



Vietcombank

March 2021

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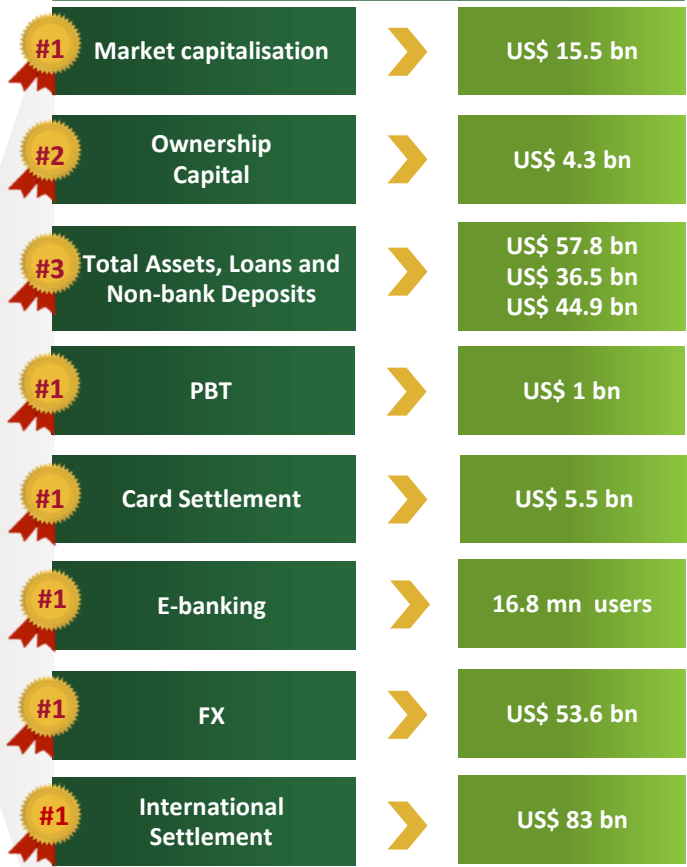
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1. Vietcombank overview

A leading player in Vietnam's banking sector



Market position in Vietnam by⁽¹⁾:



- Universal banking model across a wide range of financial services spanning retail, corporate and financial institutional clients
- 587 branches/ transaction offices and ~20,062 employees
- VCB maintains highest ratings among Vietnamese banks by international credit rating firms
- Listed on the Ho Chi Minh Stock Exchange (“HOSE”) since 2009

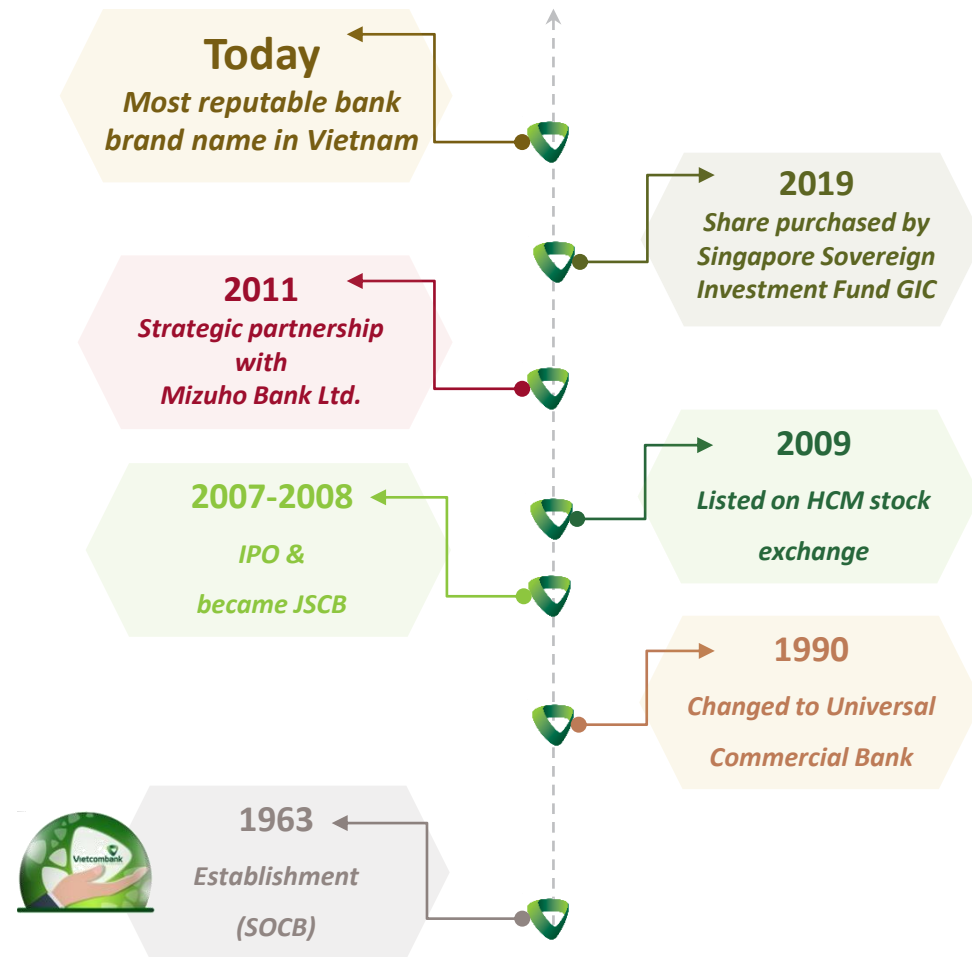
Firm	S&P	Fitch	Moody's
Rating	BB-	BB-	Ba3
Outlook	Stable	Stable	Negative



(1) As of Dec 2020

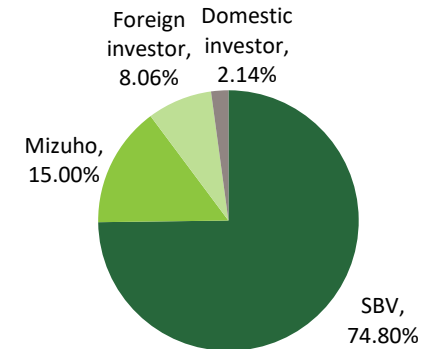
Strong heritage and track record of achievements

Corporate milestones



Note: SOCB refers to State Owned Commercial Bank and JSCB refers to Joint Stock Commercial Bank.

Key shareholders

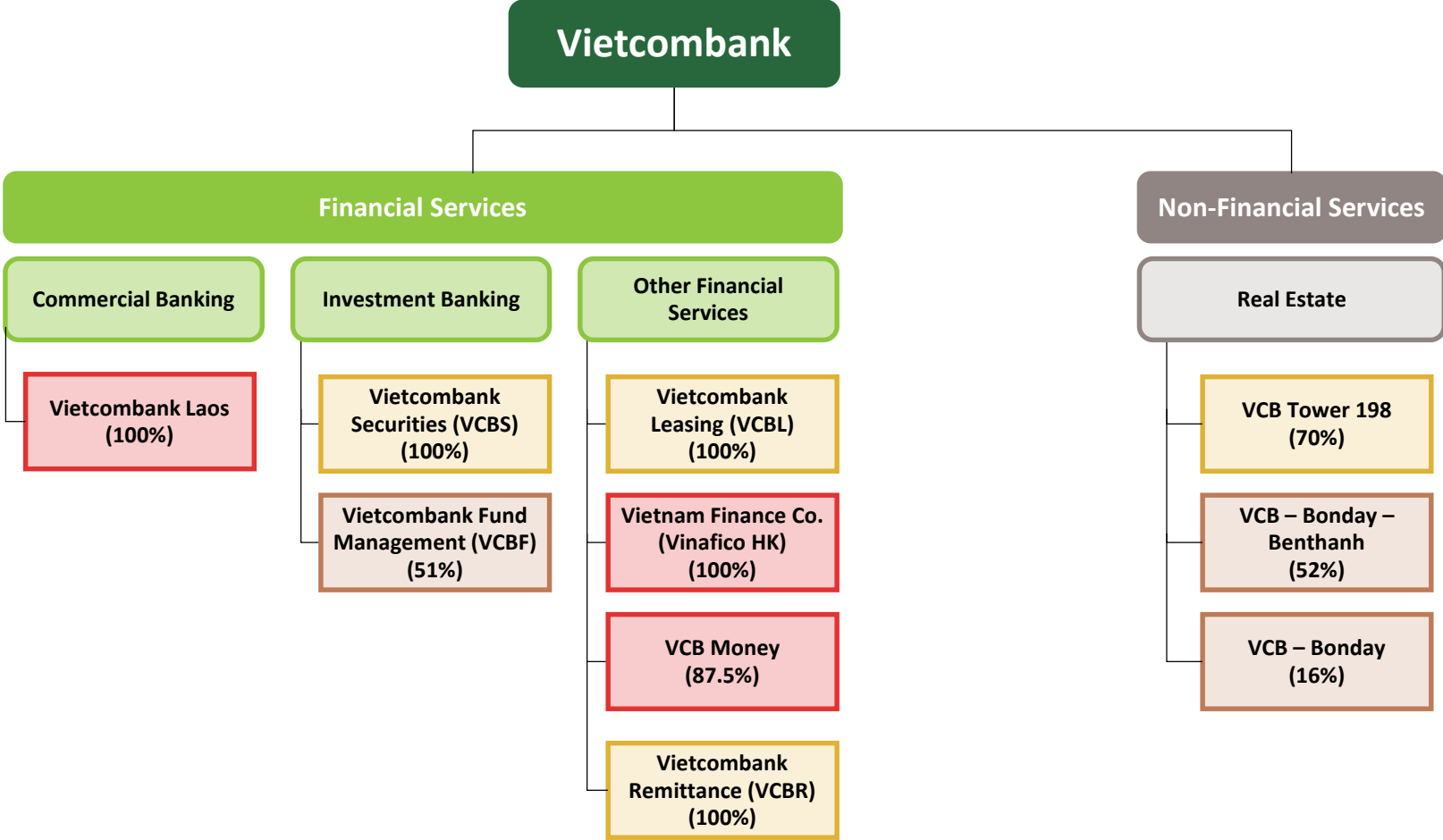


Note: After GIC share purchase

Major awards

- Forbes** Best Listed Company in Vietnam 2013-2020
- ASIAMONEY** Best Domestic Bank and Best Bank for SMEs in Vietnam 2019
- THE ASIAN BANKER** Best Bank in Retails in Vietnam 2020
- THE ASIAN BANKER** Best Bank in Credit Cards in Vietnam 2020
- THE ASIAN BANKER** Best Bank in Mobile App in Vietnam 2020
- Forbes 2017 GLOBAL COMPANIES AWARDS 2000** World's Best Regarded Companies in 2017
- The Banker** Ranked #333 among the world's top 1000 banks in 2020

Corporate structure



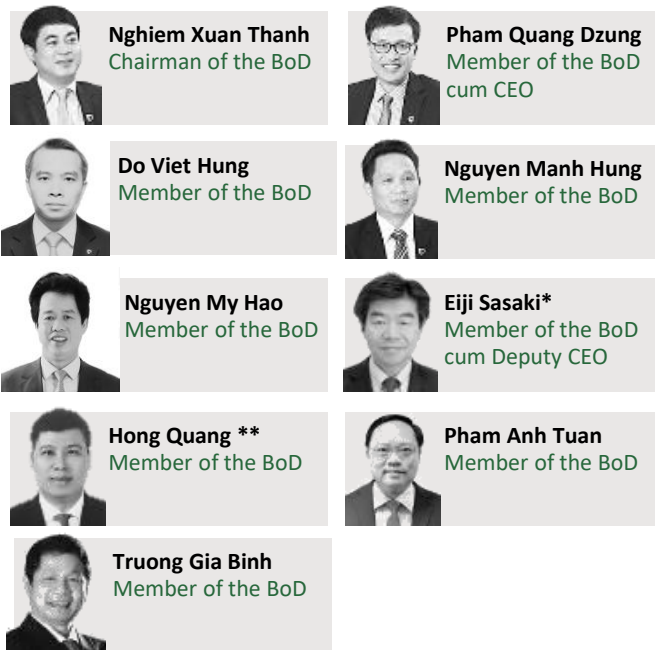
Domestic Subsidiaries
 Joint Ventures
 Foreign Subsidiaries

Experienced management team and BoD with deep industry expertise

Chairman and CEO profile

- Mr. Nghiem Xuan Thanh, Chairman of Board of Directors, has been with VCB since 2013 and has a banking career spanning over 25 years in various banks in Vietnam and in the State Bank of Vietnam. Before being appointed the Chairman, Mr. Thanh was member of the Board of Directors and concurrently the CEO of VCB
- Mr. Pham Quang Dzung, Chief Executive Officer, has been with VCB since 1994 and has over 20 years of banking and finance experience in Vietnam. Before being appointed the CEO, he held various positions in VCB, including member of the Board of Directors and the Deputy CEO

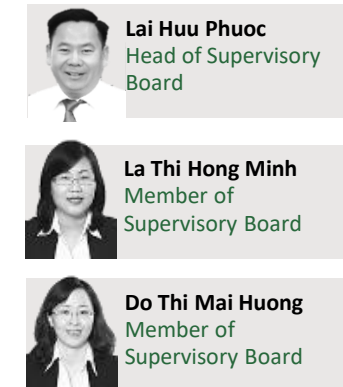
Board of Directors



Board of Management



Supervisory Board



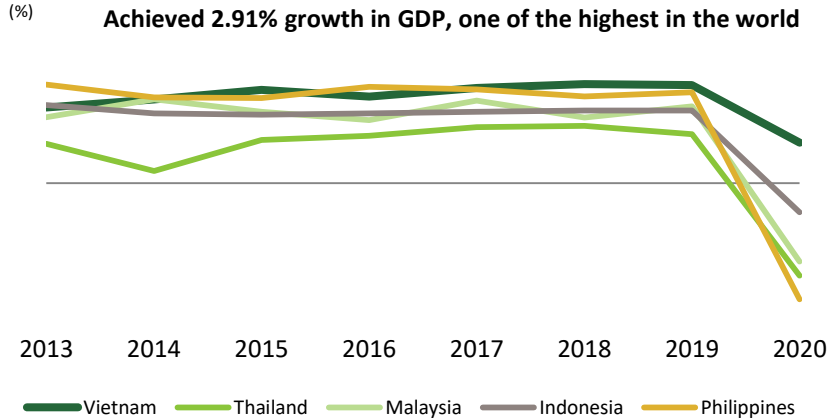
* Also serves as member of the Board of Management.

** Also serves as Head of Governance and Human Resource Development Group

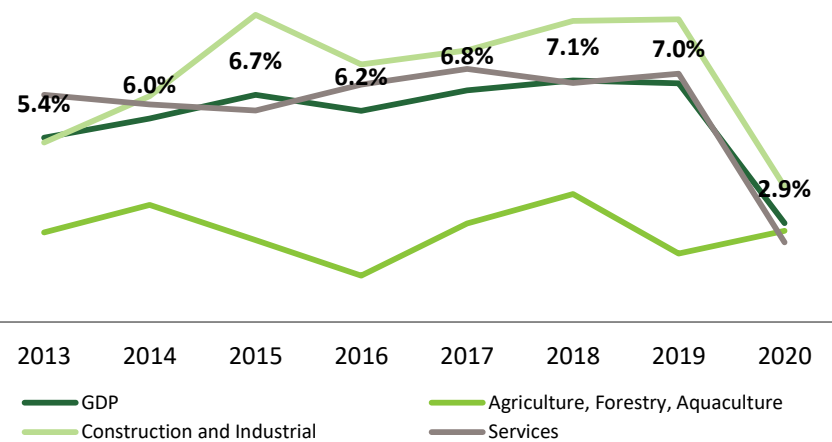
2. Business landscape

Favorable macroeconomic environment

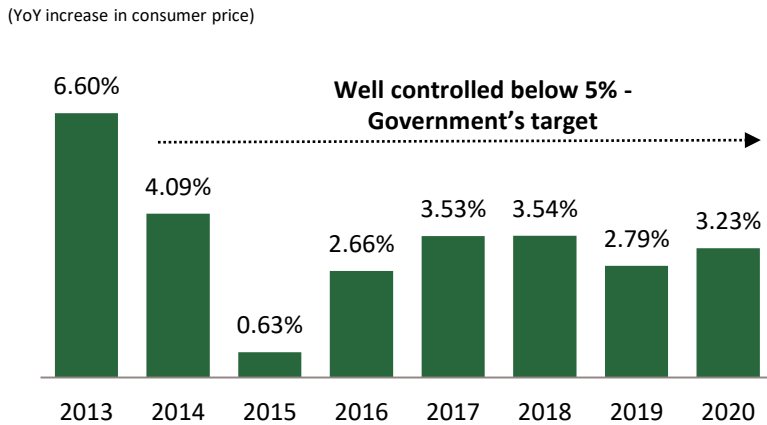
Strong GDP growth



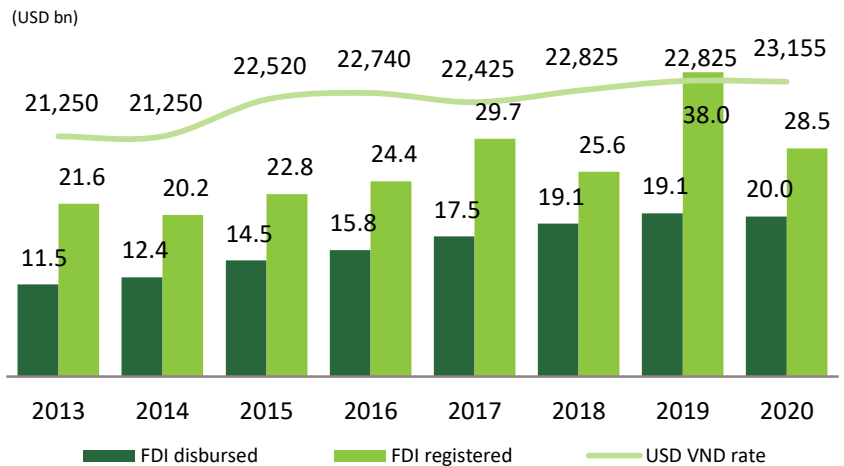
GDP growth by sector



Inflation below government target of 5% since 2014



Steady FDI inflows supporting FX rate

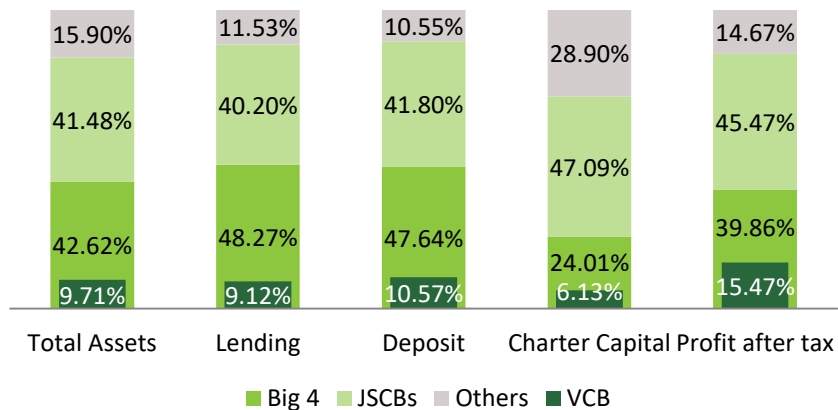


Banking sector overview

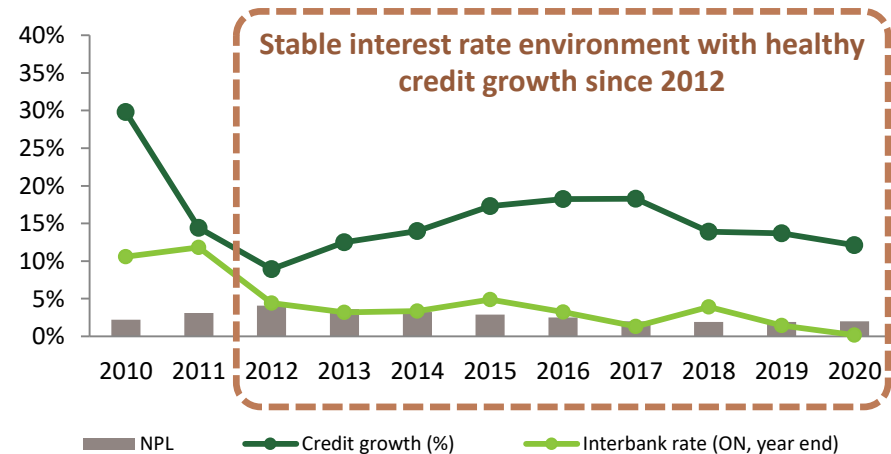
Overview

- Large number of banks (~90); of which the 4 biggest banks(*) occupy 45%-50% of deposit, lending and total assets.
- Industry restructuring plan commencing in 2011 has helped to (i) enhance credit control, (ii) increase the industry financial transparency through reducing cross ownership, (iii) strengthen the liquidity, efficiency and managerial capability of banks through M&A and self-restructuring; and aim to get the sector function in accordance with international norms.
- Strong, double digit growth in credit and deposits
- High growth potential: Favorable demographics with growing levels of urbanization, young population & rising income.

Market share (2019)



Stability and recovery of the banking sector



3. Key company highlights

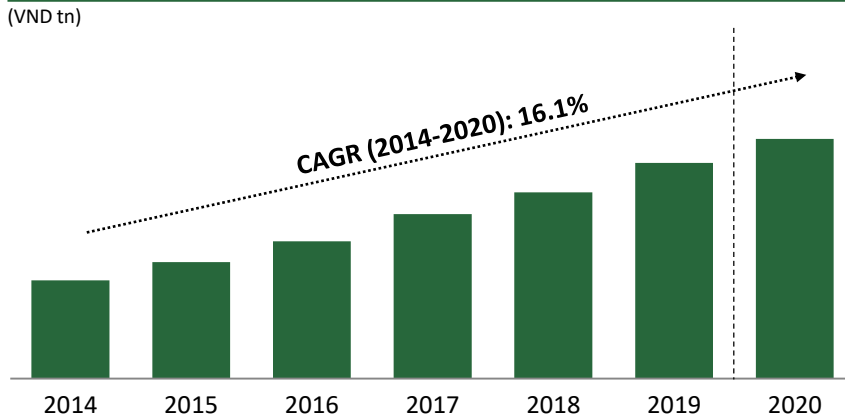
Key company highlights



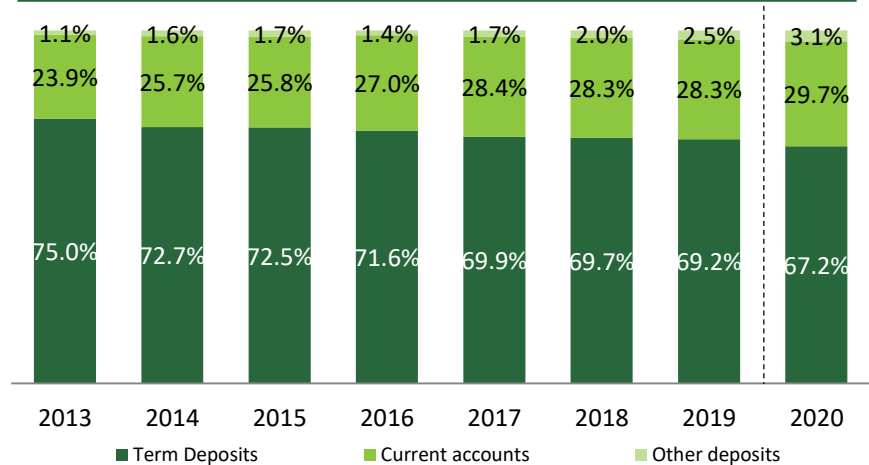
1 Strong brand positioning driving robust deposit growth

- Customer deposits are the largest source of total funding, accounting for ~80%
- Growing market share (>10%) on the back of strong nationwide brand recognition and loyalty
- 2020 deposit balance: Over VND 1,032 tn, up 11% compared with 2019; recorded 16% CAGR between 2014 – 2020
- Deposit structure:
 - CASA account for 30%, providing low cost funding to the bank
 - ~50% corporates & SME and 50% individual
 - VND-denominated deposits account for ~88%

Customer deposit



Deposit breakdown by term

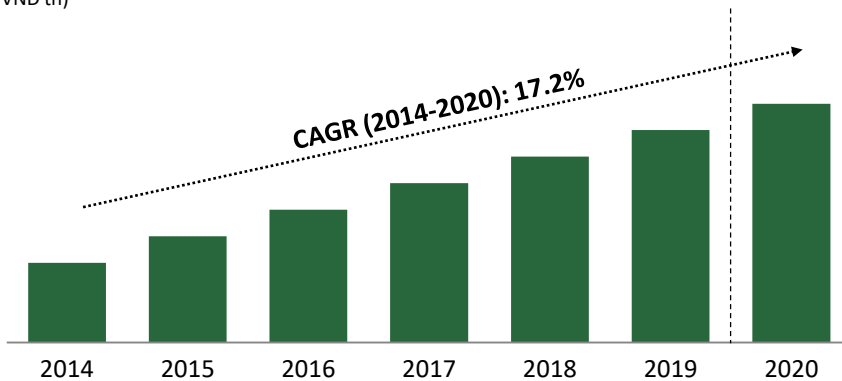


2 Growing loan portfolio with increasing retail component

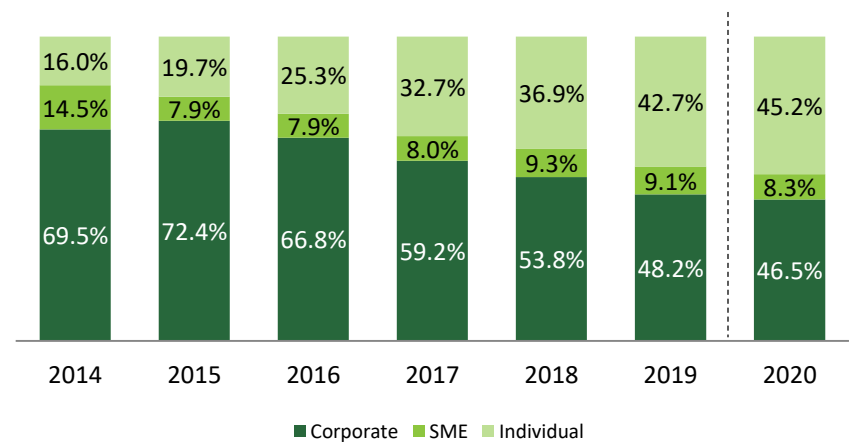
- Market share ~9.4%
- 2020: Total loans: ~VND 839.8 tn, increased 14% against 2019; recorded 17.2% CAGR between 2014 – 2020
- Loan composition
 - Growing loan portfolio with a focused approach to increase loans to retail banking
 - Long and medium term loans account for 35% of total loans
 - Domestic currency loans account for 89% of total loans
- ~85% of the total loans are collateralized
- 2020 NPL ratio: 0.6% of total loans

Total loans

(VND tn)

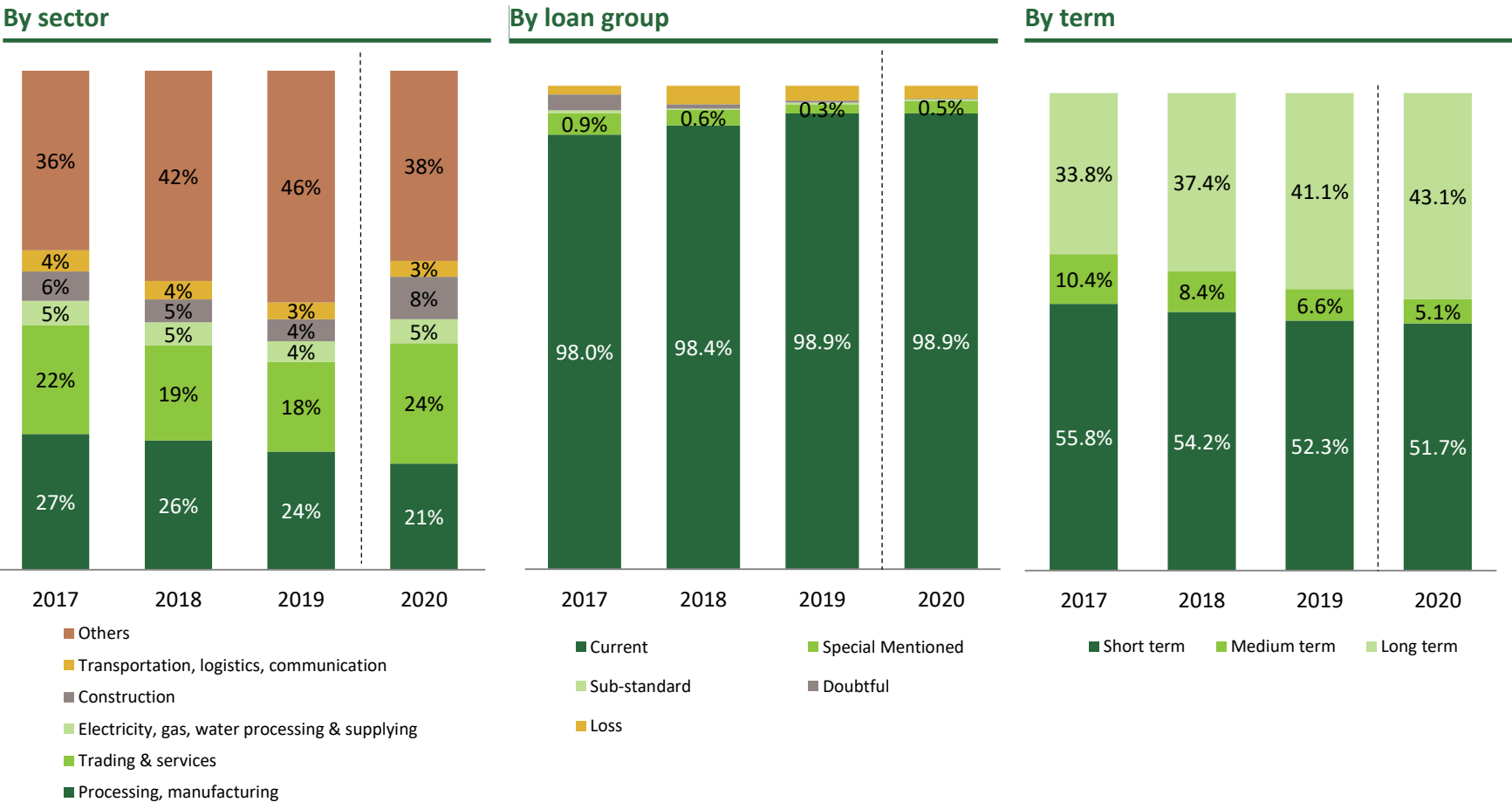


Lending breakdown by clients



3 Diversified loan portfolio with a focus on high-growth sectors with good credit quality

Lending breakdown



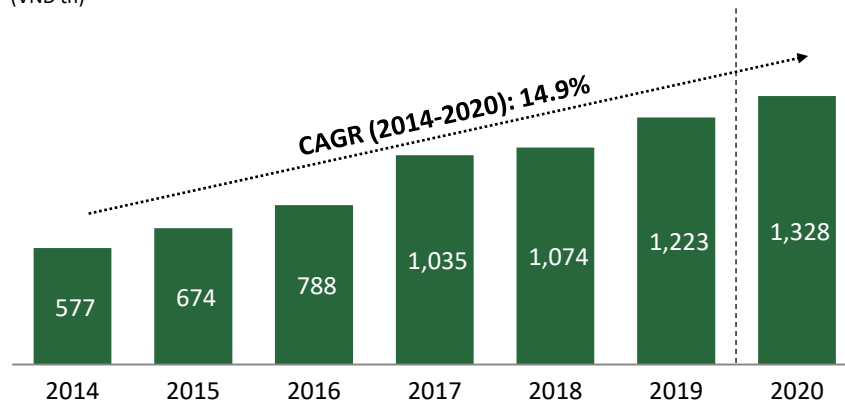
Note: Lending breakdown by sector for 2020 not yet available

4 High asset quality and strong capital base

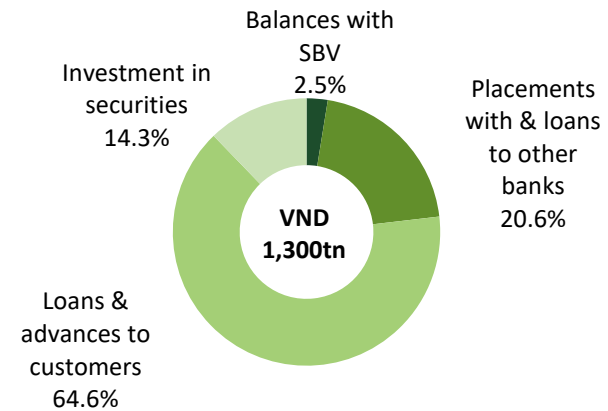
FY ended 31 December	2013A	2014A	2015A	2016A	2017A	2018A	2019A	2020
Loans to deposits	82.56%	76.58%	77.36%	78.04%	76.70%	78.79%	79.14%	81.37%
Loan loss reserve coverage (Provision/NPL)	86.29%	94.43%	120.63%	117.12%	130.67%	165.41%	179.5%	370.35%
NPL ratio	2.73%	2.31%	1.84%	1.51%	1.14%	0.98%	0.79%	0.62%
CAR (*)	13.37%	11.61%	11.04%	11.13%	11.63%	12.14%	9.60%	10.00%
Credit Cost	1.37%	1.53%	1.71%	1.51%	1.23%	1.26%	0.99%	1.26%

Total assets

(VND tn)



Earning assets breakdown (2020)

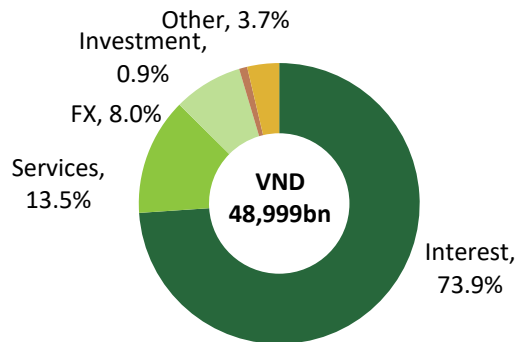


(*) CAR has been calculated in accordance with Circular 41 (Basel 2 standards) since 1 Jan 2019

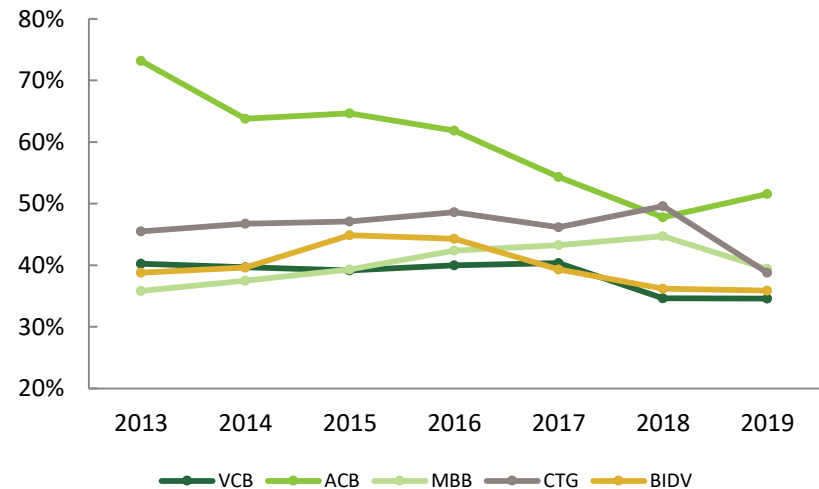
5 Consistently strong profitability and performance

FY ended 31 December	2013A	2014A	2015A	2016A	2017A	2018A	2019A	2020
Net interest margin	2.62%	2.40%	2.57%	2.64%	2.66%	2.95%	3.13%	2.95%
Non-interest income/Operating Income	30.5%	32.0%	27.1%	25.5%	25.4%	27.67%	24.39%	26.07%
Pre-Provision Operating Profit/Equity	22.1%	24.4%	29.2%	32.1%	34.9%	44.74%	41.82%	36.68%
ROAA	0.99%	0.88%	0.85%	0.93%	1.00%	1.38%	1.61%	1.45%
ROAE	10.4%	11.0%	12.0%	14.7%	18.1%	25.46%	25.88%	20.53%

Operating income structure (2020)



Cost to income ratios



6 Leading platform for trade financing and cross-border business needs

■ Leading position in Trade Financing (TF) and International Settlement

- Market share: ~15.3% in TF
- Solid customer-base include country's top importers & exporters
- Extensive correspondent network includes ~2,000 banks all over the world

■ Domestic Settlement (VCB Money)

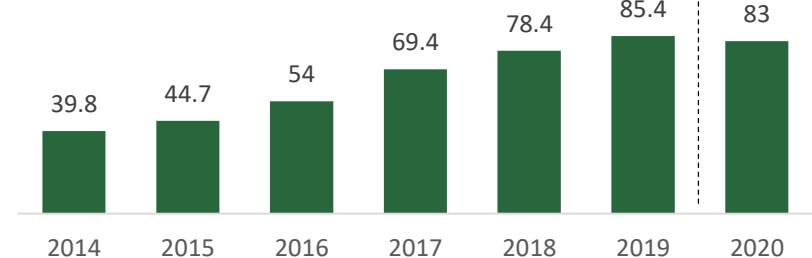
- The first and leading e-banking platform in Vietnam
- Clearing center in Vietnam for foreign currencies

■ FX Transactions and Derivatives

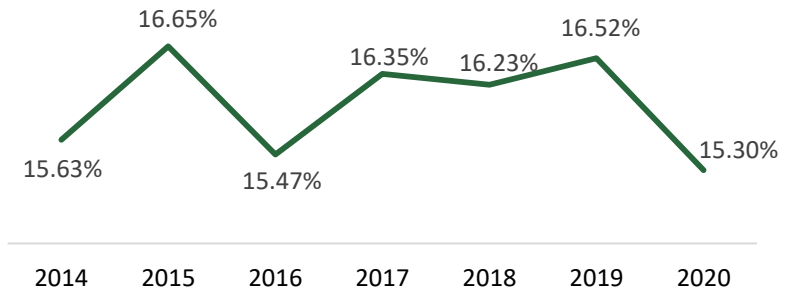
- Leader in Vietnam's foreign exchange market
- FX profit grows consistently ~10% yoy, contributing ~5-8% of total operating income

International settlement volume

(USD bn)

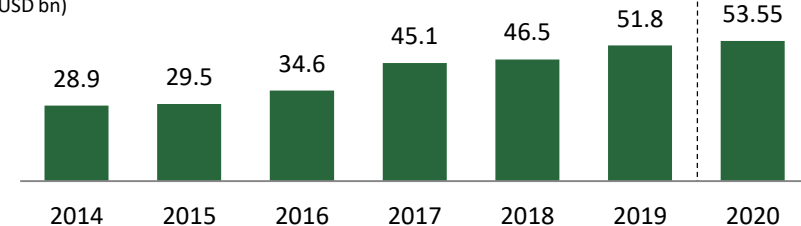


Market share in total international settlement



FX transaction volumes

(USD bn)

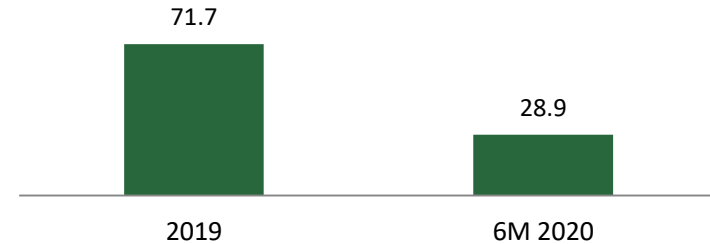


7 Leading platform for credit card services and products

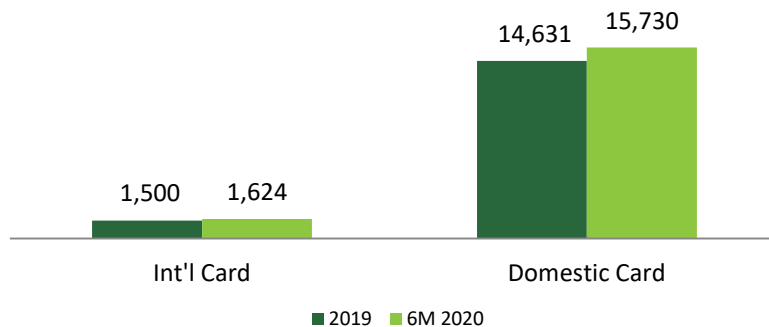
- Vietcombank is the pioneer bank to introduce card services to Vietnam and has since then kept the leading position:
 - Leading bank by card payment volume;
 - ~7.2% market share by the number of international credit card ;
 - ~15% market share by the number of debit cards.
- Strategic partners in Vietnam for international card organizations including Visa, Master, JCB, Diner’s Club, China Union Pay and the sole banking partner of American Express in Vietnam.
- Large ATM network with ~2,600 ATMs and ~60,600 Points of Sale nationwide.

Card payment volume

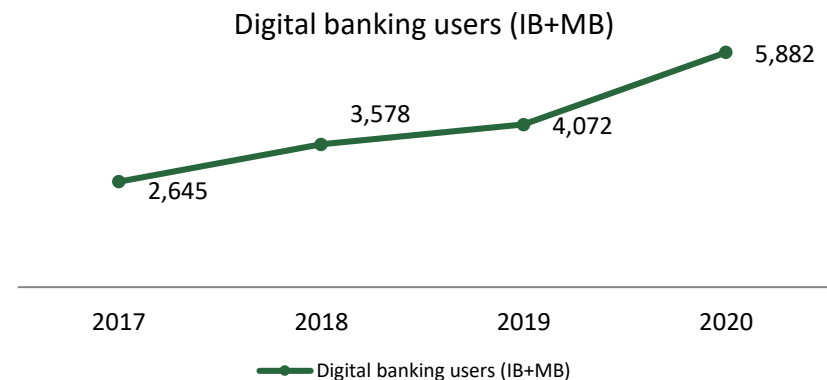
Int’l Card spending volume (VND tn)



Number of cards ('000)

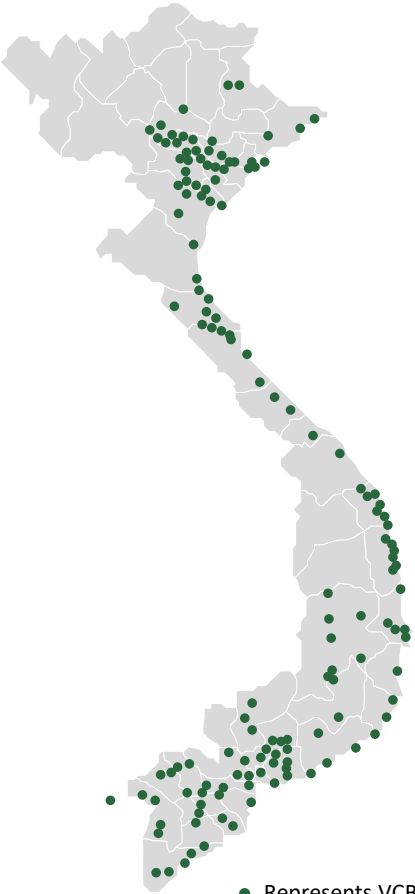


Number of Digital banking users ('000)



8 Extensive branch / ATM network supported by strong investment in technology

Nationwide coverage and presence...



● Represents VCB branch

- In 2020, Vietcombank opened 5 branches and 10 transaction offices
- Vietcombank aims to open approximately 5 branches and 10-15 transaction offices each year

116
Branches

456
Transaction offices

53
Cities covered



...supported by a digital platform



- Developed a wide range of products and services that are distributed through digital channels
- **VCB Digibank** is now the Omni channel to provide customers with seamless banking experience including Bank transfer, QR pay, Top up and bill payment, Card services, Saving and other Financial services, Online shopping from flight ticket, hotel, train, bus to movie ticket etc.
- VCB aims to become the Number 1 Digital bank in Vietnam

4. Growth strategy and targets

Key strategic initiatives



Business Expansion

- **Focus on growing the retail customer segment** supported by VCB's leadership in credit cards, largest ATM network in Vietnam, country wide extensive branch network and strong brand name
 - Increase proportion of retail loans
 - Grow proportion of low cost CASA⁽¹⁾ funding
 - Focus on NIM improvements
- Maintain strong position in wholesale banking
 - #1 in Vietnam for trade financing and international settlement
- Increase proportion of sustainable non-interest income including:
 - Retail banking fees
 - Wholesale banking fees
 - Insurance
- Improve operating cost management
- Optimize insurance business
- Increase capital to support growth



Enhancement of corporate governance

- Centralize organizational structure
- Standardize branch operating model
 - Customer service standards
- Accelerate transformation projects with a focus on performance and organizational optimization
 - Credit TOM⁽²⁾ · CLOS
 - Basel II
 - Management information systems
 - RTOM
 - ALM-FTP-MPA

Key financial and operating targets



Scale

- **Total assets:** USD 60bn
- **Total ownership equity:** USD 4.5bn



Growth

- **Loan growth:** ~ 15-16%
- **Deposit growth:** ~ 13-14%



Quality

- **LDR:** maintain at 80-85%
- **LLRC:** above 100%
- **NPL:** < 1.0%



Profitability

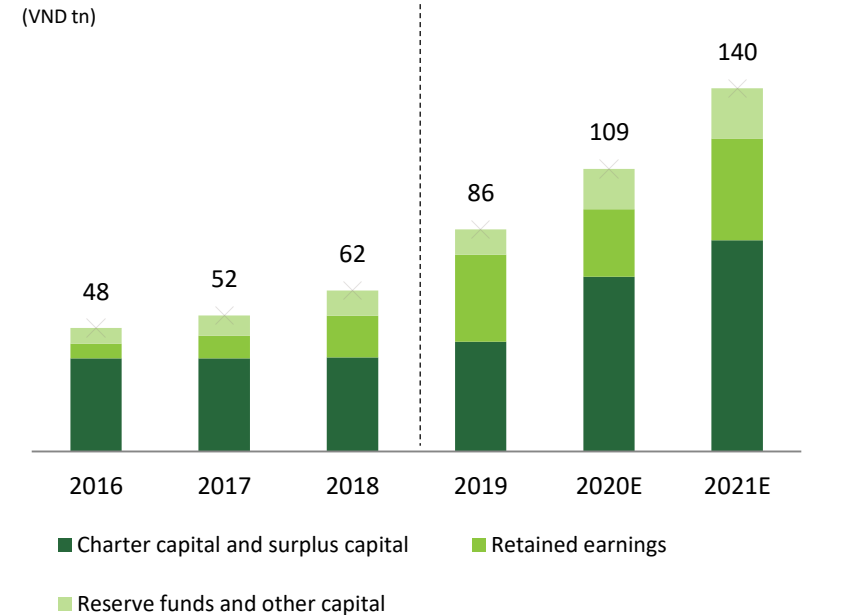
- **Interest income growth:** ~ 17-18%
- **Non-interest income growth:** ~19-20%
- **Cost to income ratio:** < 40%
- **ROAA:** > 1%
- **ROAE:** ~ 20%

Capital raising plan by 2021

Long term capital raising plans

- **Target shareholders equity of ~USD 4.7bn by 2020** to comply with Basel II capital adequacy requirements ($CAR \geq 9\%$) as well as have pursue quality investments aimed at improving VCB's operational capacity
- **Clear vision to achieve target capital structure by** improving financial returns and net retained earnings, as well as potential external capital raising exercises such as primary share issuance

Internal capital targets

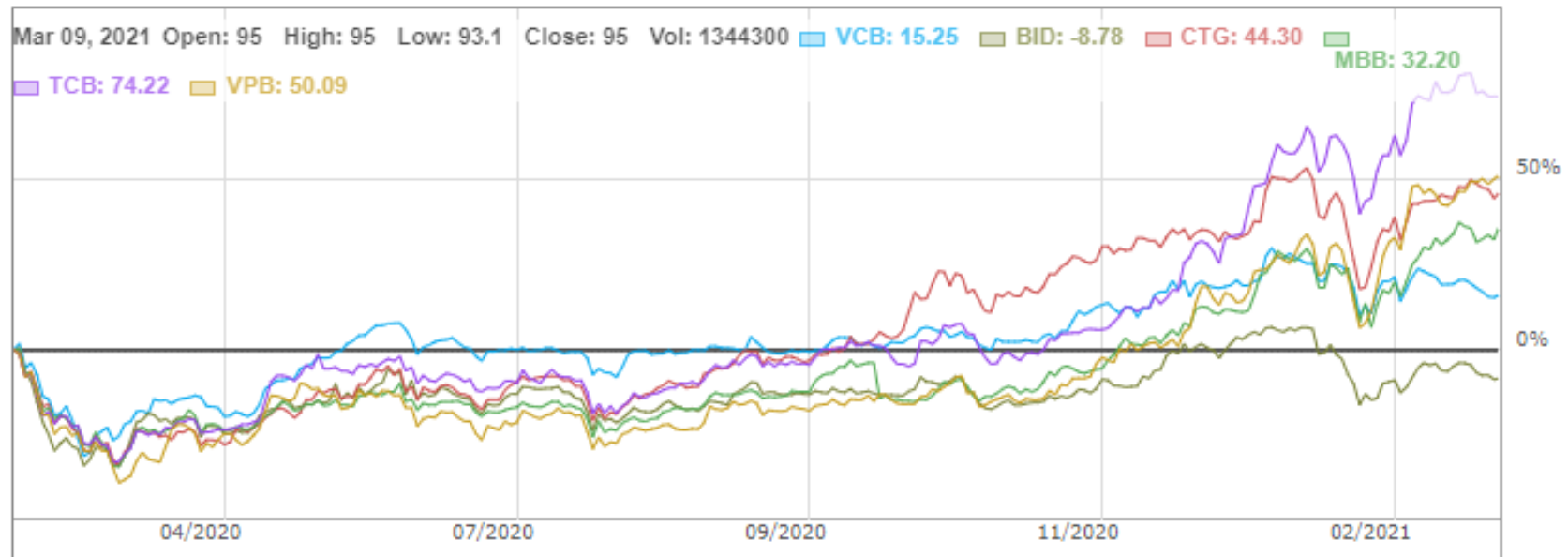


- 1 Retained earnings
- 2 New primary capital

5. Annexes

Sector leading share price performance

Share price performance (*)



Source: cafef.vn

(*) 1 year stock performance ending March 9, 2021

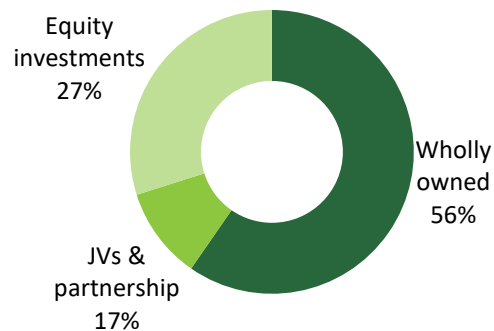
Trading statistics (cafef.vn, vietstock.vn)	As at 9 March 2021	VCB calculation	As at 9 March 2021
Number of shares	3,708,877,448	Market cap (billion USD)	15.43
52W high (VND)	107,000	End of period close price (VND)	95,000
52W low (VND)	56,700	EPS (VND)	4,974
52W Average trading volume	1,125,784	P/B	3.58x
Foreign Room tradable	6.4%	P/E	19.2x

Equity investments overview

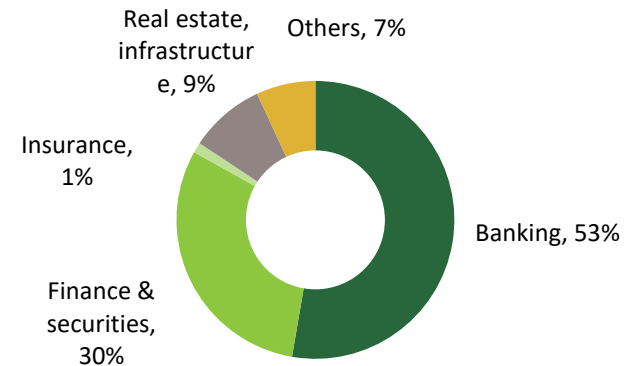
- Total investments - VND 5,586 bn (USD 243m) as of 31 Dec 2020
- Wholly – Owned Subsidiaries: VCBS, VCBL, VFC, VCB Laos, VCBR
- JVs and Partnerships: VCBF, Vietcombank Tower, VCB Money (TN Monex), VCB-Bonday-Ben Thanh, etc
- Equity Investments: MB, PJICO, etc
- VCBS, VCBF & VCB Investment Management Dept. – core components to upgrade to IB

Total investments by type

(%)



Total investments by sectors



Historical Balance sheet

(Figures in VND bn)

FY ended 31 Dec	2015A	2016A	2017A	2018A	2019A	2020
Cash and cash equivalents	8,519	9,692	10,103	12,792	13,778	15,095
Balances with SBV	19,715	17,382	93,616	10,846	34,684	33,139
Current accounts, deposits and placements with banks	131,527	151,846	232,973	250,228	249,470	267,774
Investments in securities	117,523	136,005	139,621	152,227	169,429	158,885
Loans to customers	387,723	460,808	543,434	631,867	734,707	839,788
Provision for credit losses	(8,610)	(8,124)	(8,113)	(10,294)	(10,417)	(19,368)
Equity investment	3,557	3,628	3,553	2,476	2,464	2,236
Net fixed assets	5,039	5,639	6,162	6,527	6,710	8,540
Other assets	9,400	11,031	13,111	17,357	21,892	21,447
Total Assets	674,394	787,907	1,035,293	1,074,027	1,222,719	1,327,537
Current accounts of banks and payables to SBV	41,480	54,151	171,385	90,685	92,366	41,177
Borrowings from SBV and term deposits from banks	72,135	72,238	66,942	76,524	73,617	103,584
Customers deposits	501,163	590,451	708,520	801,929	928,451	1,032,114
Derivatives and other financial liabilities						52
Valuable papers issued	2,479	10,286	18,215	21,461	21,384	21,240
Debt securities issued and other borrowed funds	-	-	23	26	20	15
Other liabilities	11,966	12,678	17,651	21,222	25,998	30,496
Total Liabilities	629,222	739,805	982,735	1,011,847	1,141,836	1,228,678
Minority Interest	165	144	89	69	83	85
Chartered capital	26,650	35,978	35,978	35,978	37,089	37,089
Other capital	5,940	213	521	548	5,470	5,363
Retained earnings and reserves	12,417	11,768	15,969	25,584	38,241	56,322
Total Shareholders' Equity	45,007	47,958	52,557	62,179	80,883	98,859

Source: VCB Consolidated Financial Statement.

Historical Balance sheet

(Figures in USD m)

FY ended 31 Dec	2015A	2016A	2017A	2018A	2019A	2020
Cash and cash equivalents	389	437	451	551	595	657
Balances with SBV	901	784	4,175	467	1,497	1,442
Current accounts, deposits and placements with banks	6,009	6,853	10,389	10,786	10,767	11,650
Investments in securities	5,369	6,138	6,226	6,562	7,312	6,913
Loans to customers	17,712	20,796	24,233	27,236	31,709	36,536
Provision for credit losses	(393)	(367)	(362)	(444)	(450)	(843)
Equity investment	162	164	158	107	106	97
Net fixed assets	230	254	275	281	290	372
Other assets	429	498	585	748	945	933
Total Assets	30,808	35,557	46,167	46,294	52,772	57,757
Current accounts of banks and payables to SBV	1,895	2,444	7,643	3,909	3,986	1,791
Borrowings from SBV and term deposits from banks	3,295	3,260	2,985	3,298	3,177	4,507
Customers deposits	22,895	26,646	31,595	34,566	40,071	44,904
Derivatives and other financial liabilities					-	2
Valuable papers issued	113	464	812	925	923	924
Debt securities issued and other borrowed funds	-	-	1	1	1	1
Other liabilities	547	572	787	915	1,122	1,327
Total Liabilities	28,745	33,386	43,823	43,614	49,281	53,456
Minority Interest	8	6	4	3	4	4
Chartered capital	1,217	1,624	1,604	1,551	1,601	1,614
Other capital	271	10	23	24	236	233
Retained earnings and reserves	567	531	712	1,103	1,650	2,450
Total Shareholders' Equity	2,056	2,164	2,344	2,680	3,491	4,301

Source: VCB Consolidated Financial Statement.

Note: Exchange rate (USD/ VND) was taken from the State Bank of Vietnam at the end of period/year

Historical Income statement

(Figures in VND bn)

FY ended 31 Dec	2015A	2016A	2017A	2018A	2019A	2020
Interest income	31,361	37,713	46,159	55,864	67,724	69,126
Interest expenses	(15,908)	(19,185)	(24,221)	(27,455)	(33,147)	(32,901)
Net interest income	15,453	18,528	21,938	28,409	34,577	36,225
Service fee income	3,557	4,326	5,378	7,022	9,003	10,589
Service charges	(1,685)	(2,220)	(2,840)	(3,620)	(4,696)	(3,981)
Net fee income	1,873	2,107	2,538	3,402	4,307	6,609
Foreign exchange gain, net	1,573	1,850	2,042	2,266	3,378	3,906
Net gain on securities	350	406	457	250	153	2
Investment income (loss)	48	72	332	1,716	245	457
Other non-interest income	1,905	1,917	2,100	3,234	3,070	1,800
Non-interest income	5,749	6,352	7,469	10,870	11,153	12,774
Operating income	21,202	24,880	29,406	39,278	45,730	48,999
Operating expenses	(8,306)	(9,950)	(11,866)	(13,611)	(15,818)	(16,037)
Operating profit (pre-provision)	12,895	14,929	17,540	25,667	29,913	32,961
Provisions (net of reversals)	(6,068)	(6,406)	(6,198)	(7,398)	(6,790)	(9,917)
Profit before taxes	6,827	8,523	11,341	18,269	23,122	23,045
Income tax expense	(1,495)	(1,672)	(2,231)	(3,647)	(4,596)	(4,577)
Minority interest	(18)	(19)	(20)	(16)	(15)	(21)
Net profit /loss	5,314	6,832	9,091	14,606	18,511	18,447

Source: VCB Consolidated Financial Statement.

Historical Income statement

(Figures in USD m)

FY ended 31 Dec	2015A	2016A	2017A	2018A	2019A	2020
Interest income	1,433	1,702	2,058	2,408	2,915	3,007
Interest expenses	(727)	(866)	(1,080)	(1,183)	(1,427)	(1,431)
Net interest income	706	836	978	1,225	1,488	1,576
Service fee income	163	195	240	303	388	461
Service charges	(77)	(100)	(127)	(156)	(202)	(173)
Net fee income	86	95	113	147	185	288
Foreign exchange gain, net	72	83	91	98	145	170
Net gain on securities	16	18	20	11	7	0
Investment income (loss)	2	3	15	74	11	20
Other non-interest income	87	87	94	139	132	78
Non-interest income	263	287	333	469	480	556
Operating income	969	1,123	1,311	1,693	1,969	2,132
Operating expenses	(379)	(449)	(529)	(587)	(681)	(698)
Operating profit (pre-provision)	589	674	782	1,106	1,288	1,434
Provisions (net of reversals)	(277)	(289)	(276)	(319)	(292)	(431)
Profit before taxes	312	385	506	787	995	1,003
Income tax expense	(68)	(75)	(99)	(157)	(198)	(199)
Minority interest	(1)	(1)	(1)	(1)	(1)	(1)
Net profit /loss	243	308	405	630	797	803

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