for the debt in accordance with the provisions of Article 11 of Circular 86/2024/TT-NHNN.

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.

g. Accounting for securities dealing, investing activities**Securities trading**

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

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

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 General Director.

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.

Unlisted available-for-sale debt securities and held-to-maturity debt securities are carried at cost less allowance for credit losses in accordance with Circular No. 86/2024/TT-NHNN.

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

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.

h. Investments in subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Quarter II Year 2025

Unit: VND million

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.

The cost method is a method of accounting where an investment is initially recognized at cost, and then not adjusted for changes in investors' share of the investee's net assets. The income statement reflects only the income of investors divided from the accumulated net profits of the investee arising after the date of investment.

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.

i. Principles for 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 capitalised 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 consolidated income statement.

Tangible fixed assets purchased

The original cost of purchased tangible fixed assets consists 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 is the finalisation 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 consolidatedly and recorded as intangible fixed assets.

j. Principles for recording intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortization. The original cost of a 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

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.

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.

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

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

k. 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.

l. 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.

m. 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, 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.

n. Provisions, contingent liabilities and unidentified assets

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.

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

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 provisioning rates based on the duration of overdue payments as guided by 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. These provisions are applied to each bad debt based on the aging of overdue debts or the estimated potential loss. Increases or decreases in the provision balance for bad debts to be established as of the end of the financial year are recognized as operating expenses.

p. 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 Statute 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.

q. Principles and methods of recording current corporate income taxes, deferred corporate income 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.

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.

r. Owners' Equity

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

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.

Share premium: The difference between the actual inflow over and above the nominal value of the first issued, additionally issued share and differences between the actual inflow over the repurchasing price in case of treasury share issuance. In case where shares are bought to cancel immediately at the purchase date, shares' value for business capital written down at purchase date is the actual repurchase price and the business resource should be written down in details according to the par value and share premium of the repurchased shares.

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 lessing (-) 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.

s. Earnings per share

Basic earnings per share is calculated by dividing net income available to common shareholders after appropriating to Bonus and Welfare Fund by the weighted-average number of common shares outstanding during the period.

t. 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 Board of General Directors, Board of Management 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.

u. Segment report

A reportable segment includes business segment or a geographical segment.

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 components operating in other economic environments.

To support management activities, the Bank, with its nationwide scale, presents its primary segment reporting by business sector, while secondary segment reporting is prepared by geographical region.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

Additional Information on the Items of the Consolidated Statement of Financial Position

5. Cash, gold, silver, gemstones	30 June 2025	31 December 2024
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	30 June 2025	31 December 2024
VND	5.809.710	4.202.344
Foreign currencies	531.218	5.142
Total	6.340.928	4.207.486

It reflects the accounts for demand deposits and required reserve deposits at the State Bank of Vietnam (SBV) according to regulations. Required reserves are determined in accordance with SBV regulations, with the following reserve ratios:

- Demand deposits and time deposits with terms under 12 months: 3% for VND, 8% for foreign currency.
- Time deposits with terms of 12 months or more: 1% for VND, 6% for foreign currency.
- Overseas deposits: 1% for foreign currency.

7. Deposits at other Credit Institutions and Loans Granted to other Credit Inst	30 June 2025	31 December 2024
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. Loans granted to customers	30 June 2025	31 December 2024
Loans granted to local economic institutions, individuals	69.547.023	61.431.909
Total	69.547.023	61.431.909

Analysis by loan quality	30 June 2025	31 December 2024
Group 1 - Current debts	67.130.959	59.353.660
Group 2 - Special mentioned debts	1.050.394	837.674
Group 3 - Sub-standard debts	325.786	231.594
Group 4 - Doubtful debts	431.698	170.332
Group 5 - Loss debts	608.186	838.649
Total	69.547.023	61.431.909

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Quarter II Year 2025

	Unit: VND million	
	30 June 2025	31 December 2024
Analysis by loan term		
Short-term	43.647.387	38.555.215
Medium	21.465.613	19.621.779
Long-term	4.434.023	3.254.915
Total	69.547.023	61.431.909
Analysis by type of customer and form of business	30 June 2025	31 December 2024
Business households and individuals	13.294.000	14.093.586
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 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	0
Real estate sector (business, self-use)	11.188.991	9.108.693
Wholesale and retail, repairing motors, vehicles and other engines	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
Healthcare and social assistance activities	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 technical activities	8.710	1.782
Water supply; waste management and treatment activities	42.918	13.094
Total	69.547.023	61.431.909

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

	30 June 2025	31 December 2024
9. Provision for loan losses		
Details of provision balance		
General provision	516.921	454.450
Specific provision	613.977	525.897
Total	1.130.898	980.347
Opening balance	454.450	525.897
Provisions made /(reversed)	62.471	465.670
Use of reserves during the period	0	-377.590
Closing balance	516.921	613.977
Prior year		
Opening balance	364.535	258.698
Provisions made /(reversed)	89.915	733.033
Credit risk provision utilization during the year	0	-465.834
Closing balance	454.450	525.897
10. Investment securities	30 June 2025	31 December 2024
<i>Investment securities available for sale</i>		
<i>Debt securities</i>		
Government Securities	1.298.473	1.298.447
Total	1.298.473	1.298.447
<i>Held-to-maturity investment 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

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 CONSOLIDATED 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	152.027	184.302	22.905	1.171.451
Purchase for the year	69	291	-	17.756	117	18.233
Construction investment completed	-	-	-	-	-	-
Disposals, sales	-	(102)	-	-	-	(102)
Closing balance	728.894	83.581	152.027	202.058	23.022	1.189.582
Acc. Depreciation						
Opening balance	245.354	53.168	113.898	120.317	15.622	548.359
Depreciation during the period	13.900	2.970	4.098	4.798	418	26.184
Disposals, sales	-	(102)	-	-	-	(102)
Closing balance	259.254	56.036	117.996	125.115	16.040	574.441
Net book value	-	-	-	-	-	-
Opening balance	483.471	30.224	38.129	63.985	7.283	623.092
Closing balance	469.640	27.545	34.031	76.943	6.982	615.141

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

12. Intangible fixed assets

Items	Land use right	Computer software	Other intangible assets	Total
Original cost				
Opening balance	686.287	227.825	20.014	934.126
- Purchase in the year				-
- Transfers from construction in progress				-
Closing balance	686.287	227.825	20.014	934.126
Acc. Amortization				
Opening balance	14.163	109.399	18.695	142.257
- Charge for the year	920	11.572	648	13.140
Closing balance	15.083	120.971	19.343	155.397
Net book value				
Opening balance	672.124	118.426	1.319	791.869
Closing balance	671.204	106.854	671	778.729

13. Receivables

	30 June 2025	31 December 2024
Construction or purchase of fixed assets in progress	29.747	11.145
Amount for supporting interest rate awaiting the State's payment	3.822	3.943
Office rental deposit and contract advance	50.291	33.683
Input VAT	1.749	586
Advance for professional purposes	14.181	2.273
Receivables from warehouse and office rental services	3.773	3.459
Receivables from credit card operations and Banknetvn	1.163.022	1.098.367
recourse to the documents under the letter of credit	4.000.000	4.000.000
Deposit at international payment organizations	36484	35902
Others	99.403	101.510
Total	5.402.472	5.290.868

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Quarter II Year 2025

Unit: VND million

	30 June 2025	31 December 2024
14. 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
15. Other assets	30 June 2025	31 December
Cost awaiting allocation	318.648	315.602
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	13.133	54.878
Total	460.620	500.378
16. Cash deposited and borrowed from other credit institutions	30 June 2025	31 December
Demand deposits	1.525.014	3.025.715
Term deposit		
VND	7.489.000	9.382.330
Foreign currencies	1.043.600	2.709.240
Borrowing		
VND	7.601	7.601
Foreign currencies	681	661
Total	10.065.896	15.125.547
17. Deposits from customers	30 June 2025	31 December
Demand deposits		
VND	5.600.417	4.068.343
Foreign Currencies	12.916	8.135
Term deposits	-	-
VND	1.646.706	2.043.515
Savings	-	-
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 deposits	-	-
VND	9.874	9.496
Total	73.173.554	63.521.494

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Quarter II Year 2025

		Unit: VND million	
- Explanation according to customer and type of business	30 June 2025	31 December	
Deposits from economic institutions	2.419.096	3.484.625	
Joint stock company	1.209.140	1.538.298	
Limited company	524.841	868.050	
Private enterprise	2.502	1.519	
Others	682.613	1.076.758	
Deposits from individuals	70.754.458	60.036.869	
Total	73.173.554	63.521.494	
18. Derivative financial instruments and other financial liabilities			
	Total contract value (at contract effective exchange rate)	Total book value (at end-of-period exchange rate)	
		Assets	Liabilities
<u>As at June 30, 2025</u>			
Foreign exchange swap transactions	2.364.404	-	35.876
Foreign exchange forward contracts	-	-	0
Total	2.364.404	-	35.876
<u>As at December 31, 2024</u>			
Foreign exchange swap transactions	1.944.849	-	106.071
Foreign exchange forward contracts	246.795	-	6.405
Total	2.191.644	-	112.476
19. Interests, fees payable		30 June 2025	31 December 2024
Interest payable on deposits		1.066.305	969.428
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		1.153.731	1.002.054
20. Other liabilities and provision for other risks		30 June 2025	31 December
- Payables to staffs		269.855	266.144
- Taxes and other payables to the State		135.004	117.373
- Bonus and welfare fund		82.440	45.583
- Other payables pending settlement		1.123.878	1.025.286
- Transfer amounts payable		7.884	3.678
- Funds held in custody and awaiting payment		8.085	8.806
- Others		246.015	414.418
Total		1.873.161	1.881.288

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Quarter II Year 2025

Unit: VND million

(i) Changes in bonus and welfare fund	Current period	Year 2024
Opening balance	45.171	6.415
Provision to the fund	45.040	39.688
Used during the period	(7.771)	(932)
Closing balance	82.440	45.171

21. Capital and funds of credit institutions

Comparison schedule for changes in Owner's Equity

	Chartered Capital	Treasury share	Credit institution fund	Exchange rate difference	Undistributed profit	Total
Opening balance	3.652.819	(34.200)	573.838	-	2.412.495	6.604.952
Profit during the period		-	-	(50.326)	736.144	685.818
Appropriation to funds (*)		-	177.499	-	(177.499)	-
Appropriation to bonus and welfare funds		-	-	-	(44.627)	(44.627)
Closing balance	3.652.819	(34.200)	751.337	(50.326)	2.926.513	7.246.143

	30 June 2025	31 December
Shares		
Number of registered issued shares	365.281.878	365.281.878
Number of shares sold to the public	365.281.878	365.281.878
- Common shares	365.281.878	365.281.878
Number of shares repurchased	(3.800.000)	(3.800.000)
- Common shares	(3.800.000)	(3.800.000)
Number of outstanding shares	361.481.878	361.481.878
- Common shares	361.481.878	361.481.878

Outstanding share price: 10,000 VND

(*) Bank's Funds

	Charter Capital	Financial reserve	Other funds	Total
Opening balance	128.970	444.865	3	573.838
Increased during the period	88.750	88.749	-	177.499
Closing balance	217.720	533.614	3	751.337

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

Additional Information for Items Presented in the Income Statement

The information presented in this section: The current period is from 01/01/2025 to 30/06/2025; the previous period is from 01/01/2024 to 30/06/2024

22. Net interest income

Interest income and similar incomes	Current period	Previous Period
Interest income from deposits	240.437	157.838
Interest income from loans to customers	3.497.702	3.099.308
Interest income from trading and investing 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 expenses		
Payment interest from deposits	(2.008.935)	(1.609.670)
Payment interest from borrowings	(4.747)	(128.325)
Interest expenses on valuable papers issued	(137.739)	(112.852)
Other expenses on credit activities	(103.168)	(119.855)
	(2.254.589)	(1.970.702)
Total	1.733.032	1.531.937

23. Net gain/loss from services:

	Current period	Previous Period
Service revenue		
Revenue from payment services	297.224	236.297
Revenue from office rental services	313	752
Revenue from property appraisal services	9.961	7.782
Revenue from treasury, trust and agency services	137	142
Revenue from insurance business services	25.552	26.110
Other services	16.381	10.809
	349.568	281.892
Service expenses		
Payment service costs	(16.080)	(18.972)
Consulting services	(1.772)	(150)
Postal charges for telecommunications networks	(19.429)	(22.228)
Other service expenses	(4.050)	(6.594)
	(41.331)	(47.944)
Net gain (loss) from services	308.237	233.948

24. Net gain/loss from dealing in foreign currencies

	Current period	Previous Period
Gains from dealing in foreign currencies		
Gain from foreign currencies spot trading	105.658	109.411
Gain from currency derivatives financial instruments	7.138	68.428
Expenses of dealing in foreign currencies		
Losses from foreign currencies spot trading	(9.030)	(11.884)
Losses from currency derivatives financial instruments	(62.414)	(160.963)
	41.352	4.992
Net gain/loss from dealing in foreign currencies	41.352	4.992

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Quarter II Year 2025

Unit: VND million

	Current period	Previous Period
25. Net gain/loss from dealing in investment securities		
Income from trading of investment securities	12.749	8.786
Expenses for trading of investment securities	-	(401)
Gain/loss from dealing in investment securities	12.749	8.385
26. Net gain/loss from other activities		
Income from sale of assets for debt assignment	7.460	991
Income from reversal of receivables	5.010	-
Income from bad debts has been handled by risk provisions	221.948	78.732
Others	4.507	1.927
	238.925	81.650
Other expenses		
Cost of social work activities	(3.716)	(4.654)
Expenses on debt trading operations	(4.320)	-
Costs of debt resolution	(1.970)	(746)
	(10.006)	(5.400)
Net gain/loss from other activities	228.919	76.250
27. Net gain/loss from other operating income		
1. Tax, duties and fees	9.770	13.338
2. Salaries	562.854	620.571
In which:		
Salaries and allowances	495.319	552.230
Additional expenses based on salary	42.063	36.730
Uniforms and related expenses	25.472	31.611
3. Assets	134.750	120.529
In which:		
Depreciation expenses of fixed assets	39.324	40.446
Asset rental expenses	60.321	46.094
Asset repair and maintenance expenses	20.951	22.643
Expenses for purchasing labor tools	13.693	11.152
Other expenses	461	194
4. Expenses for public administrative management activities	118.825	127.419
In which:		
Advertising, marketing, promotional and office supplies expenses	31.374	24.752
Travel expenses	7.670	7.169
Cost of electricity, water, cleaning, petrol	20.105	21.406
Communication and scientific research application expenses	12.002	18.152
Training expenses	1.055	1.388
Conference, reception, and ceremonial expenses	37.916	43.845
Others	8.703	10.707
5. Paying insurance premiums and preserving customers' deposits	48.691	41.055
Total	874.890	947.998

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

28. 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%.

Current corporate income tax expenses of companies within the Group are as follows:

Kien Long Commercial Joint Stock Bank	183.925	110.739
	1.189	736
Kien Long Debt Management and Asset Mine One Member Ltd.		
Total	185.114	111.475

The determination of corporate income tax payable by the Bank is based on prevailing tax regulations. However, these regulations are subject to change over time and to differences in interpretation for various transactions, which may lead to adjustments when tax authorities perform audits. Therefore, the corporate income tax presented in the consolidated financial statements may be subject to change upon inspection by the tax authorities.

29. Basic Earnings per share (EPS)

Current period Previous Period

Profit attributable to ordinary shareholders (VND million)	736.144	439.952
Weighted average number of ordinary shares outstanding	361.481.878	361.481.878
Basic earnings per share (VND/share)	2.036	1.217

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
	10.338.801	17.777.425
Deposits at credit institutions (demand and with the term of less than 3 months)		
Total	17.449.438	21.259.705

31. Income status of the employees

Current period Previous Period

Average number of employees	3.672	3.780
Salaries and other income	388.845	469.783
Bonus	114.246	82.447
Total Income	503.091	552.230
Average monthly salary (VND million/person/month)	18	21
Average monthly income (VND million/person/month)	23	24

32. Clearance of obligations to the State Budget

Items	Opening balance	Movements		Closing balance
		Payable	Paid	
VAT	7.123	16.431	(19.222)	4.332
Corporate income tax	99.207	185.114	(158.471)	125.850
Individual and other tax	11.042	38.740	(44.960)	4.822
Total	117.372	240.285	(222.653)	135.004

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

33. Contingencies and commitments	30 June 2025	31 December			
Commitment on foreign exchange transactions	13.408.669	19.422.623			
Commit to buy foreign currency	52.180	2.126.880			
Commit to sell foreign currency	26.090	708.960			
Swap transactions	13.330.399	16.586.783			
Letters of credit	4.000.000	4.005.233			
Payment in L/C transactions	4.000.000	4.006.085			
Minus deposit	-	(852)			
Other guarantees	2.791.401	4.129.036			
Contract value	2.801.638	4.131.387			
Minus: Margin deposits	(10.237)	(2.351)			
	30 June 2025	31 December			
34. Lending interest and receivable fees but not collected yet		2024			
Uncollected loan interest in Vietnamese Dong	291.718	331.341			
	30 June 2025	31 December			
35. Bad debts that have been settled		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			
	30 June 2025	31 December			
36. Assets and other documents		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			
	30 June 2025	31 December			
37. Types and value of secured assets of customers		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			
Savings	2.267.719	2.555.675			
Others	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 Commitment	Securities trading and investment
Closing balance	86.226.752	87.321.572	2.364.404	6.801.638	2.971.035
Domestic	86.226.752	87.321.572	2.364.404	6.801.638	2.971.035
Opening balance	81.143.999	82.575.498	2.191.644	8.137.472	2.973.962
Domestic	81.143.999	82.575.498	2.191.644	8.137.472	2.973.962

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Quarter II Year 2025

Unit: VND million

39. Market risks

39.1 Liquidity risks

Summary of assets and liabilities of the Bank to the matured date:

The table below provides an analysis of the Bank's assets and liabilities by group, based on the remaining maturity as at the end of the reporting period to their contractual maturity dates. The actual maturities of assets and liabilities may differ from the contractual terms depending on contract annexes, if any.

As of June 30, 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
Trading securities (*)	-	-	-	-	-	-	-	-
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
Capital contribution and other long-term investment	-	-	-	-	-	-	-	-
Fixed assets and investment properties	-	-	614.632	189	1.460	45.596	731.993	1.393.870
Other assets (*)	58.507	-	1.631.269	5.804.585	-	-	-	7.494.361
Total assets	1.424.177	1.050.394	21.000.799	16.479.668	33.122.547	18.264.970	7.513.172	98.855.727
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	-	-	18.941.393	15.940.218	38.064.593	226.533	817	73.173.554
Financial derivatives and other financial liabilities	-	-	35.876	-	-	-	-	35.876
Issue of valuable papers	-	-	-	-	1.928.183	51.400	2.102.539	4.082.122
Other liabilities	-	-	3.026.892	-	-	-	-	3.026.892
Total liabilities	-	-	30.500.575	17.501.418	39.992.776	285.534	2.104.037	90.384.340
Difference of net liquidity	1.424.177	1.050.394	(9.499.776)	(1.021.750)	(6.870.229)	17.979.436	5.409.135	8.471.387

(*) 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

Form: B05a/TCTD-HN
(Promulgated under Circular No. 27/2021/TT-NHNN dated December 31, 2021 by the Governor of the SBV)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

Quarter II Year 2025

Unit: VND million

39.2 Interest rate risks

As of June 30, 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
Capital contribution and other long-term investment	-	-	-	-	-	-	-	-	-
Fixed assets and investment properties	-	1.393.870	-	-	-	-	-	-	1.393.870
Other assets (*)	58.507	7.435.854	-	-	-	-	-	-	7.494.361
Total assets	2.474.571	9.599.433	17.985.189	10.674.894	6.727.782	26.393.305	18.219.374	6.781.179	98.855.727
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	-	-	18.620.651	16.260.960	18.743.880	19.320.713	226.533	817	73.173.554
Financial derivatives and other financial liabilities	-	-	35.876	-	-	-	-	-	35.876
Issue of valuable papers	-	-	-	-	1.928.183	-	51.400	2.102.539	4.082.122
Other liabilities	-	3.026.892	-	-	-	-	-	-	3.026.892
Total liabilities	-	3.026.892	27.152.941	17.822.160	20.672.063	19.320.713	285.534	2.104.037	90.384.340
The different sensitivity level with the interest rate in the balance sheet	2.474.571	6.572.541	(9.167.752)	(7.147.266)	(13.944.281)	7.072.592	17.933.840	4.677.142	8.471.387
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	2.474.571	(218.860)	(9.167.752)	(7.147.266)	(13.944.281)	7.072.592	17.933.840	4.677.142	1.679.986

(*) 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

Form: B05a/TCTD-HN
(Promulgated under Circular No. 27/2021/TT-NHNN dated December 31, 2021 by the Governor of the SBV)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

39.3 Currency risks

As of June 30, 2025

Items	VND	Converted USD	Converted EUR	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
Fixed assets and investment properties	1.393.870	0	0	0	1.393.870
Other assets (*)	7.494.361	0	0	0	7.494.361
Total assets	96.977.942	1.861.741	4.650	11.394	98.855.727
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	73.116.592	56.313	605	44	73.173.554
Derivative financial instruments and other financial assets (*)	-2.364.404	2.400.280	0	0	35.876
Issue of valuable papers	4.082.122	0	0	0	4.082.122
Other liabilities	3.026.892	0	0	0	3.026.892
Capital and other funds	7.246.143	0	0	0	7.246.143
Total liabilities and owners' equity	94.128.960	3.500.874	605	44	97.630.483
Position of currencies in balance sheet	2.848.982	-1.639.133	4.045	11.350	1.225.244
Position of currencies off balance sheet					
Position of currencies in and off balance sheet	2.848.982	-1.639.133	4.045	11.350	1.225.244

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Quarter II Year 2025

Unit: VND million

40. Segment report

(a) Geographical area report

From 01/01/2025 to 30/06/2025

	Northern region	The Central region	Southern region	Adjustment	Total
I. Incomes	614.004	614.838	3.716.629	(243.812)	4.701.659
1. Interest income	530.269	575.504	3.125.660	(243.812)	3.987.621
2. Income from service activities	24.723	18.781	306.064	-	349.568
3. Income from other business activities	59.012	20.553	284.905	-	364.470
II. Expenses	(269.825)	(501.977)	(2.724.270)	243.812	(3.252.260)
1. Interest expense	(197.556)	(398.334)	(1.902.511)	243.812	(2.254.589)
2. Depreciation expense of fixed assets	(524)	(3.572)	(35.228)	-	(39.324)
3. Costs directly related to business operations	(71.745)	(100.071)	(786.531)	-	(958.347)
Operating results before credit risk provision expenses	344.179	112.861	992.359	-	1.449.399
Credit risk provision expenses	(9.819)	(46.961)	(471.361)	-	(528.141)
Segment operating results before tax	334.360	65.900	520.998	-	921.258

As of June 30, 2025

	Northern region	The Central region	Southern region	Adjustment	Total
III. Assets	17.716.810	8.074.946	71.838.727	-	97.630.483
1. Cash	35.285	142.086	592.338	-	769.709
2. Fixed assets	4.593	231.890	1.157.387	-	1.393.870
3. Other assets	17.676.932	7.700.970	70.089.002	-	95.466.904
IV. Liabilities	9.721.563	15.301.686	65.361.091	-	90.384.340
1. Accounts payable	9.716.479	15.299.052	63.495.648	-	88.511.179
2. Other liabilities	5.084	2.634	1.865.443	-	1.873.161

(b) Secondary segment report

The Bank's principal business activity is concentrated in a single segment of banking operations.

An Giang, ngày 15 tháng 07 năm 2025

Prepared by

Chief Accountant

Chairman

Thi Duyen

Vu Dang Xuan Vinh

Tran Ngoc Minh

