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Hanoi, 20 October 2022

*Explanation about change in profit after tax  
between Q3 2022 and Q3 2021*

**To:**           - State Securities Commission of Vietnam  
                  - Ho Chi Minh Stock Exchange

**Letter of explanation about change in profit after tax between Q3 2022 and Q3 2021**

1. **Organization:**           Vietnam Prosperity Joint Stock Commercial Bank (“VPBank”)
2. **Stock symbol:**        VPB
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6. **Detailed explanation:**

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance on guidelines on information disclosures on securities market, Vietnam Prosperity Joint Stock Commercial Bank would like to explain the standalone and consolidated business performance in Q3 2022 as follows:

The standalone profit after tax of the bank in Q3 2022 was VND 3,838,585 million, increasing by 1,482,709 million, equivalent to 62.94% year over year; the consolidated profit after tax of the bank and its subsidiaries in Q3 2022 was 3,542,430 million, increasing by 1,381,610 million, equivalent to 63.94% year over year, due to the following:

	<i>Increase/(decrease)(VND million)</i>	
	<i>Standalone</i>	<i>Consolidated</i>
Increase in net interest income	1,954,906	2,910,669
Increase in net fee income	778,815	978,912
Decrease in net income from FX and gold trading	(7,743)	(18,932)
Increase in net income from held-for-trading securities	9,205	92,258
Decrease in net income from investment securities	(716,999)	(716,489)
Increase in other net income	290,139	93,440
Increase in income from investments in other entities	671	671
Increase in OPEX	(566,432)	(1,080,655)
(Decrease)/increase in provision	110,529	(444,245)
Change in profit before tax	<u>1,853,091</u>	<u>1,815,629</u>
Change in corporate income tax	<u>(370,382)</u>	<u>(434,019)</u>
Change in profit after tax	<u>1,482,709</u>	<u>1,381,610</u>

The change of the standalone and consolidated profit after tax in Q3 2022 from the same period last year were mainly due to the following:

- The standalone NII increased by VND 1,954,906 (up 44.25%) mainly because the interest income of the parent bank increased by VND 2,760,739 million while its interest expense increased by VND 1,566,377 million; the consolidated NII increased by VND 2,910,669 million (up 38.94%) mainly because the consolidated interest income increased by VND 3,753,128 million while its interest expense only increased by VND 1,443,042 million;
- The standalone net income from investment securities was VND 10,318 million, decreasing by VND 716,999 million (equivalent to 98.58%) year over year;
- The standalone provision expense decreased by VND 110,529 (down 5.69%) and the consolidated provision expense increased by VND 444,245 million (up 8.92%). Provisions were made based on the customers' loan balance and debt bucket as per the regulations on the debt classification and their provision of the State Bank of Vietnam effective as of the reporting time, inclusive of additional provision according to Circular No. 03/2021/TT-NHNN dated April 02, 2021 of the State Bank of Vietnam amending and supplementing a number of articles of the Circular No. 01/2020/TT-NHNN on debt rescheduling, waiver or reduction of interest and charges, and loan retention in debt buckets in order to help their clients affected by the Covid-19 pandemic.

Because of the aforementioned reasons and changes in net income from other activities, the total operating income of the bank alone in Q3 2022 reached VND 8,525,821 million and the total consolidated operating income of the bank and its subsidiaries reached VND 13,473,138 million; the standalone profit before tax reached VND 4,797,444 million and the consolidated profit before tax reached VND 4,514,000 million. The standalone profit after tax reached VND 3,838,585 million, increasing by VND 1,482,709 million, equivalent to 62.94% and the consolidated profit after tax of the bank and its subsidiaries reached VND 3,542,430 million, increasing by 1,381,610 million, equivalent to 63.94%.

We hereby certify the truthfulness of the information stated above and take full responsibility before the law for the disclosed information.

**Vietnam Prosperity Joint Stock  
Commercial Bank**

**CHIEF EXECUTIVE OFFICER**

*(signed)*

Nguyen Duc Vinh