

BE GREATER 

TECHCOMBANK 

UNBOX
THE POWER OF
TECH



2021 ANNUAL REPORT

HARNESSING THE POWER OF
DATA, DIGITAL AND TALENT

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ABOUT US

• Trading Name

Name in Vietnamese	NGÂN HÀNG THƯƠNG MẠI CỔ PHẦN KỸ THƯƠNG VIỆT NAM
Name in English	VIETNAM TECHNOLOGICAL AND COMMERCIAL JOINT-STOCK BANK
Trading name	TECHCOMBANK
Abbreviated name	TECHCOMBANK

The Bank's Banking Licence No. 0038/GP-NHNN dated 6 March 2018 was issued by the State Bank of Vietnam (SBV), replacing the Licence No. 0040/NH-GP dated 6 August 1993.

• Certificate of Business

Registration No.	0100230800
First registration	7 September 1993
The 52 nd amendment	19 January 2021

• Charter capital VND 35,109,147,980,000

Charter capital expressed in words	Thirty five trillion, one hundred and nine billion, one hundred and forty seven million, nine hundred and eighty thousand Vietnamese dong.
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• General information

Address	Techcombank Tower – 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam.
Phone number	(+84) (243) 944 6368
Fax	(+84) (243) 944 6395
Website	http://www.techcombank.com.vn
Stock code	TCB



Techcombank's mission is to lead the digital transformation of the financial industry, enabling individuals, businesses and corporations to progress and thrive sustainably.

Techcombank was established in 1993, as Vietnam began its transition from a centrally-planned to more market-oriented economy. Techcombank has come a long way since our modest beginnings 28 years ago, when we started with charter capital of only VND 20 billion. Today we are Vietnam's third largest bank by charter capital – a success driven by our strategy of focusing on customers and meeting their evolving needs.

We provide a broad range of products and services to over 9.6 million retail and corporate customers in Vietnam. Our extensive network – including one head office, two representative offices and 307 transaction offices across 46 cities and provinces – satisfies both traditional banking requirements and our emphasis on security and wealth management.

With the vision of *Change banking, change lives* that uplifts everyone to reach their full potential, Techcombank commits to continuously bringing greater value to customers and shareholders, focusing on pioneering solutions to meet their needs. Techcombank's mission is to lead the digital transformation of the financial industry, enabling individuals, businesses and corporations to progress and thrive sustainably.

Banking services

Core banking services include:



Conducting SBV approved settlement, cash and other banking services



Collecting short, medium and long-term deposits from organisations and individuals



Investments in associates, joint-ventures, companies and bonds



Granting short, medium and long-term loans



Foreign exchange (FX)



OUR VISION AND MISSION

VISION

Change banking, change lives.

Uplifting everyone to reach their full potential.

MISSION

Lead the digital transformation of the financial industry,
enabling individuals, businesses, and corporations to
progress and thrive sustainably.





OUR BRANCH NETWORK AND SUBSIDIARIES

Our branch network

As at 31 December 2021, Techcombank had one (1) Head Office, two (2) representative offices and three hundred and seven (307) transaction offices nationwide, plus three (3) subsidiaries.

Operating in 46/63 provinces and cities across the country:

1

Head Office

2

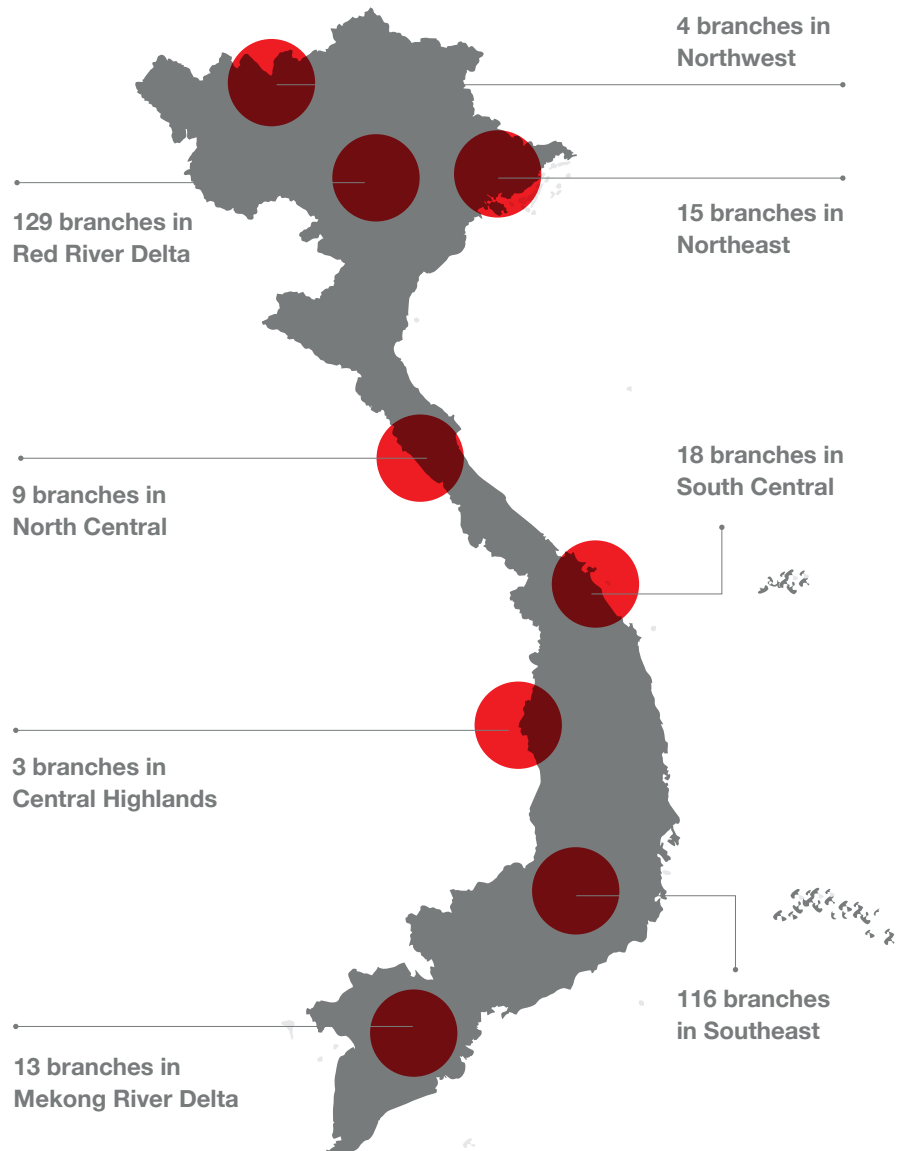
Representative Offices

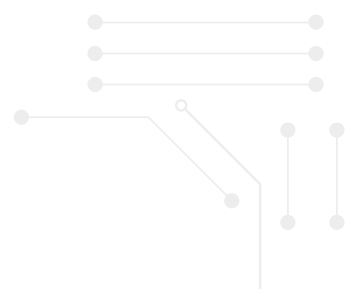
307

Transaction Offices Nationwide

3

Subsidiaries





Subsidiaries

Techcom Securites Joint Stock Company (Techcom Securities – TCBS)

Operating licence	72/GPDC-UBCK, granted by State Securities Commission on 4 November 2020
Address	Floor 10 and 12, Techcombank Tower, 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi
Nature of business	Securities
Charter capital	VND 1,124,246,800,000
Percentage owned by Techcombank	89%

TCBS began our new five-year strategy for 2021–25, with the goal of becoming the orchestrator of capital flows in Vietnam.

5@5@5@5 = 2025

(5 million users @ 5 solutions per user @ VND 5000 billion profit @ USD 5 billion market capitalisation)

Despite the pandemic, TCBS's key financial indicators remained at a strong, safe level.

Total revenue was VND 5,195 billion, up 59.4% from 2020; with a pre-tax profit of VND 3,810 billion, up 41.5%. The pre-tax profit margin reached 73.3% and ROE was 39.6%.

Total revenue in 2021

VND
5.2 TRILLION ↑ 59.4% YoY

ROE **39.6%**



OUR BRANCH NETWORK AND SUBSIDIARIES

Subsidiaries (continued)

Techcom Securites Joint Stock Company (Techcom Securities – TCBS) (continued)

In 2021, for the sixth consecutive year, TCBS led bond brokerage market share on the Ho Chi Minh Stock Exchange (HoSE). We distributed VND 41,400 billion worth of iBond corporate bonds, up 20.1% from 2020.

In a pioneering first for the Vietnamese market, we allowed customers to personalise a securities account number. They can now create strings such as 105CMESSI1, or 105C300888, basing them around a birth date, a special day with personal meaning or a memorable event, and use these over a lifetime. Thanks to our outstanding facilities and customer experience, the number of new TCBS accounts exceeded 348,500, an increase of 214% over the same period last year; and 22.7% of new personal accounts opened across the entire industry.

In 2021, TCBS joined the Top 6 for stock brokerage market share (4.7%) on HoSE. Our investment products, the company's core business revenue, reached VND 3,449 billion, up 124% on 2020.

With equity of VND 9,229 billion and a margin loan balance of VND 14,700 billion at the end of 2021, TCBS currently has margin lending capacity of nearly VND 3,800 billion available, at interest rates from 0.5% to 10.5% per annum.

In December 2021, we received an unsecured loan of USD 83 million (equivalent to VND 1,900 billion) from foreign financial institutions. Sumitomo Mitsui Banking Corporation, Singapore Branch and Taishin International Bank, Taiwan acted as co-arrangers and bookmakers. This was one of the largest such loans for a Vietnamese securities company. TCBS's total mobilised value in the international capital market is now nearly USD 200 million.

HoSE

#1

6 years consecutively
Bond brokerage market share

The number of
new TCBS accounts

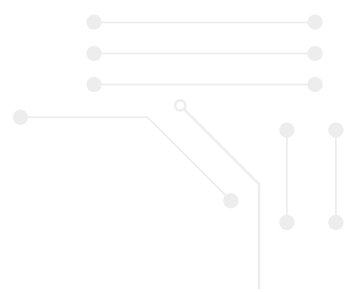
348,500+

↑ 214% YoY

HoSE

#6

Stock brokerage market share



Awards



The Asset Triple A Awards

Best Brokerage

Best Deals – Best Local Currency Bond

Best Bond Advisor (Domestic)



FinanceAsia

Best DCM House 2021





OUR BRANCH NETWORK AND SUBSIDIARIES

Subsidiaries (continued)

Techcom Capital Joint Stock Company (Techcom Capital – TCC)

Operating licence	33/GPDC-UBCK, granted by State Securities Commission on 5 June 2019
Address	Floor 10, Techcombank Tower, 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi
Nature of business	Fund management
Charter capital	VND 44,943,820,000
Percentage owned by Techcombank	89%

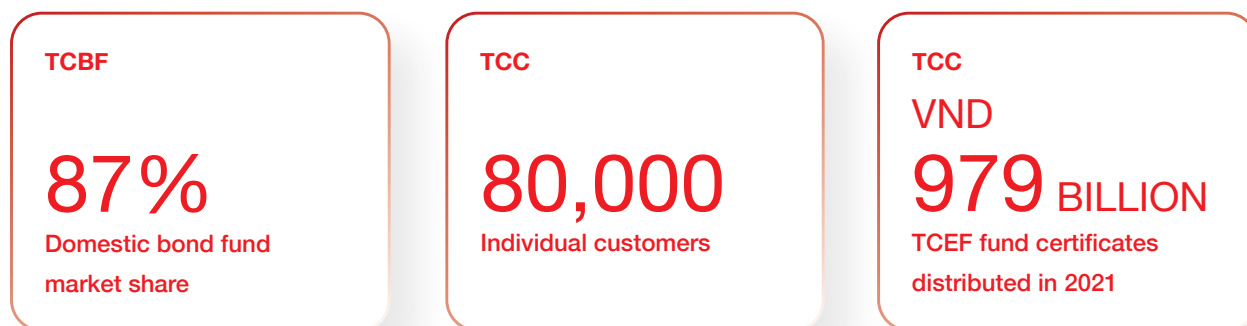


In 2021 TCC recorded revenue of VND 482 billion and pre-tax profit of VND 276 billion, up 46.2% and 17.6%, respectively, from 2020. Total assets increased by 45.4% to VND 710 billion, with the pre-tax profit margin still high at 57.3%. TCC's domestic open-ended funds' assets under management (AUM) was VND 22,241 billion, accounting for 53.6% of market share. We continued to hold Vietnam's No. 1 position for AUM.

In 2021, TCC distributed VND 979 billion of Techcombank Bond Fund (TCBF) certificates. TCBF's total net asset value (NAV) reached VND 21,578 billion at the end of 2021, cementing TCC's position as the largest domestic bond fund, with a market share of 87.0%.

Our customers can make a TCInvest application to buy certificates of investment at the starting cost of VND 10,000. Currently, nearly 80,000 individual customers are investing in open-ended funds at TCC.

Techcom Top 30 Stock Fund (TCEF) invests in the HoSE and Hanoi Stock Exchange's top 30 enterprises, with an expected return of 12% per year. TCEF has attracted more than 14,000 investors. In Q4 2021, TCC distributed more than VND 227 billion in TCEF fund certificates, 2.5 times more than in Q4 2020. Throughout 2021, TCC distributed VND 979 billion in certificates, 30.6 times more than 2020.



Investment funds managed by TCC

Techcom Bond Fund (TCBF)

Fund type: Open-ended, established in Vietnam

Total AUM: VND 21,578 billion as of 31 December 2021.

Investment strategy: Deliver long-term returns through principal and income growth – investing primarily in fixed-income assets such as corporate bonds issued by companies with high credit ratings and/or bonds guaranteed by reputable banks.

NAV unit by year

Year	2019	2020	2021
NAV Unit (VND)	13,765	14,649	15,655

Establishment date: 8 September 2015

Techcom Flexible Bond Fund (FlexiCASH)

Fund type: Open-ended, established in Vietnam

Total AUM: VND 113 billion as of 31 December 2021.

Investment strategy: Optimising profits for corporate and individual customers from their short-term cash flow. Instead of putting short-term funds in current accounts at a bank with annualised interest rates of less than 0.5%, investors can earn an expected profit of up to 6% per annum with the flexibility to withdraw after several weeks.

NAV unit by year

Year	2019	2020	2021
NAV Unit (VND)	10,678	11,163	11,792

Establishment date: 5 December 2018

OUR BRANCH NETWORK AND SUBSIDIARIES

Subsidiaries (continued)

Investment funds managed by TCC (continued)

Techcom 30 Stock Fund (TCEF)

Fund type: Open-ended, established in Vietnam

Total AUM: VND 550 billion as of 31 December 2021.

Investment strategy: Deliver long-term returns through capital growth and earnings by investing in:

- (i) securities of industry leaders or potential industry leaders, including stocks and bonds
- (ii) securities with good long-term growth potential and/or highly competitive businesses
- (iii) securities with attractive valuations
- (iv) high-yield, stable securities.

NAV Unit by year

Year	2019	2020	2021
NAV Unit (VND)	13,364	15,170	19,730

Establishment date: 8 September 2015

Techcom Vietnam Real Estate Investment Trust (TCREIT)

Fund type: Open-ended, established in Vietnam

Total AUM: VND 75 billion as of 31 December 2021.

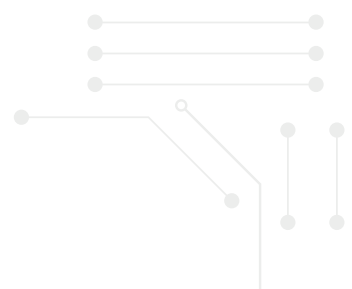
Investment strategy: Return long-term benefits to investors via regular and stable income from real estate and its long-term capital growth, employing a dynamic and effective real estate management strategy. The fund can also invest in fixed income; good credit quality assets, including bank deposits; Vietnamese government bonds; corporate bonds; local government bonds; and top listed stocks on HoSE and the Hanoi Stock Exchange.

NAV Unit by year

Year	2019	2020	2021
NAV Unit (VND)	12,261	12,445	15,045

Establishment date: 29 June 2016

In 2021, TCC established a new investment fund, Techcom Value Investment Fund (TCVF) with charter capital of VND 50 billion.

**Vietnam Technological and Commercial Joint Stock Bank –
Asset Management Company Limited (AMC)**

Operating licence	0102786255, granted by the Hanoi Department of Planning and Investment on 18 June 2008, 23 rd amendment on 19 October 2021
Address	Techcombank Tower, 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi
Nature of business	Asset management
Charter capital	VND 410,000,000,000
Percentage owned by Techcombank	100%



Techcombank AMC's remarkable result in 2021 made significant contributions to the Bank's stellar overall performance.

Operating in the final phase of the credit cycle, Techcombank AMC takes over the Bank's bad or overdue debts. With a strong team of nearly 300 young, professional and law-savvy employees, Techcombank AMC is a market leader in debt settlement and asset management.



OUR BRANCH NETWORK AND SUBSIDIARIES

Subsidiaries (continued)

Vietnam Technological and Commercial Joint Stock Bank – Asset Management Company Limited (AMC) (continued)

Cash collections

VND
1.92 TRILLION

Recoveries from provisioned debts

VND
1.12 TRILLION

On-balance-sheet collection

VND
803 BILLION

Techcombank AMC has been an integral part of the Bank's aim to build the big data lake. Its models and measurement tools for data analysis to drive strategic decision making help maximise business profit, in parallel with risk management and cost optimisation. Thanks to consistent data and measurements, Techcombank AMC plays a critical role in the end-to-end credit journey.

All Techcombank AMC employees are guided by Fair Debt Collection Practices, focused on legal compliance, fairness and transparency. We seek to prioritise debt settlement and support customer interests, showing respect, professional ethics and customer-centricity in compliance with international standards.

Techcombank AMC's remarkable result in 2021 made significant contributions to the Bank's stellar overall performance. Cash collections reached VND 1,924 billion, including VND 1,121 billion in recoveries from provisioned debts and VND 803 billion in on-balance-sheet collection, ensuring the non-performing loan (NPL) ratio and CAR were well under-control according to the regulations.

OUR SHAREHOLDER STRUCTURE AND INVESTOR RELATIONS ACTIVITIES

Shareholding structure and changes to shareholder equity as of 31 December 2021

Shares

The total number of common shares issued by Techcombank as at 31 December 2021 was 3,510,914,798 shares (equivalent to VND 35,109,147,980,000 of charter capital), where:

Number of Treasury shares	0
Number of restricted shares	632,295,026
Number of unrestricted shares	2,878,619,772
Number of outstanding shares	3,510,914,798

3,510,914,798

Total number of common shares

Shareholding structure

Major and minor shareholders

	Shares owned	Shareholding (%)
Major shareholders	524,315,499	14.9
Other shareholders	2,986,599,299	85.1
Total	3,510,914,798	100.0

Article 4.26 of the Law of Credit Institutions, issued in 2010, states, "major shareholders of credit institutions are those who own directly or indirectly more than 5% share capital with voting rights of the credit institution."

Major and minor shareholders

14.9% owned by major shareholders

85.1% owned by other shareholders

OUR SHAREHOLDER STRUCTURE AND INVESTOR RELATIONS ACTIVITIES

Shareholding structure and changes to shareholder equity as of 31 December 2021

Shareholding structure (continued)

Institutional and individual shareholders

	Shares owned	Shareholding (%)
Institutional shareholders	1,641,137,779	46.7
Individual shareholders	1,869,777,019	53.3
Total	3,510,914,798	100.0



46.7% owned by institutional shareholders

53.3% owned by individual shareholders

Domestic and foreign shareholders

	Shares owned	Shareholding (%)
Domestic shareholders	2,721,928,061	77.5
Foreign shareholders	788,986,737	22.5
Total	3,510,914,798	100.0



22.5% owned by foreign shareholders

77.5% owned by domestic shareholders

Changes in shareholders' equity

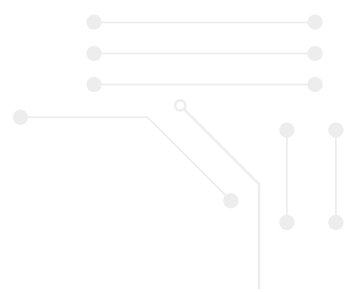
In 2021, Techcombank increased share capital from VND 35,049,062,300,000 to VND 35,109,147,980,000.

Transaction of Treasury shares

In 2021, Techcombank had no Treasury share transactions and there were no such shares on book as of 31 December 2021.

Other securities

Not applicable.



Share information in 2021

TCB share price performance compared to indexes in 2021



Note: 1. As of 31/12/2021

Source: S&P, Bank index comprising of VCB, BID, CTG, VPB, ACB, MBB, HDB, VIB, BAB, EIB, KLB, LPB, NVB, SHB, STB, TPB

After a serious COVID-19 pandemic outbreak, the VN Index recovered in 2021 by an encouraging +36% YoY – a result of the government’s great management to boost vaccination. The market rebound saw Techcombank’s share price climb significantly as we reported more upbeat results. We upheld stronger key metrics than most competitors with better profitability, efficiency and asset quality – on top of our widely-known higher capital adequacy.

Our share price rose to VND 50,000 as at 31 December 2021, 58.7% higher YoY – the largest annual share price rise since listing. Remarkably, Techcombank’s share liquidity emerged as one of the most actively-traded bank stocks with average trading volume in Q4 2021 of nearly 15 million shares per day, equal to VND 762 billion in value.

TCB share price
at 31 December 2021

VND

50,000

↑ 58.7% YoY





OUR SHAREHOLDER STRUCTURE AND INVESTOR RELATIONS ACTIVITIES

Investor relations activities in 2021

Shareholder trust in Techcombank greatly contributes to our continued success. During the pandemic, our Investor Relations function continued to engage with investors without disruption, ensuring the highest standards of transparency were maintained, and to update investors with latest business and strategy.

Particularly, we actively offered timely updates that were highly appreciated in such an uncertain and volatile year.

Our successful 2021 Annual General Meeting (AGM) was held on 24 April 2021. We also conducted four quarterly earnings calls for institutional investors/analysts and four presentations for retail investors. In addition, we held fifty meetings and conference calls with analysts and investors around the world in 2021.

We plan to continue dedicating resources to presentations for individual and institutional investors, demonstrating our sincere care for these stakeholders. Investor and analyst opinions and suggestions are always welcomed through our formal channels of communication – the Bank's IR page or email. We aim to respond to all inquiries within 48 hours.





OUR HISTORY AND KEY MILESTONES

Techcombank was established in 1993, during the Doi Moi period of economic reform. Like Vietnam's economy, we have passed through various stages of development in our 28-year journey; going from strength to strength. Excitingly, Vietnam's domestic economy and financial system are still maturing and our nation presents great opportunity and promise.

Our success will be measured by how well we complete our transformation and hit our milestones. Continuing our great achievements in 2020, Techcombank reaffirmed the leading position by reaching a new record profit before tax (PBT) of over VND 23.2 trillion, welcoming 1.2 million new customers, and becoming the leading bank for operating efficiency. We are confidently moving towards our 2022 targets and firmly continuing our transformation to become the best bank in Vietnam.



Our 28+ Year Journey Of Success

1993

- Established with charter capital of VND 20 billion

2001

- Launched Globus, our core banking system, that complies with international standards

2003

- Participated in global card payment system via F@stAccess – Connect 24

2006

- Reached over USD 1 billion in total bank assets

2008

- Founded Smartlink, Vietnam's largest card alliance
- Launched the Techcombank Visa credit card

2009

- Became a leading joint stock commercial bank – VND 5,400 billion charter capital
- Total assets of VND 95,000 billion
- First Vietnamese bank to partner with leading global strategic consultant, McKinsey

2010

- Winner of many global awards, including *EuroMoney's* Best Bank in Vietnam

2011

- Vietnam's second largest joint stock bank by network scale – 307 branches and total assets of VND 180 trillion

2012

- Vietnam's leading online bank – bringing our cardless ATM service to over 2.8 million customers

2014

- Confirmed as Vietnam's leading bank for service quality, with 23 prestigious local and foreign awards from *Global Finance*, *IFC* and *FinanceAsia*
- The reliable choice for 3.7 million individuals and 48,000 corporates

2015

- No. 2 bank for largest Visa transaction value, with 4.2 million customers

2016

- Launched our highly successful 2016–2020 strategy to be Vietnam's No. 1 bank and lead the financial lives of our millions of customers
- Doubled 2015 profit
- Awarded Best Bank in Vietnam by *FinanceAsia*, Vietnam House of the Year from *Asia Risk* and Enterprises with Excellent HR Policies at the Vietnam HR Awards

2017

- Received S&P's highest credit rating in Vietnam
- Maintained double profit growth rate with VND 8,036 billion PBT
- Ranked by *The Asian Banker* as Vietnam's second most profitable bank – over 5 million customers
- Leading Vietnamese bank for Visa card transaction value
- Market leader for bancassurance, through strategic cooperation with top insurance firm, Manulife
- Voted by Techcombank employees as having the best HR and most engaged employees (Employee Engagement Survey, EES), and as the second-best place to work in Vietnam's banking and finance sector
- Held the inaugural Techcombank Ho Chi Minh City International Marathon – an event to help us connect with, and contribute to, our community



2018

- Listed on Ho Chi Minh City Stock Exchange – ticker TCB – with capitalisation of USD 6.5 billion in South East Asia's third-largest IPO
- Tripled charter capital to VND 34,966 billion
- First private joint stock bank to make over VND 10,000 billion profit
- Awarded leading bank in Visa (debit and credit) card transaction value by Visa International
- Awarded Best Bank in Vietnam by *EuroMoney* and Best Trade Finance Bank in Vietnam by *Global Banking and Finance Review*

2020

- Prioritised resources to protect employees and customers amid the COVID-19 pandemic
- Revamped digital and data capabilities by applying Agile working methods and establishing DnA division
- First bank in Vietnam to introduce a comprehensive ecosystem with an end-to-end omni-channel experience on a digital platform
- The USD 500 million syndicated term loan of Techcombank was the most successful syndicated loan in Vietnam for 2020
- Partnership with One Mount Group to allow a seamless digital experience throughout the customer journey: financial solution 'Loan Card' issued for VinShop GTs, and a comprehensive mortgage experience with OneHousing
- No. 1 CASA ratio at 46.1%, and total CASA volume for the first time exceeded VND 100,000 billion
- ROA at 3.1% – highest in the banking industry
- No. 1 brand in terms of efficiency, from *Forbes*
- Most Impressive Bank Brand and Bank with the Best Brand Health, from MiBrand Vietnam – Brand Finance's domestic partner

2019

- Opened second Northern head office – Techcombank Agile Center, 119 Tran Duy Hung Street, Cau Giay District, Hanoi
- New record PBT of over VND 12 trillion
- Welcomed 1 million new customers
- Became the leading bank for operating efficiency, two years faster than the schedule in our five-year plan
- Continued to increase our regional-leading scores on the Organisational Health Index and EES
- Became Vietnam's leading bank for Visa card volume and transaction value, winning seven awards from Visa – the most a Vietnamese bank has ever won
- Officially complied with Basel II on 1 July with a CAR double that required by SBV regulations
- Awarded Vietnam House of the Year by *Asia Risk* in recognition of derivative structuring capabilities and broad swap and hedge product offerings, combined with an effective internal risk management system to solve the financial needs of corporate customers of all sizes
- Awarded Best Payments Bank in Vietnam by *The Asian Banker*

2021

- First privately owned bank in Vietnam to join "billion dollar club" with PBT of USD 1 billion
- Raised international syndicated USD 800 million term loan facility
- Only bank in Vietnam to win both *EuroMoney* and *FinanceAsia*'s 'Best Bank in Vietnam'
- Best Treasurer (Asia Pacific) by *Corporate Treasurer*
- Bank of the Year – *Napas*
- Most Recommended Retail Bank in Vietnam in the Asia Pacific – *The Asian Banker*'s BankQuality Consumer Survey and Ranking of Retail Banks 2021
- Best Investment Product and Best Mortgage/Home Loan Product – *The Asian Banker* Vietnam Country Awards 2021
- Best in Treasury and Working Capital (SMEs) – *The Asset*

