

# Techcombank

## 4Q23 Analyst Presentation

Hanoi, Jan 23 2024



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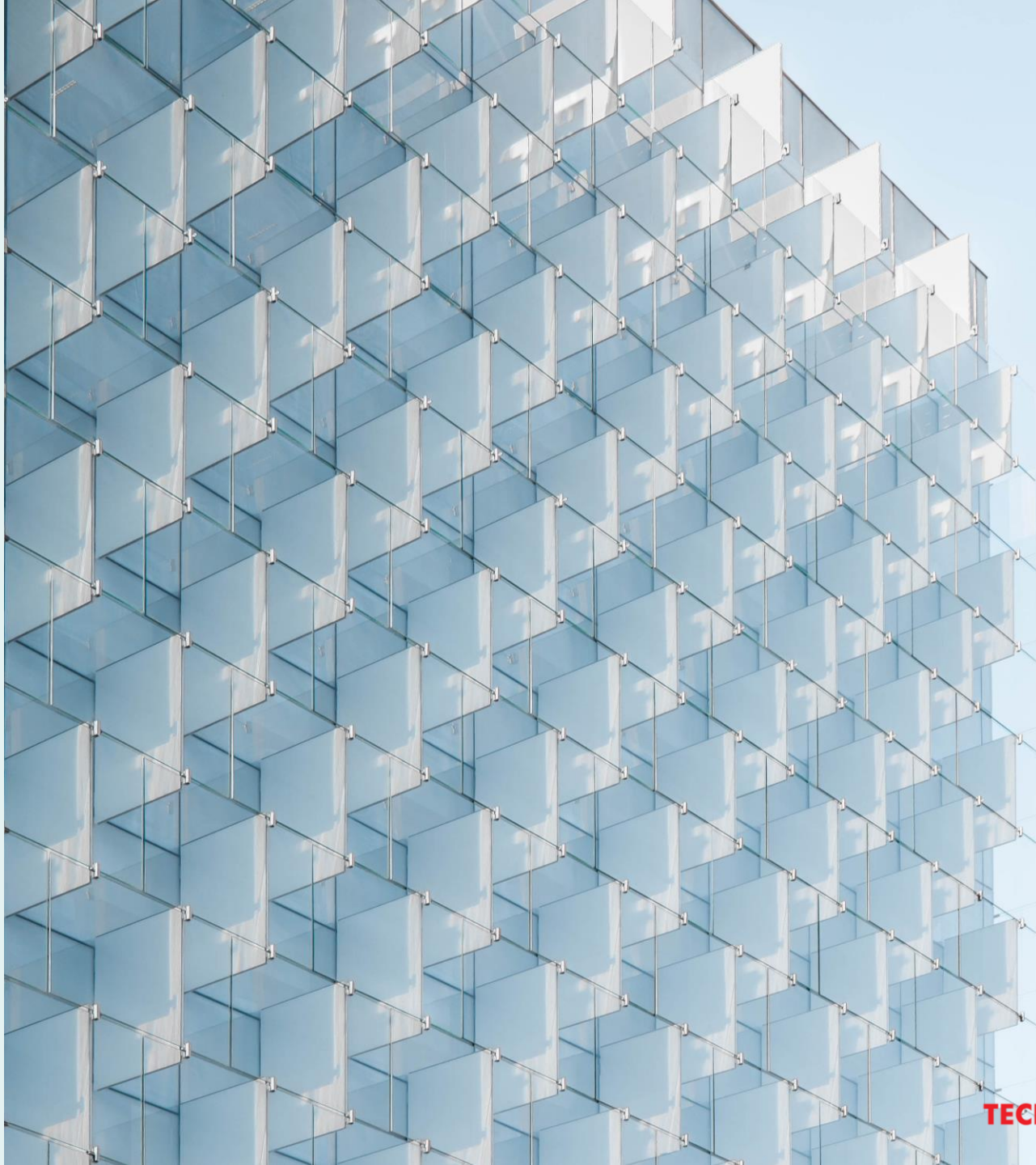
**05**

Special Updates

Section

01

Highlights



# PBT exceeded guidance, well-positioned into 2024

Improved

Declined

01 Highlights

TOI

▼ VND 40.1 Tn  
-1.2% YoY

- Improving trend of positive YoY growth since 3Q23 continued in 4Q23 (+18% YoY<sup>3</sup>), bringing FY23 TOI to almost the same as FY22 TOI
- NFI expanded nearly 10% YoY thanks to cards and LC, LG & other settlement, while bancassurance & bond business continued their recoveries

PBT

▼ VND 22.9 Tn  
-10.5% YoY

- FY23 PBT exceeded guidance by VND 0.9 tn (or 4%) despite increases in risk cost, which is in line with position in the business cycle, thanks to robust fee income and controlled OPEX
- 4Q23 PBT reached VND 5.7 tn, +22% YoY

ROA

▼ 2.4%  
FY22: 3.2%

- Lower ROA and ROE (LTM) reflect challenges in operating environment for most of 2023 (e.g., sharp volatility in interest rates, weak credit demand and thus soft asset yields, headwinds in bonds and banca markets, etc.)

CASA

▲ 39.9%  
4Q22: 37.0%  
3Q23: 33.6%

- Third consecutive quarter of growth in CASA balance
- Core CASA advanced robustly. 40% CASA ratio further benefited from favorable year-end effects

NPL

▼ 1.19%  
4Q22: 0.74%  
3Q23: 1.40%

- NPL continued to be among the lowest in the sector (modest decrease in NPL ratio vs. 3Q23-end reflected larger credit base)
- Thanks to asset quality and highly valuable collateral, risk cost was also among lowest in the sector

CAR

▼ 14.4%  
4Q22: 15.2%  
3Q23: 15.0%

- Strong capital position, consistent with the Bank's strategy and risk appetite

**Notes:** 1. Refer to NFI calculation on slide 16; 2. P&L items are numbers in the reporting period i.e., FY23, BS items are at the end of the reporting period. ROA is LTM. 3. TOI including recoveries of VND 832 bn)


Section

02

# Economic Update



# Building momentum for stronger growth in 2024

 Better than last year

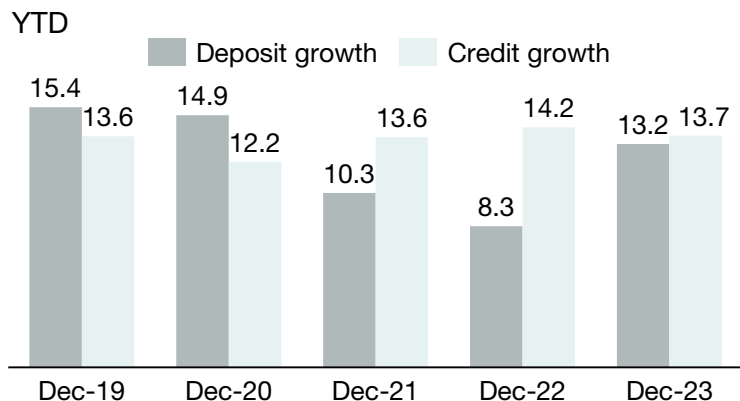
Indicators	4Q22	1Q23	2Q23	3Q23	4Q23	2023	2024F
GDP growth <i>YoY, %</i>	5.9	3.3	4.1	5.3	6.7	5.1	6.0
Inflation <i>avg., %</i>	4.4	4.2	2.4	2.9	3.5	3.3	3.8
Retail sales growth <sup>1</sup> <i>real terms, %</i>	15.6	10.3	8.4	7.3	7.1	7.1	
Disbursed FDI <i>USD Bn, in the period</i>	7.0	4.3	5.7	5.9	7.3	23.2	22 - 25
Export growth <i>YoY, %</i>	-7.0	-11.0	-11.9	-1.3	8.8	-4.4	6-8
PMI <sup>2</sup> <i>avg.</i>	48.1	48.8	46.1	49.6	48.6	48.2	
Unemployment <sup>3</sup> <i>avg., %</i>	2.3	2.3	2.3	2.3	2.3	2.3	2.3
USD/VND <i>'000, Avg, Interbank rate</i>	24.3	23.6	23.5	23.9	23.4	23.8	24.0

**Notes:** 1. Accumulative, year-on-year; 2. PMI: Avg. of monthly PMI in the reporting periods; 3. Unemployment rate: counted among working age

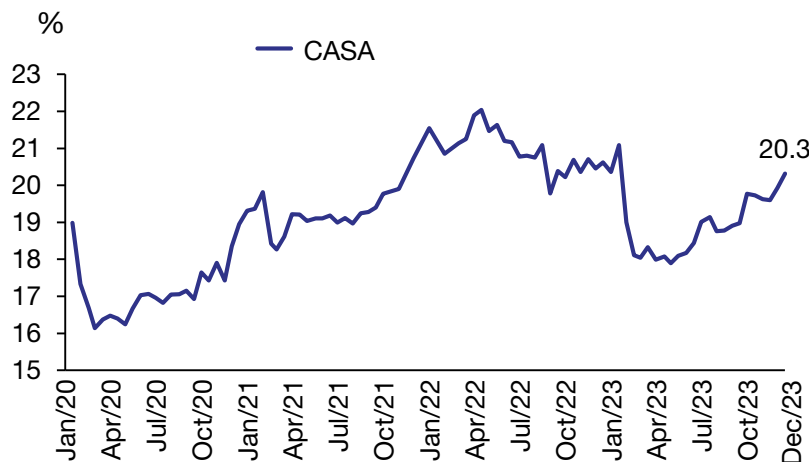
**Sources:** GSO, Vietnam Customs, S&P Global, Reuters, TCB Analysis

# Ample liquidity, credit demand expected to improve

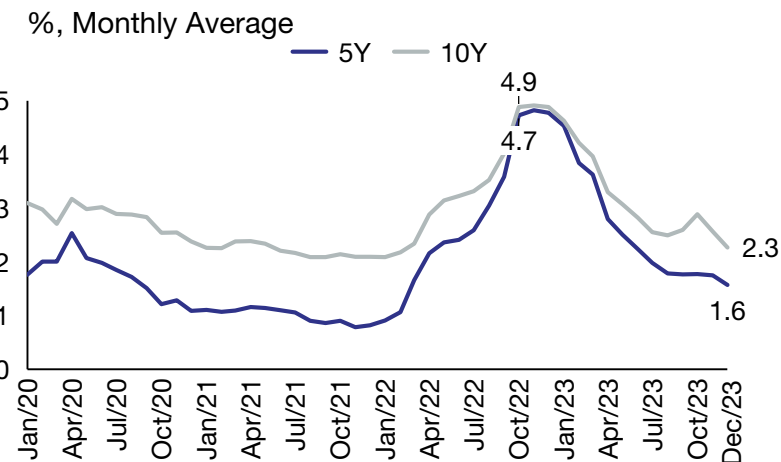
Deposit & Credit growth



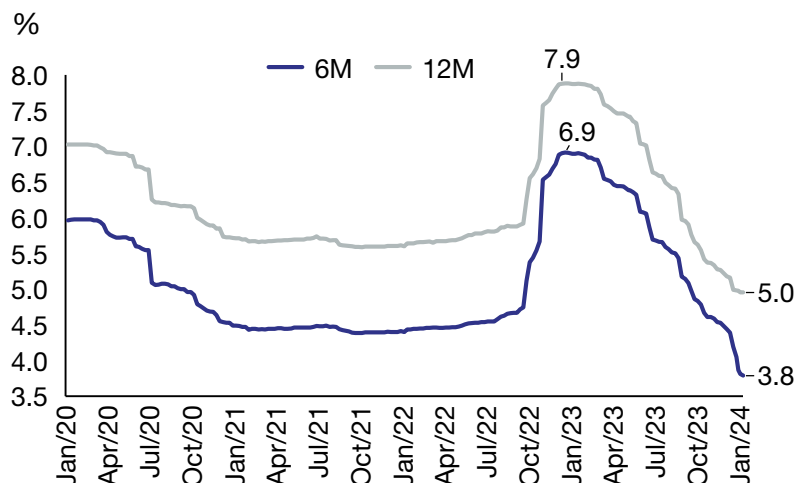
Banking system's CASA ratio



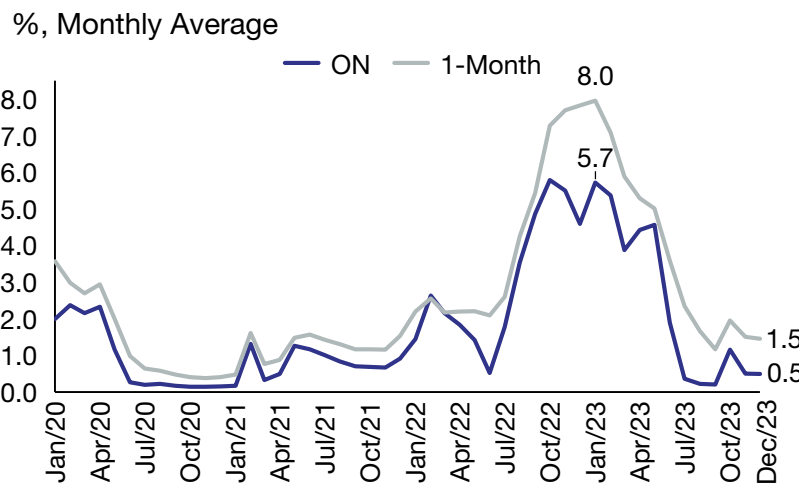
5-yr and 10-yr VGB yields



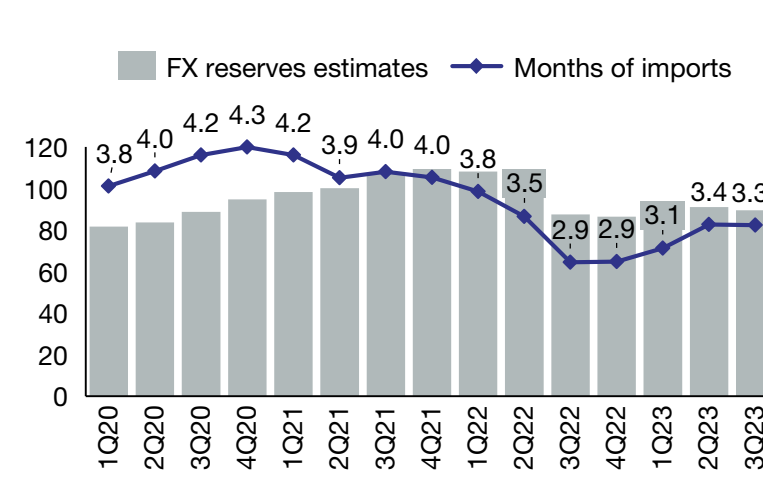
Weighted deposit interest rates of G18



ON, 1W Interbank rates



FX reserves



Sources: Reuters, GSO, SBV, TCB Analysis estimated. G18 refers to VCB, CTG, BIDV, AGB, TCB, MBB, ACB, VPB, STB, ABB, VAB, BAB, HDB, SCB, LPB, SHB, TPB, SSB

Notes: 1. Deposit growth doesn't include valuable papers

# Key Legal Updates: Highlights



## Revised Law on Credit Institutions (CIs)

Passed on 18 Jan 24

- New rules on corporate governance: specifically lower ownership (%) of 01 investor and related parties; lower credit limits to 01 customer and related parties with clear process to avoid concentration risk
  - ➔ **Aiming to reduce adverse effects of cross-ownership and conflicts of interest**
- For bad debt handling: the Law mentions the procedure of bad debt handling for current debts and their collaterals at banks (Clause 103 and 196). It is an inheritance of Resolution 42/2017/NQ-QH14 on "pilot bad debts settlement" issued in 2017 *for debts incur before this Law takes effect*
- For customer's data collection: Banks have to implement and comply with Decree 13/2022/ND -CP on personal data processing

**The Revised Law on CIs is a long step forward transparency and better ensure the safety of the banking system.**



## Revised Land Law

Passed on 18 Jan 24

- ✓ **Improve regulations related to the determination of land price.** Specifically, the land price list which will be issued annually by local authorities must include following factors:
  - Land use purpose of the land
  - Land use terms
  - Input information to determine land prices in accordance with evaluation methods
  - Other factors affecting land prices
  - Relevant legal regulations at the time of determination
    - ➔ **Support developers and RE market**, with the expectation that the Law would help to accelerate - license-granting process for a RE project.
    - ➔ Properties price however may increase due to likely higher market land prices
- ✓ **Tighter restrictions on changing land use purposes to protect agricultural land and land for ethnic minorities**



Section

03

# Financial Results



# Financial highlights



## P&L

	4Q22	4Q23	FY22	FY23
TOI <sup>1</sup> growth (YoY)	-6.4%	<b>17.1%</b>	10.6%	<b>0.0%</b>
NII growth (YoY)	-5.9%	<b>11.4%</b>	13.5%	<b>-8.6%</b>
NFI <sup>2</sup> growth (YoY)	11.3%	<b>14.2%</b>	28.0%	<b>9.5%</b>
NFI <sup>2</sup> /TOI <sup>1</sup>	29.4%	<b>28.7%</b>	23.7%	<b>26.0%</b>
CIR	41.9%	<b>32.8%</b>	32.1%	<b>33.1%</b>
PPoP growth (YoY)	-19.6%	<b>36.2%</b>	6.2%	<b>-2.5%</b>
PBT growth (YoY)	-22.7%	<b>21.6%</b>	10.0%	<b>-10.5%</b>



## Profitability

ROA (LTM)			3.2%	<b>2.4%</b>
ROE (LTM)			19.6%	<b>14.8%</b>



## Loans & Asset Quality

	4Q22	4Q23
Credit growth <sup>3</sup> (YTD)	14.5%	<b>19.2%</b>
NIM (LTM)	5.1%	<b>3.9%</b>
NPL	0.74%	<b>1.19%</b>
NPL (bonds + loans)	0.67%	<b>1.12%</b>
Coverage ratio	151.2%	<b>102.1%</b>



## Capital & Liquidity

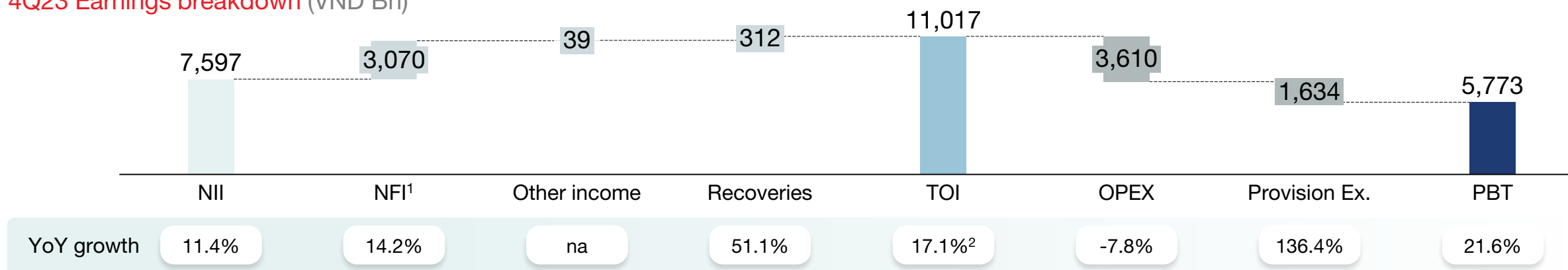
Basel II CAR	15.2%	<b>14.4%</b>
CASA ratio	37.0%	<b>39.9%</b>

- TOI provided stronger signs of normalization, driven by resilient fee streams
- NII YoY growth turned positive in 4Q23 (+11% YoY), thanks to larger credit base. NIM is still under pressure due to soft asset yields
- NFI was supported by positive cards & LC growth momentum, alongside the recovery of bond and bancassurance business
- CAR remained robust at 14.4%, albeit lower than in previous quarters while NPL stabilized to 1.2% post CIC (*from 1.4% at 3Q23-end*), including impact of larger credit base

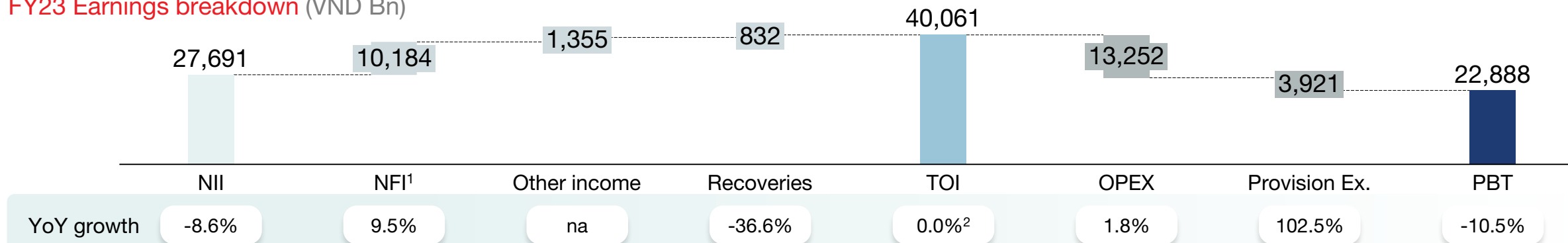
## Both NII, NFI expanded YoY in 4Q23, supported by CASA rebound to 40% level

- Positive YoY growth reported for both TOI, +17% YoY<sup>2</sup> and PBT, +22% YoY in 4Q23
- NFI was driven by Cards, LC and FX business. IB and Banca's extended recovery since 3Q23 albeit still slow
- Rigorous OPEX discipline played an important role in exceeding PBT guidance
- Provision expense in line with NPL formation and proactive provision making (e.g. 100% for loans under Cir. 02)

### 4Q23 Earnings breakdown (VND Bn)



### FY23 Earnings breakdown (VND Bn)

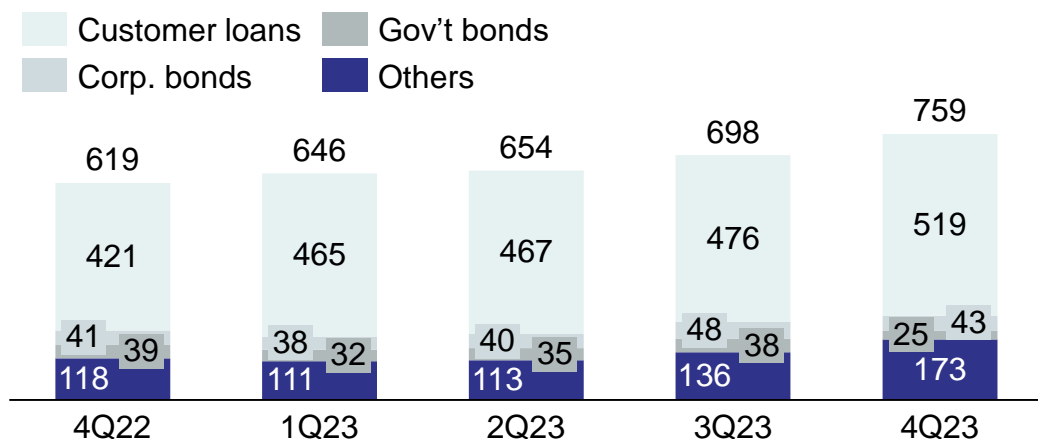


Notes: 1. Refer to NFI calculation on slide 17. 2. Growth of TOI excluding recoveries

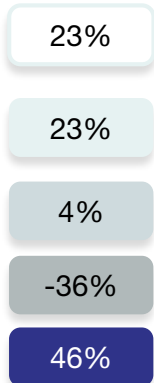
# Extension of asset yield moderation, offsetting lower cost of funds

- Total IEA and total funding recorded healthy expansion of 23-24% YoY, in line with 19.2% credit quota granted
- CoF trended down further. Favorable impacts on NIM were however offset by softened asset yields and temporary impact of higher credit balance (IEA) at the end of the year

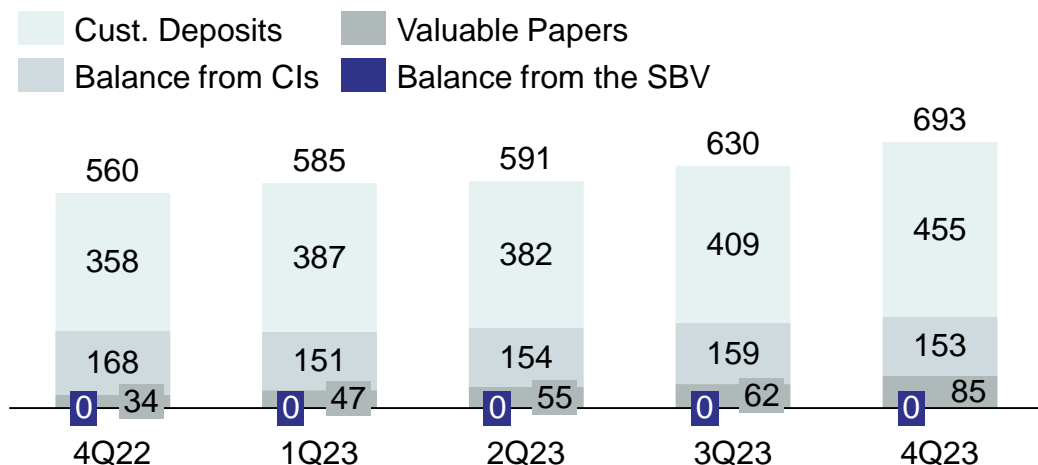
## Interest earning assets (IEA) mix (VND Tn)



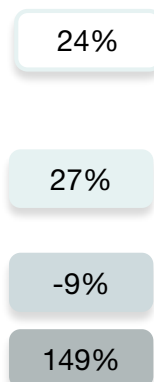
### YoY



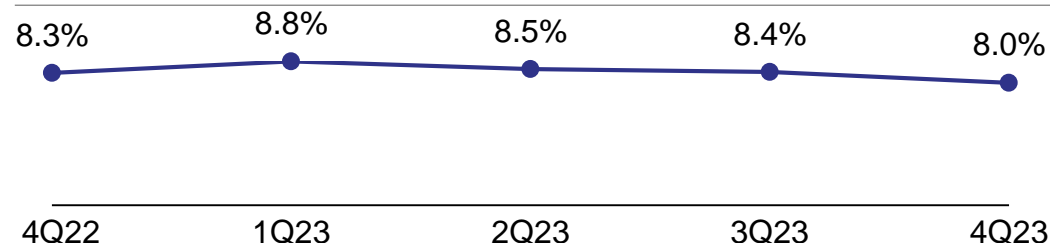
## Funding Mix (VND Tn)



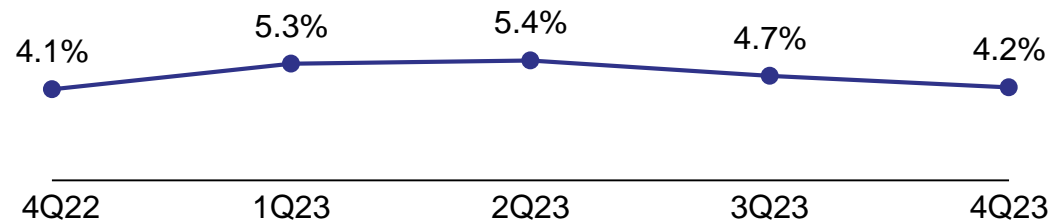
### YoY



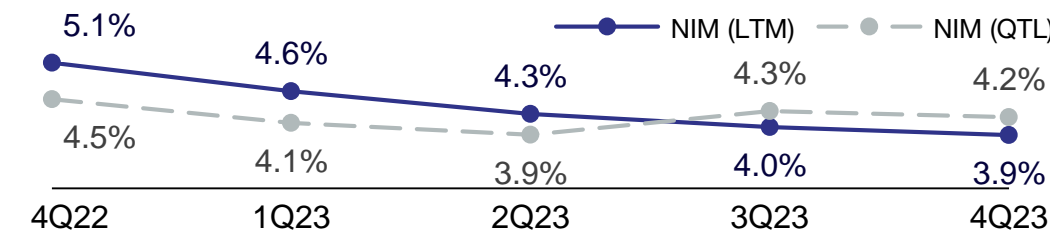
## Asset yields<sup>1</sup>



## Cost of funds<sup>1</sup>



## NIM (LTM) & NIM<sup>2</sup>

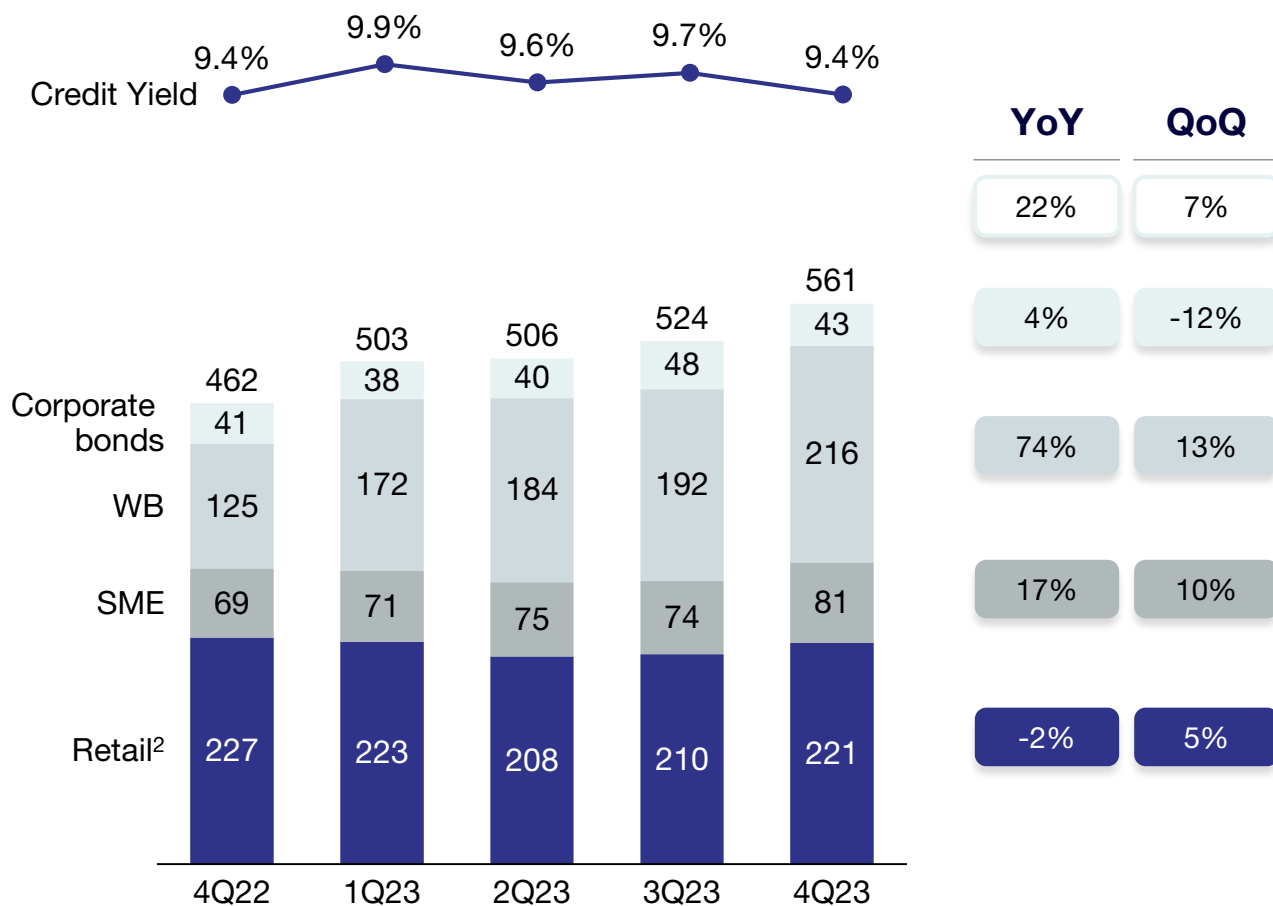


Notes: 1. Average assets yield and cost of funds in the quarter;  
2. NIM in the quarter per FS

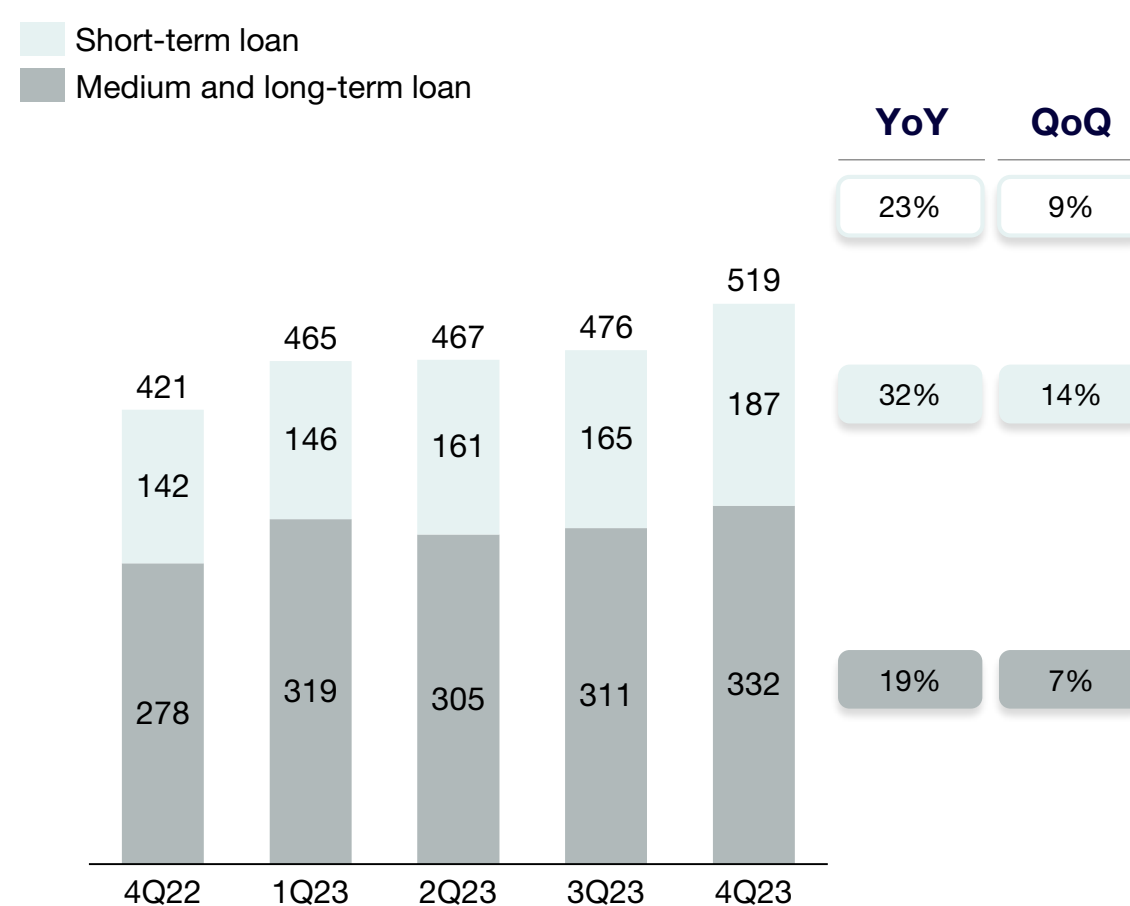
# Robust credit asset growth, continuing to outpace the industry

- Overall credit demand was still led by large corporate customers
- SME and Retail lending's upticks started to gain pace, +10% and +5% QoQ respectively

Credit mix (VND Tn)



Loan mix by term (VND Tn)

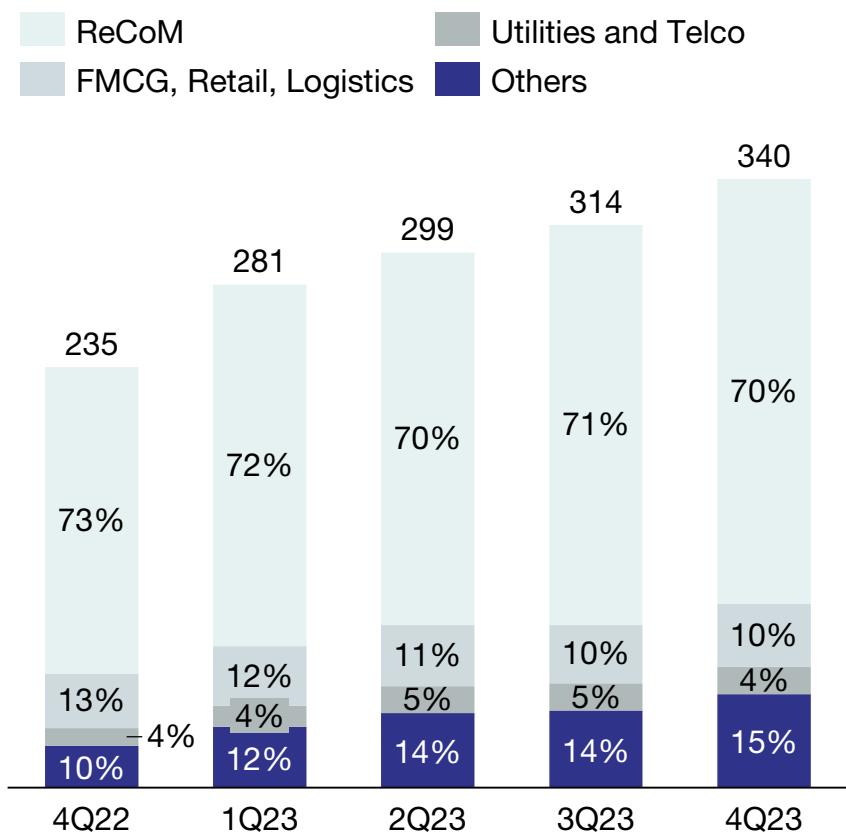


Notes: 1. Total credit provided on consolidated basis. At the bank-only level credit growth, per SBV regulation was 19.2% YTD; 2. Retail loans included margin lending by TCBS

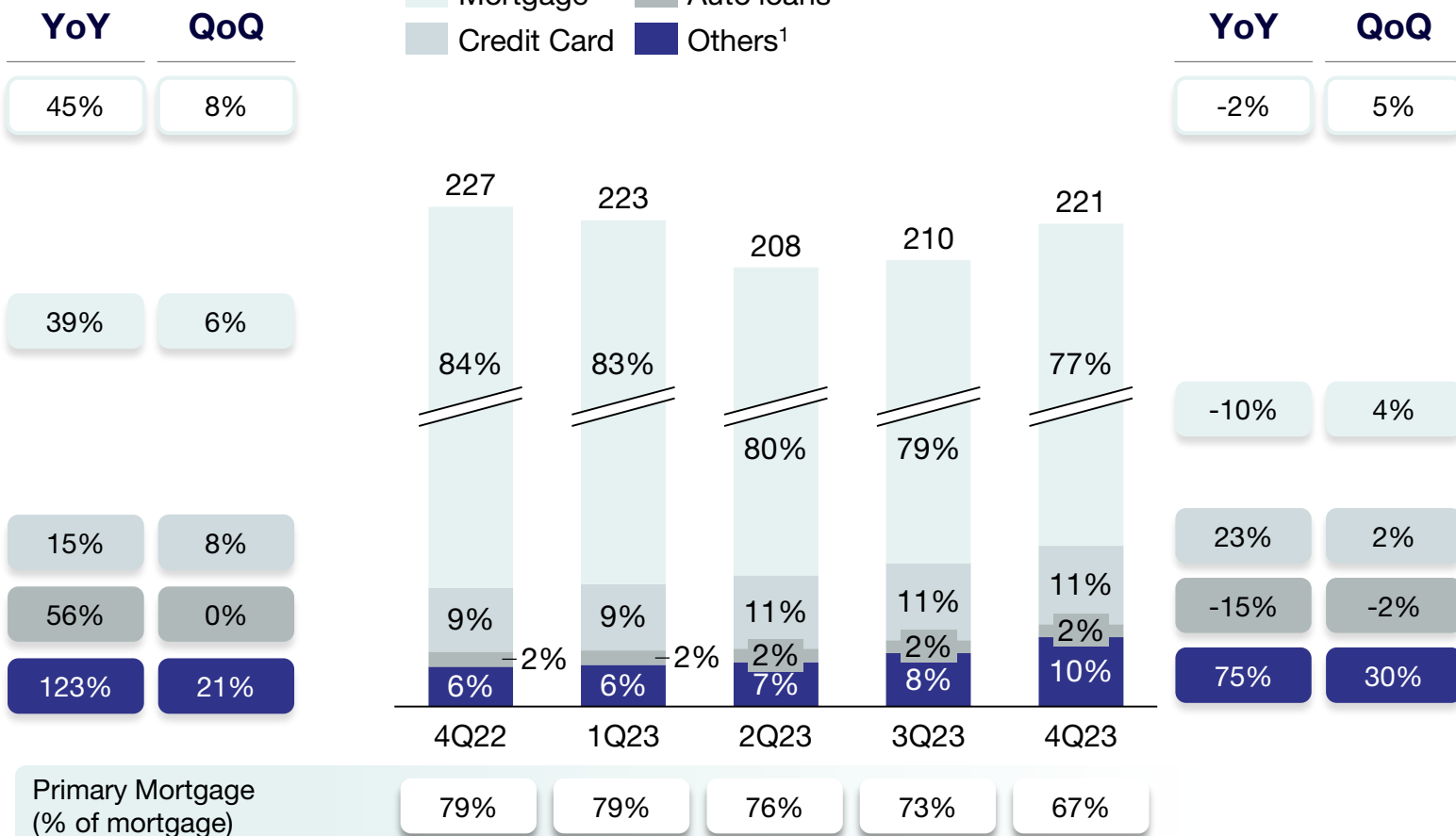
# Healthier expansion across customer segments and sectors

- 8% QoQ credit growth for business customers in 4Q were driven by FMCG (+8%) and other sectors (+21%) – Travel and Leisure to be more specific
- Mortgage balances increased 4% QoQ, ending 3 quarters of declines, with continued strong contribution of secondary mortgages (+27% QoQ)

Corporate loans + bonds by sectors (VND Tn)



Retail loans by products (VND Tn)

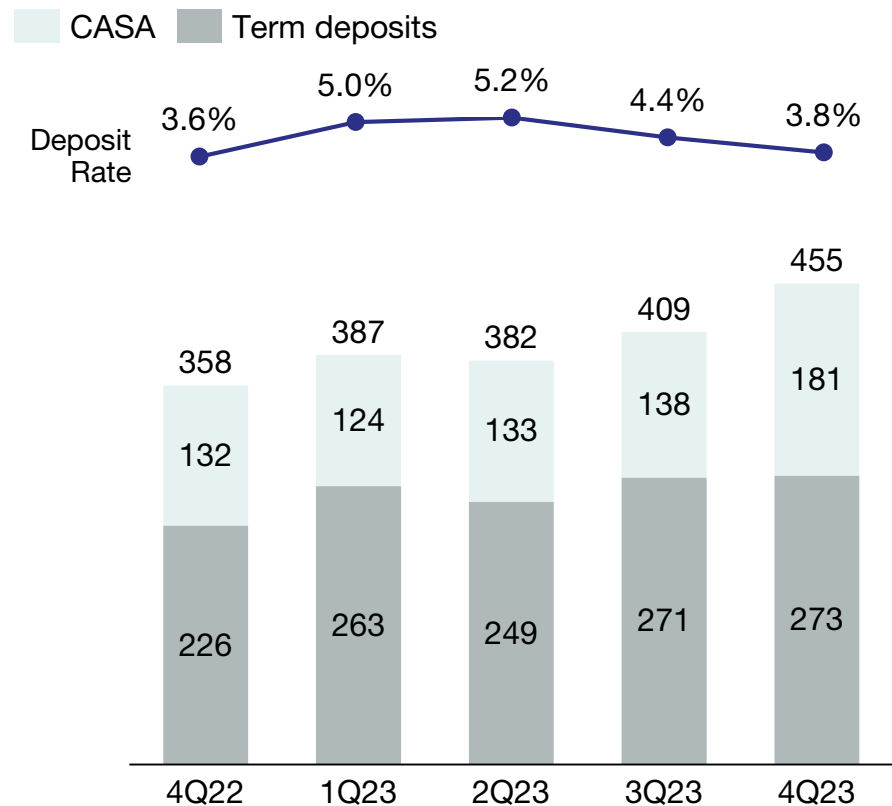


Notes: 1. Includes home equity, households, PIL, margin lending and other retail lending

# Fortified CASA momentum

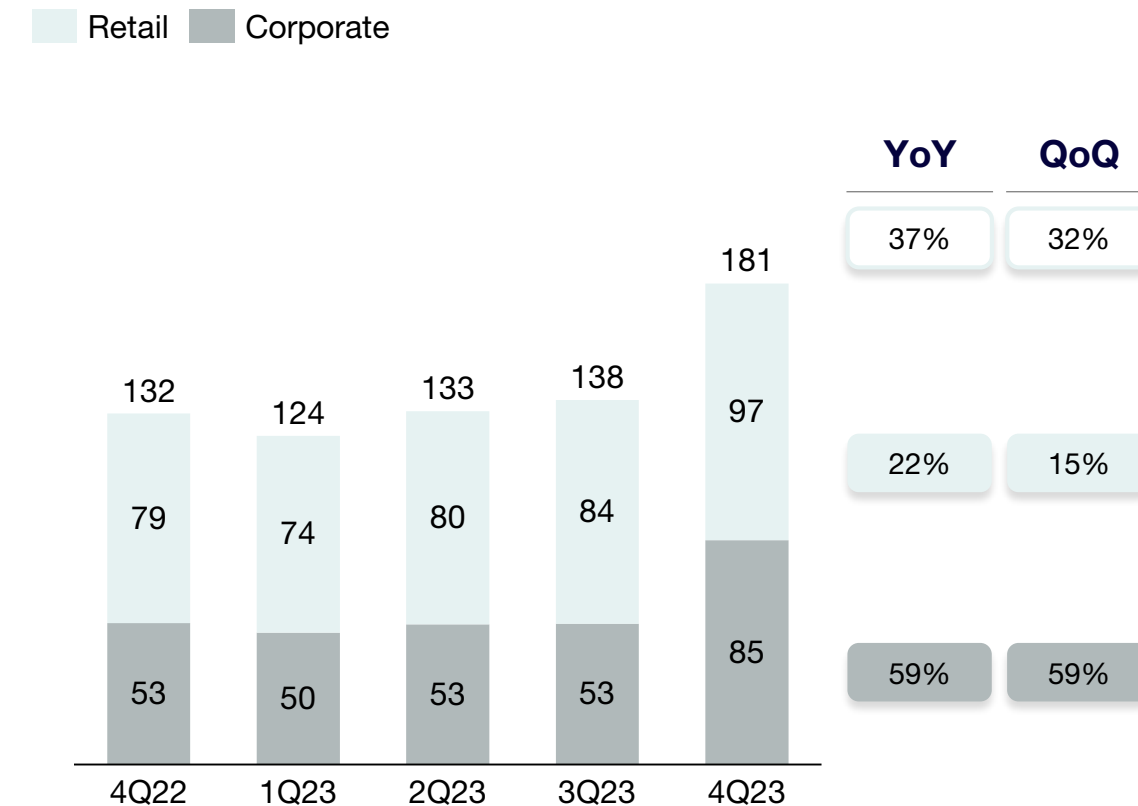
- Third consecutive quarter of increases in CASA balances, thanks to strong core CASA
- CASA ratio of c.40% was partially supported by year-end effects, and tracks well to further improve throughout 2024

Deposit rate and deposit by type (VND Tn)



Period	CASA ratio (%)
4Q22	37.0%
1Q23	32.0%
2Q23	34.9%
3Q23	33.6%
4Q23	39.9%

CASA by segment (VND Tn)

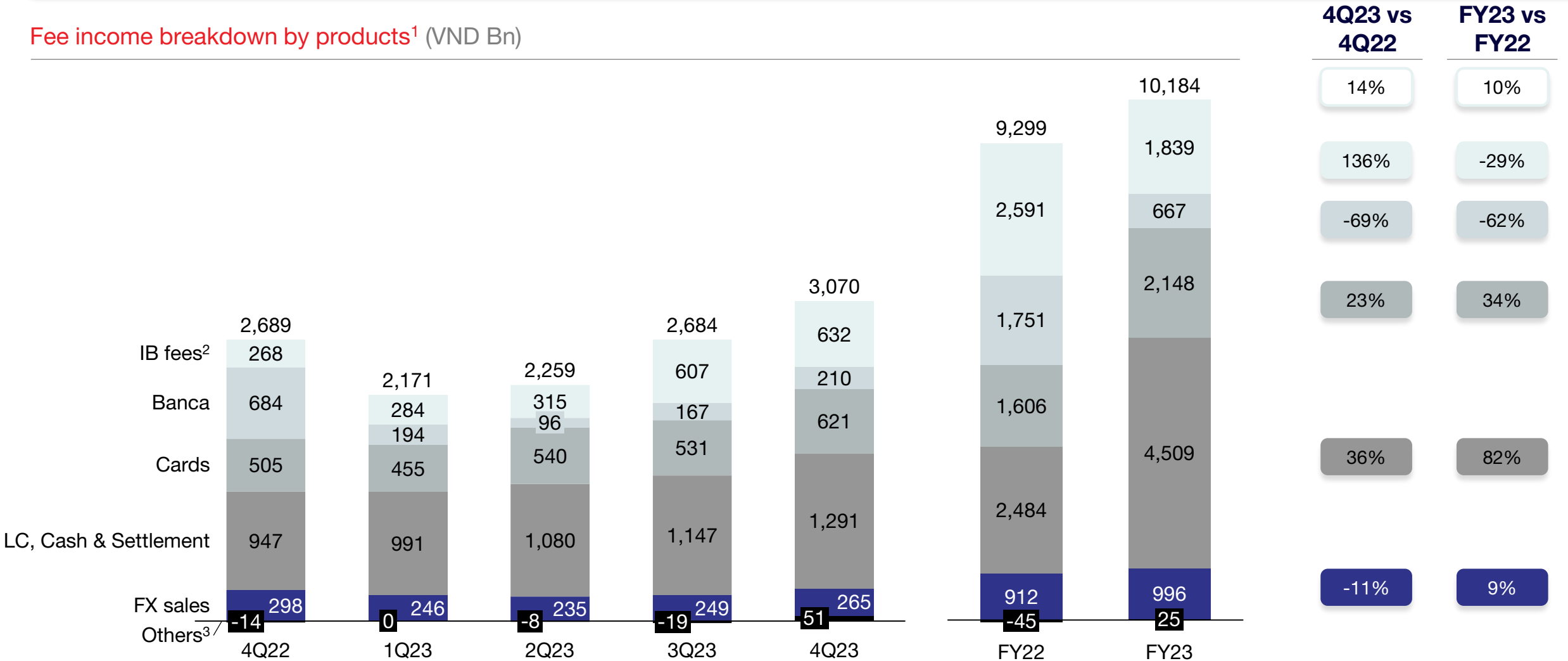


Period	CASA per customer (VND mn)
4Q22	19.6
1Q23	17.7
2Q23	16.5
3Q23	17.6
4Q23	21.1

# Steady NFI expansion throughout 2023

- Cards and LC, Cash & Settlement maintained double-digit growth momentum in 4Q, bringing total FY23 growth to 34% and 82% YoY respectively
- Both IB and Banca continued positive recovery, up 4% and 26% QoQ respectively. Encouragingly, Banca APE ended 2023 with 3 consecutive months from Sep to Nov of being #1 in the market (Top 3 APE for FY23)

Fee income breakdown by products<sup>1</sup> (VND Bn)



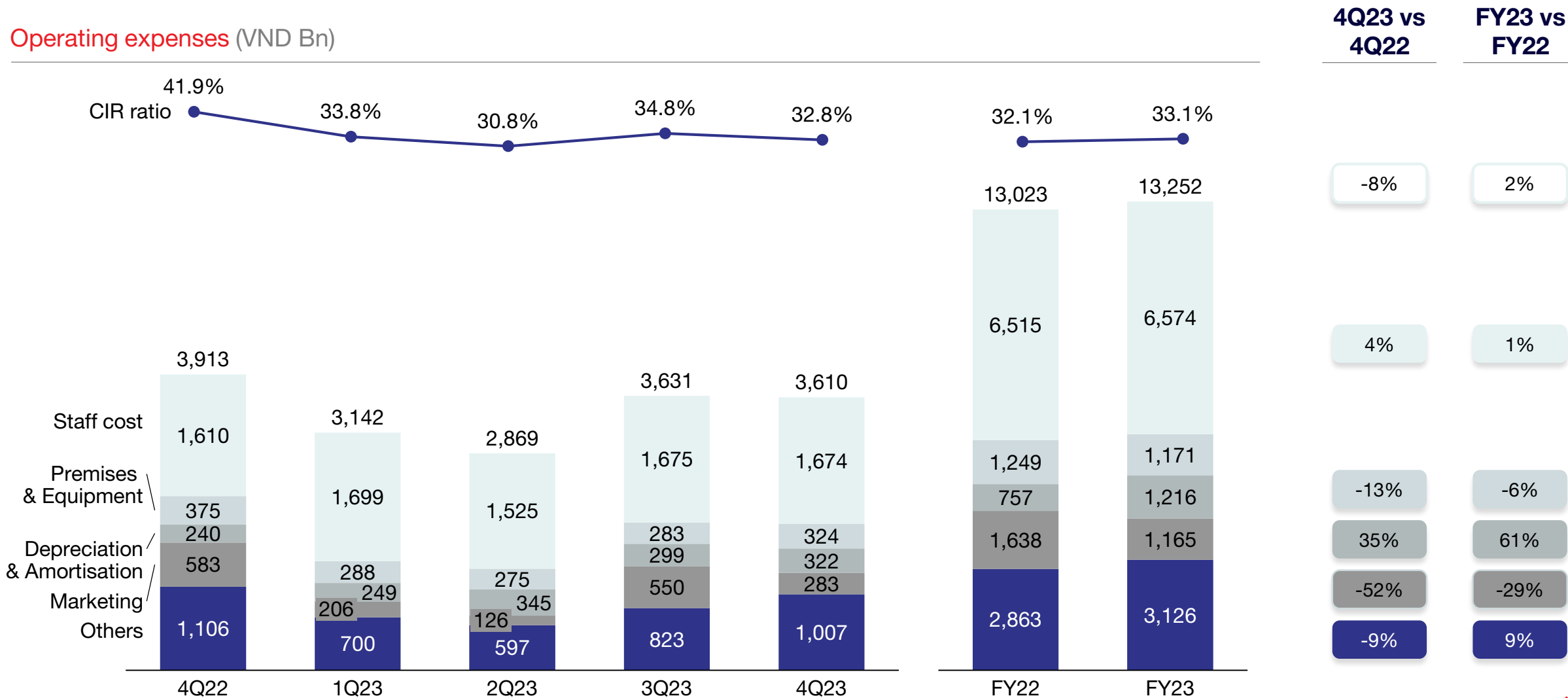
Notes: 1. Includes FX sales; bond distribution 2. Includes bond underwriting, bond distribution, trustee and agency, consulting, brokerage, fund management; 3. Includes cashier and other services. **TECHCOMBANK** 16



# Continued investment in Digital, shifting OPEX structure

- Rigorous OPEX management upheld in the last quarter of 2023, with continued investment in digital and data and tight management of other costs (e.g., staff costs, marketing costs etc.)
- OPEX increase for FY23 limited to 2% YoY, leading to 33.1% CIR

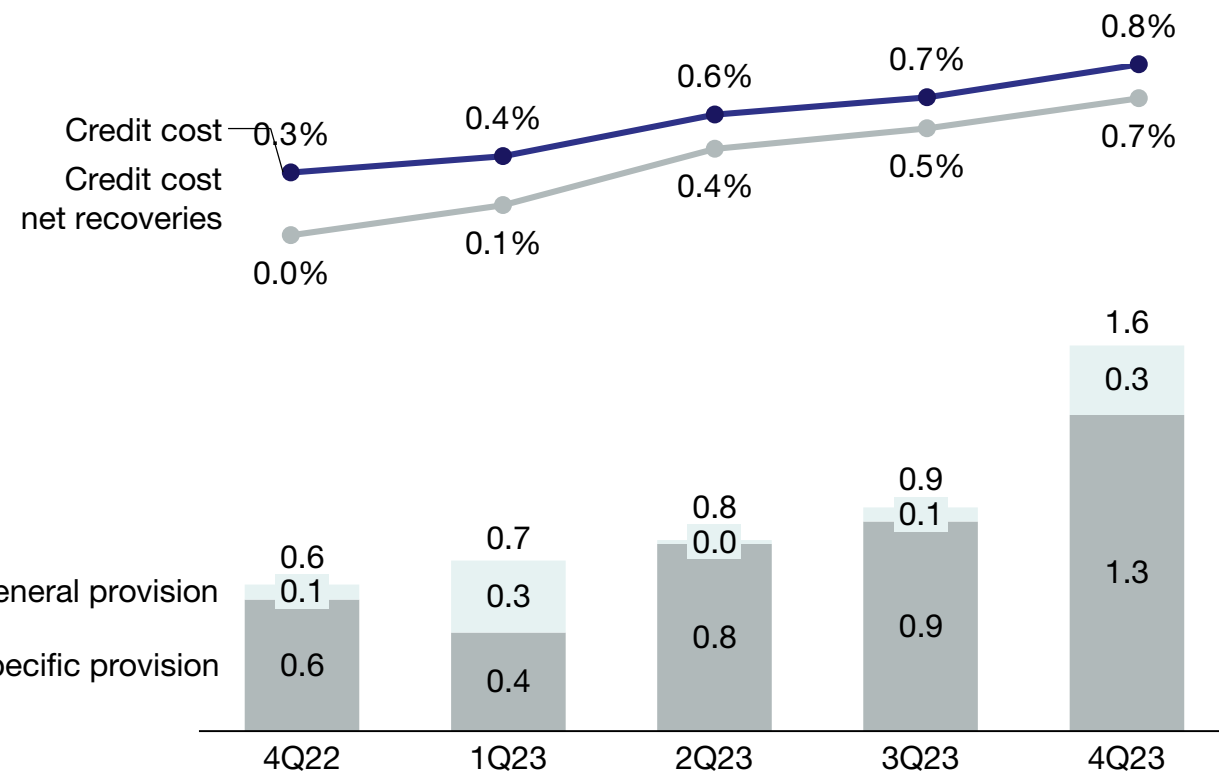
Operating expenses (VND Bn)



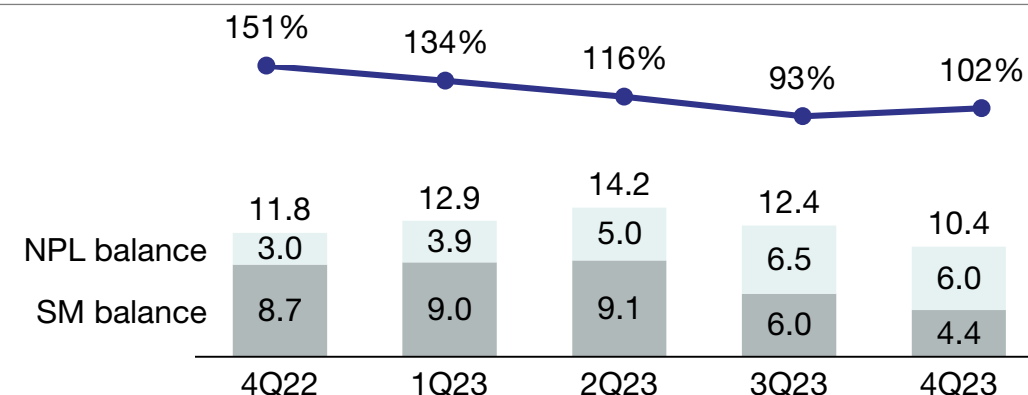
# Asset quality remained well under control

- NPL ratio lowered to 1.2% (vs. 1.4% at 3Q23), supported by larger credit base. NPL for loans and bonds was 1.1%
- NPL of Real estate related assets continued to outperform other customer segments
- Credit cost at 0.8% pre-recoveries (LTM), reflecting high value of collaterals

Provision expenses and LTM credit costs (VND Tn)



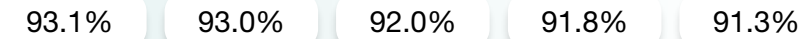
NPL and coverage ratio (VND Tn)



## NPL Ratio

	4Q22	1Q23	2Q23	3Q23	4Q23
Retail	1.02%	1.40%	1.96%	2.47%	2.26%
Mortgage	0.34%	0.51%	0.90%	1.54%	1.49%
SME	1.15%	1.27%	1.52%	2.16%	1.69%
ReCoM	0.59%	0.85%	1.19%	1.79%	1.26%
WB	0.01%	0.03%	0.00%	0.00%	0.00%
ReCoM	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total</b>	<b>0.74%</b>	<b>0.87%</b>	<b>1.10%</b>	<b>1.40%</b>	<b>1.19%</b>

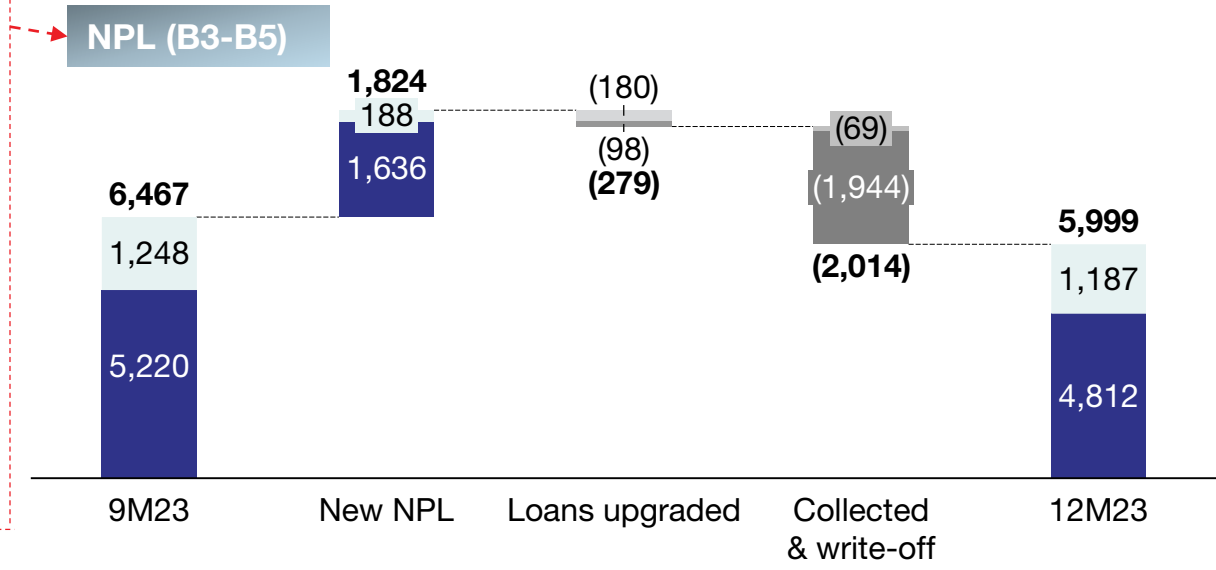
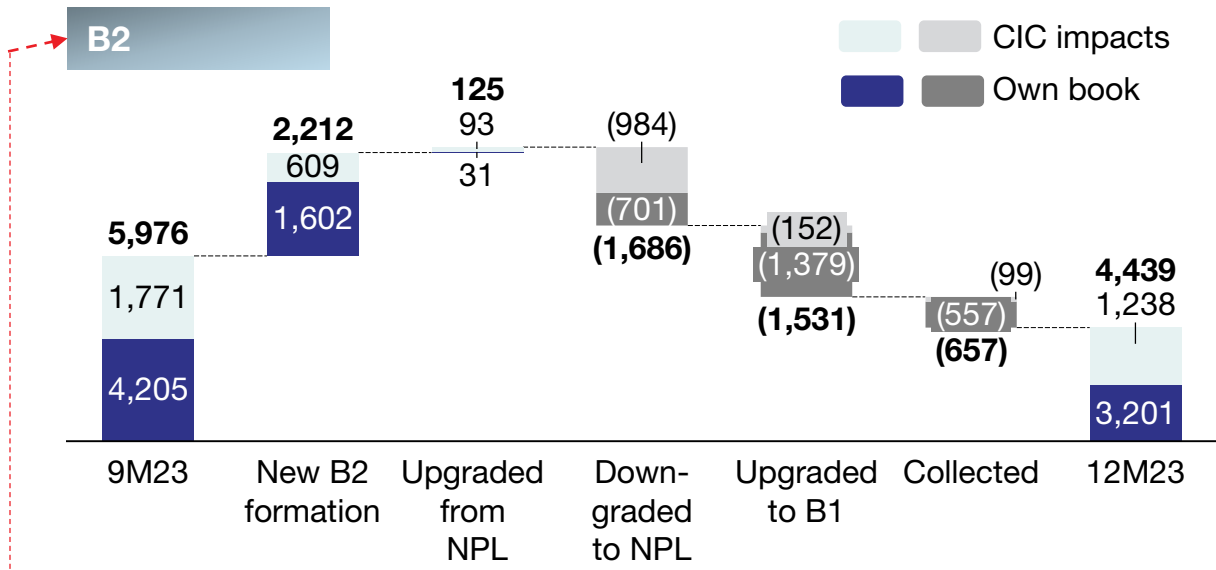
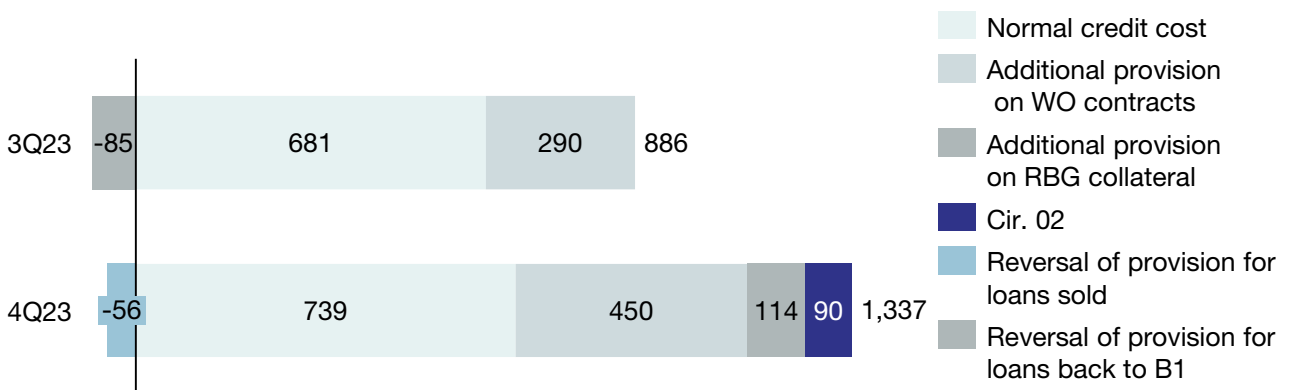
Secured loans  
(% of total OS loans)



# Credit cost deep-dive

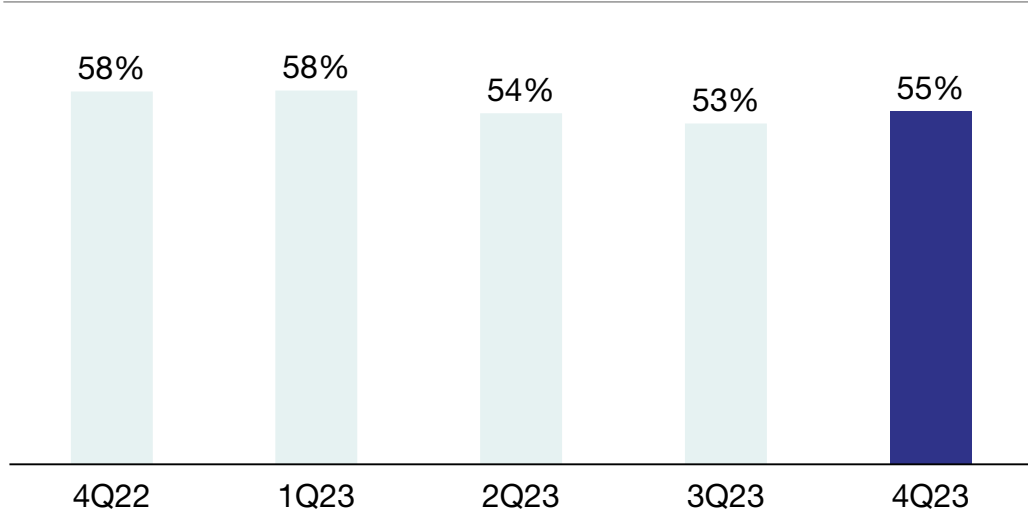
- ~45% of specific provision in 4Q23 was additional pro-active, largely one-off items (e.g., for 100% of Cir. 02 loans; write-offs, etc.)
- Most of them were not Real estate customers
- Favorable effects from absence of pro-active provision making in 2024 is however likely offset by diversification into unsecured retail lending and non-ReCoM sectors
- Also, as no quick economic upticks are expected, especially in 1H24, some volatility in terms of NPL incl. under Cir. 02 may incur during the year before stabilizing and normalizing

## Specific provision expenses movement (VND bn)

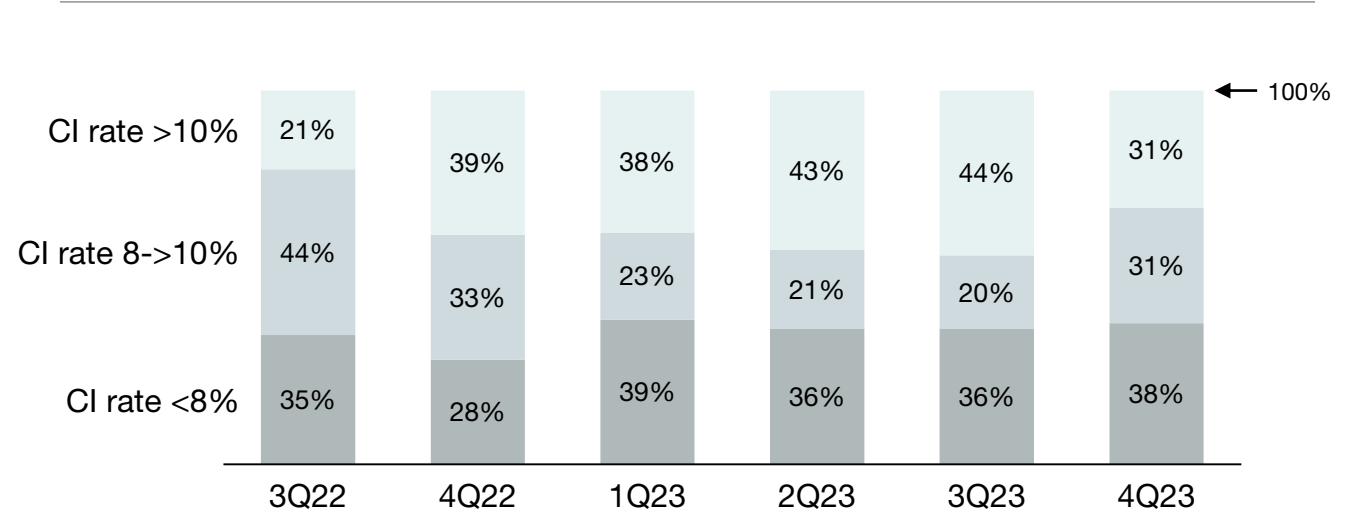


# 4Q23 – Asset book health<sup>1</sup>

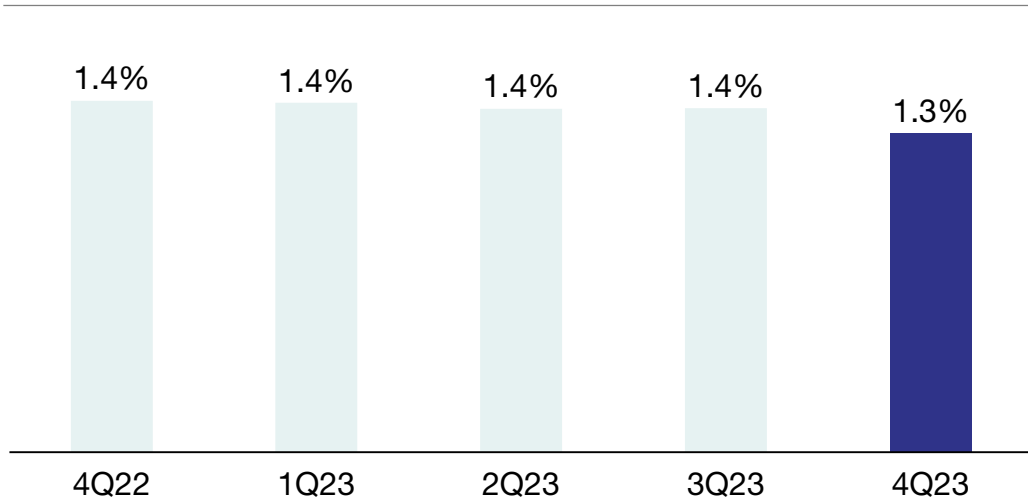
Average LTV (%)



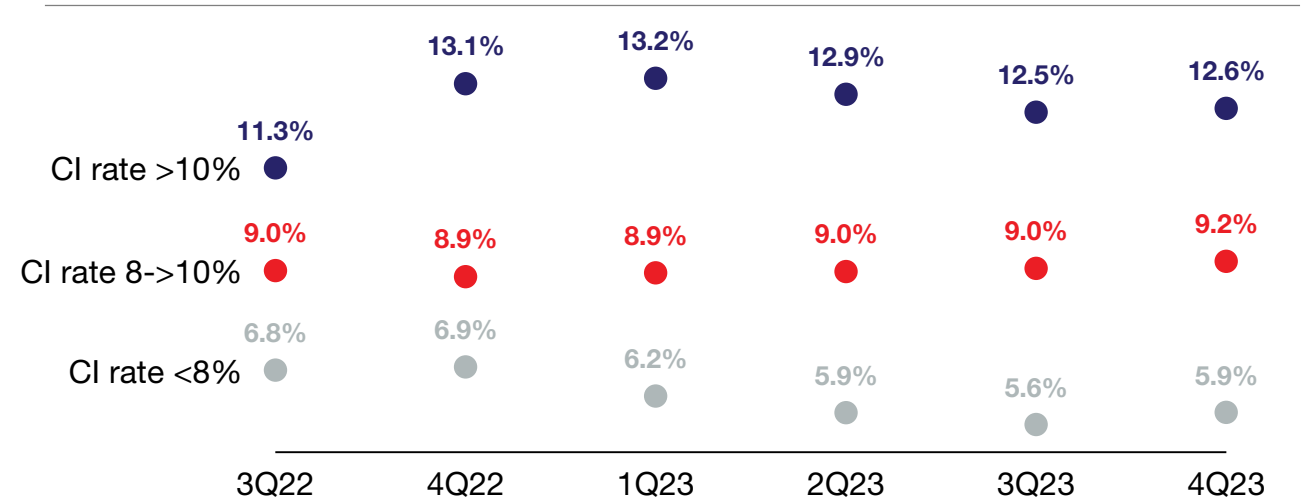
Credit structure by CI rate (%)



Receivables/IEA (%)



Average customer interest rate (%)

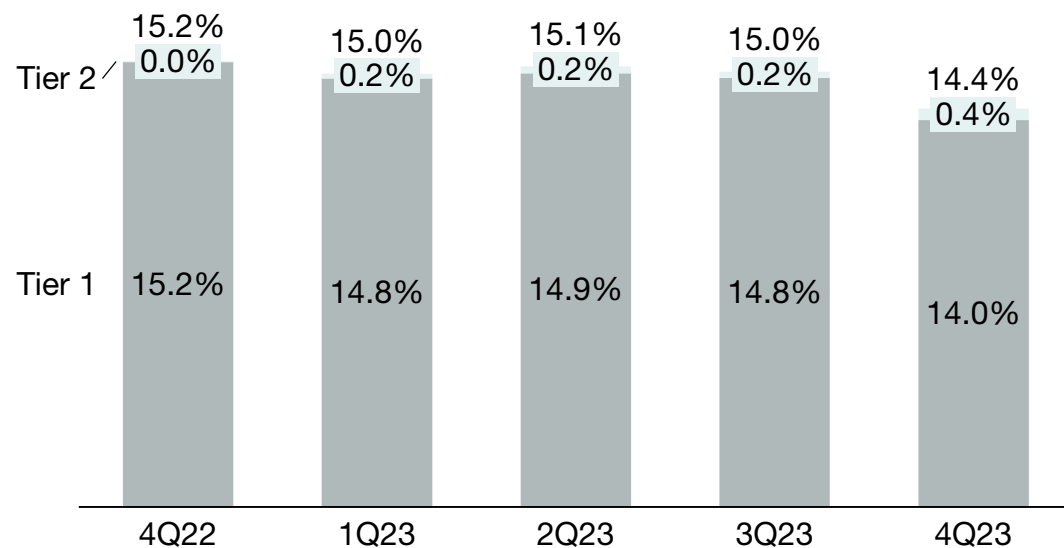


Notes: 1. All numbers are bank-only

# Capital and liquidity positions remained robust

- CAR lowered to 14.4%, being driven by credit book expansion at year-end and still among the highest in the industry
- Well-diversified mix of funding with total funding from customers contributing ~74% at the end of 4Q23, vs. ~67% one year ago

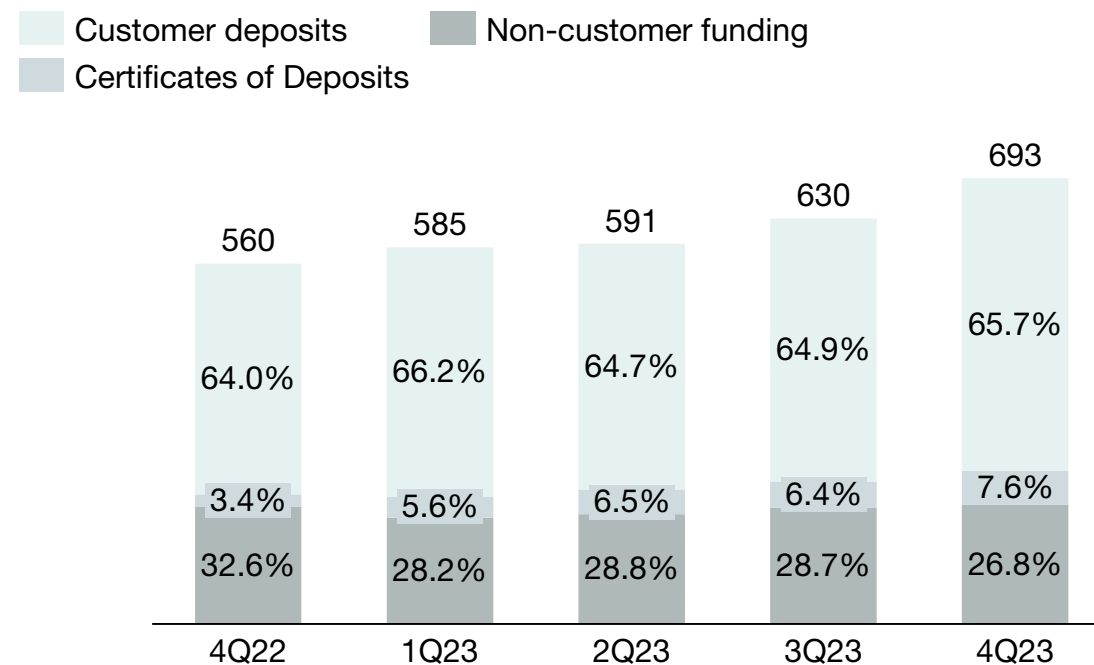
## Capital Adequacy Ratio<sup>1</sup> (CAR)



Equity (VND Tn)    113.4    118.0    122.5    127.1    131.6

Leverage ratio<sup>2</sup>    6.2x    6.1x    6.0.x    6.1.x    6.5x

## Funding mix (VND Tn)



LDR<sup>3</sup>    76.6%    81.0%    80.4%    76.7%    77.4%

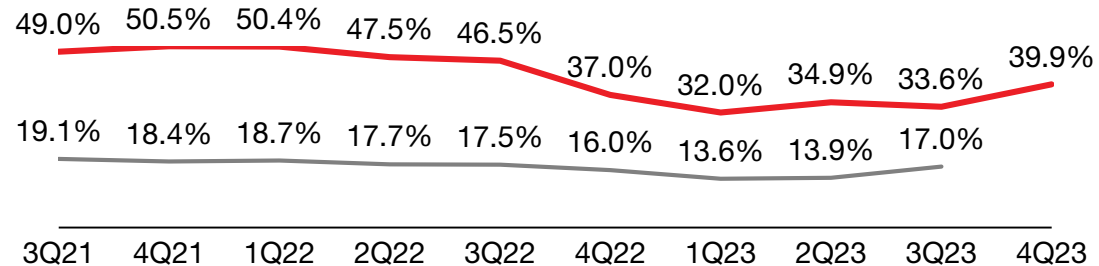
ST funding to MLT loans<sup>3</sup>    28.8%    33.5%    31.6%    30.5%    26.4%

Notes: 1. Basel II, 2. Leverage = TA/TE, 3. SBV report, single only

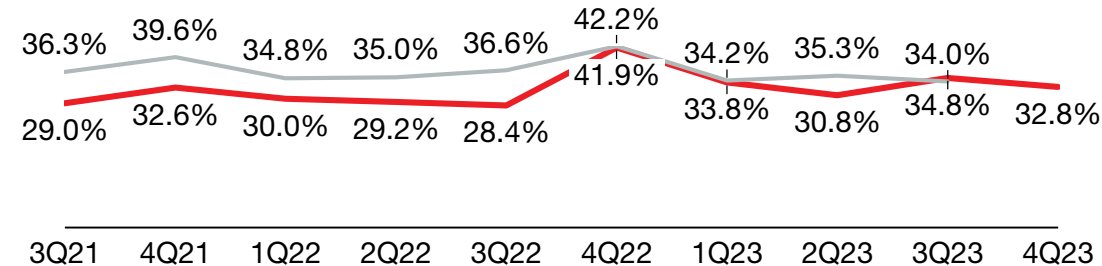
# Differentiated operating metrics relative to sector peers

— TCB  
— Industry median<sup>1</sup>

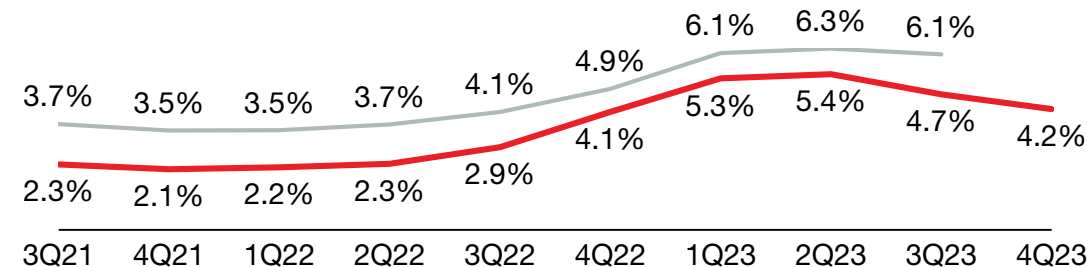
## CASA



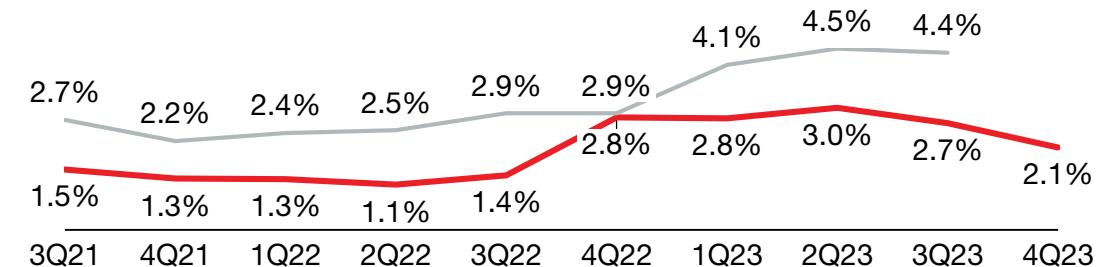
## CIR<sup>2</sup>



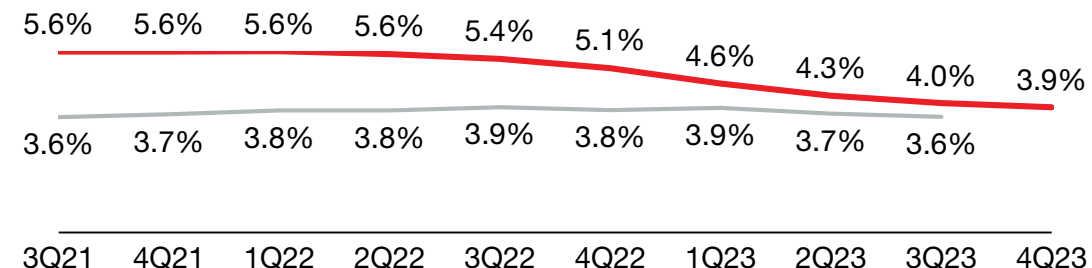
## Cost of funds<sup>2</sup>



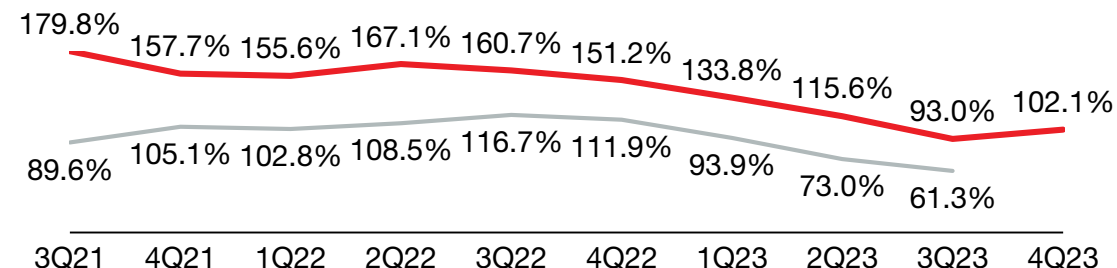
## SM + NPL ratio



## NIM (LTM)



## Coverage ratio



**Notes:**  
 (1) Median of BID CTG VCB MBB TCB VPB ACB STB SHB HDB VIB TPB LPB SSB MSB OCB EIB NAB ABB BAB  
 (2) CIR, CoF ratio in the quarter

Section

04

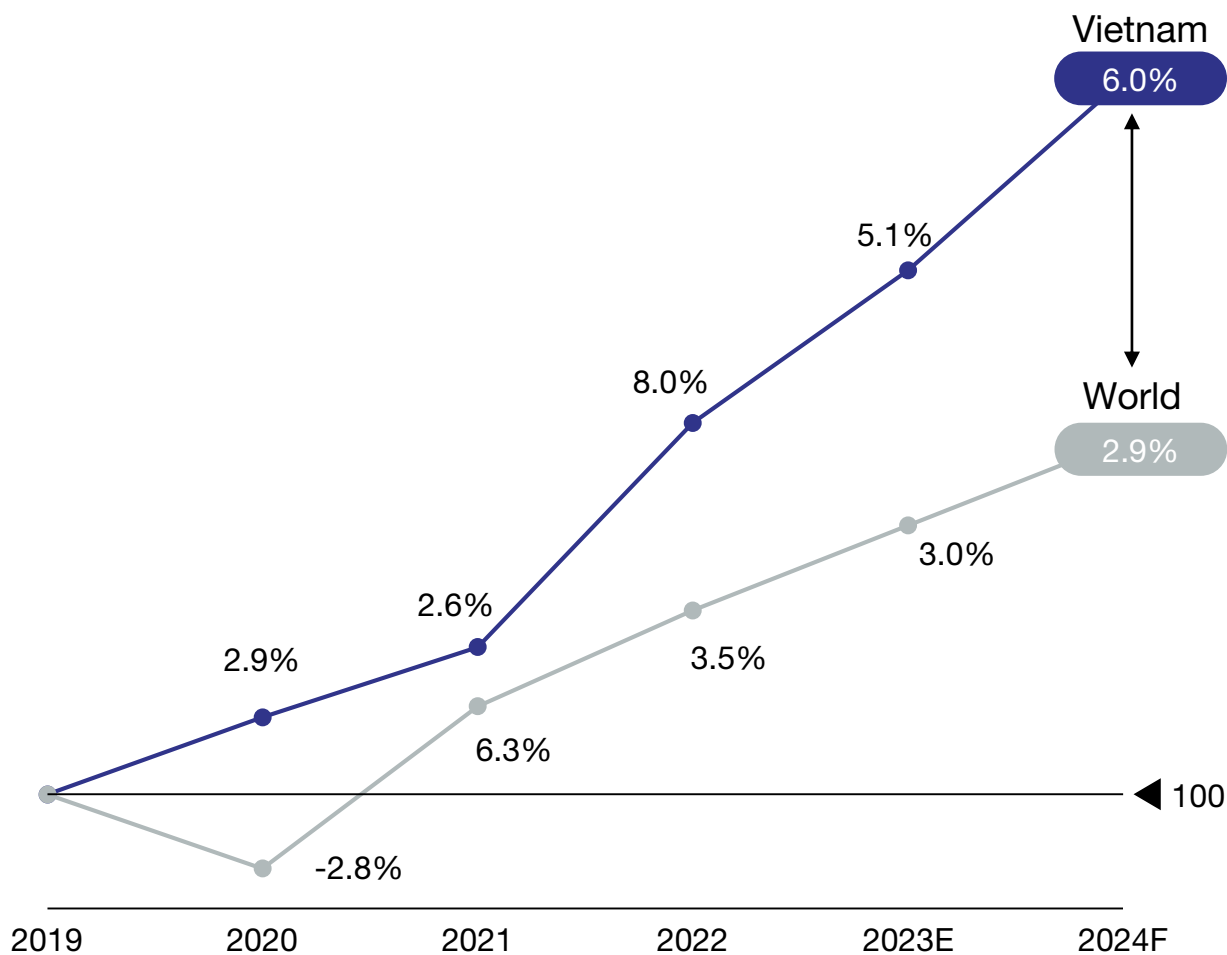
FY24 Outlook



# Various catalysts to help drive GDP growth forecast of 6% for FY24

## Real Vietnam & World GDP

(Real GDP growth indexed to 100% in 2019, YoY growth each year)



Sources: Past GDP growth: VN – GSO; Global – IMF. GDP growth forecast: VN – TCB; Global: IMF

### Catalysts for growth in 2024:

- Continued inflows of FDI disbursement
- Recovery in tourism and linked sectors
- Recovery in export activities
- Continued support from the fiscal expansionary policies:
  - **New policies** to stimulate economic activities and domestic consumption, including the extension of VAT rate reduction, the implementation of new salary policy
  - **Stronger emphasis on fiscal spending:** ~95% of the plan to be disbursed in 2024





## CASA

- **New innovative offerings to further build on CASA momentum**
  - Auto-Earning
  - T-pay
- **Cash collection propositions for merchant**



## Diversification of credit portfolio

- Diversify TCB credit portfolio:**
- Smart credit – Digital platform for unsecured lending origination
  - Integrated offerings combining supply-chain financing and dynamic discounting



## Main Operating Account

- **Compelling Loyalty & Reward program**
- **Exclusive wealth solutions**
- **Unique cash and liquidity management proposition** for corporate customers
- **Integrated CVP for business-owners** with omnibus lines of credits

# FY24 Outlook: broadly aligned to stronger economic growth

Indicators	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Outlook	Comments
Credit growth <sup>1</sup> %	22.1	14.5	19.2	Quota	Expect to be granted high quota by the SBV, reflecting the Bank's strength including capabilities to lend and to manage risk
Cost of funds %	2.2	2.9	4.9	↓	Reflecting lower deposit rates (on avg. down by 70-80bps), coupled with funding optimisation incl. CASA and liquidity optimisation
CASA ratio %	50.5	37.0	39.9	↑	Positive contributions from various programs to consolidate CASA (e.g. Auto Earning, Rewards, etc.)
NIM (LTM) %	5.6	5.1	3.9	↑	Lower CoF maybe partially offset by soft asset yields driven by market competition
NII growth %, YoY	42.4	13.5	-8.6	↑	Led by credit expansion
NFI growth <sup>2</sup> %, YoY	33.4	28.0	9.5	↑	With momentum gained in 2H23, coupled with MoA benefits, fee drivers are expected to broadly return to normal growth rates
CIR ratio %	29.2	32.1	33.1	↔	In line with 5-year plan, i.e., mid-thirties as the Bank continues to focus on managing costs effectively and investing in technology
NPL ratio %	0.7	0.7	1.2	↔	Normalised NPL while economic activities further pick up, partially offset by diversification into non-ReCoM and unsecured lending
Credit cost (LTM) %	0.7	0.3	0.8	↓	Slightly lower thanks to rigorous risk management, partially offset by larger portion of unsecured lending

■ Improved   
 ■ Unchanged   
 ■ Declined

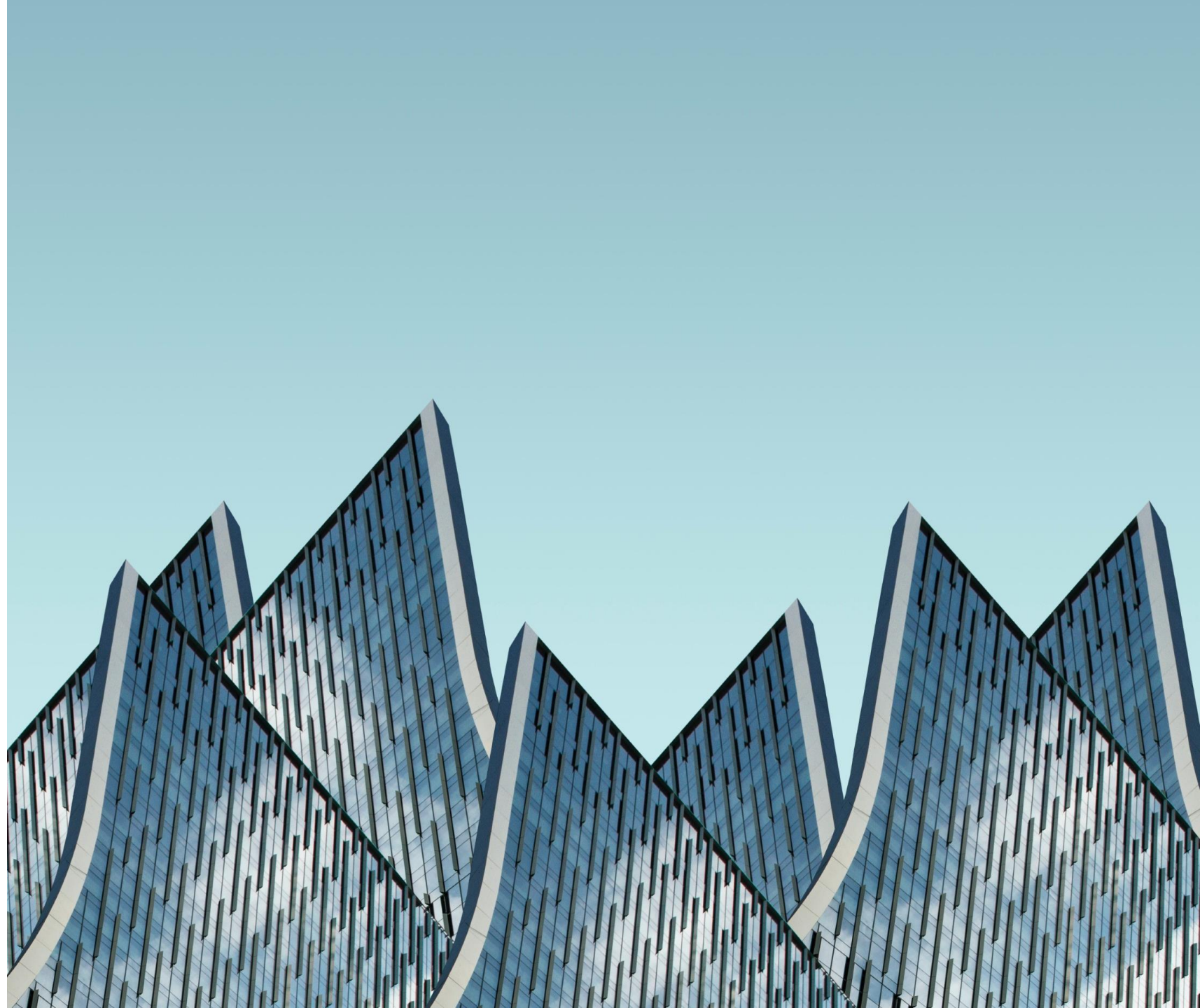
Notes: 1. Bank only number, per SBV calculation; 2. Refer to NFI calculation on slide 16; 3. Arrow directions indicate expected changes in FY23 vs. FY22

Thank you.

## Contacts

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Section

05

# Special Updates

### Flexible Pricing Scheme

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Commercial agreements in which TCB is allowed **retroactively step-up interest rates** on completion of the loan, expectedly no later than 2025



Mostly applied to new projects where there is an **anticipation of longer completion** lead time due to the situation in the RE market



**Temporary assistance** to RE corporate customers only, reflecting headwinds in the RE market during 2022-23

### Key updates

---

- **The book is performing in line with other corporate banking exposures** from a credit risk perspective → not separating nor tracking vs other exposure
- The projects and underlying assets have **strong economic value**
- Overall NII, NIM ROA remain strong vs. peers + **potential interest upside** once these assets are mature
- Meanwhile the **structure of total book** by interest rate bucket is **intact**

# Apartment market expected to recover strongly in coming years

## Policy support in the 2011-2015 period

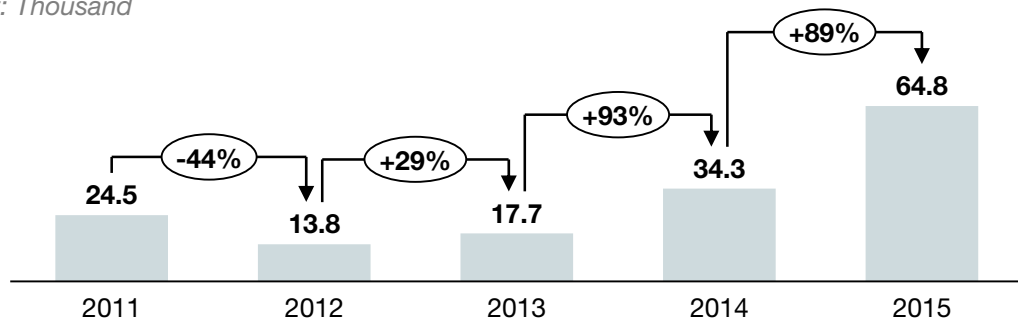
- Rate cuts**
  - 2011-2015 average refinancing rate at 8.8%
- Measures and policies supports**
  - Allowing conversion of commercial to social houses
  - Banks allowed to use 60% of ST funding for MLT loans
  - VND 30 trillion lending package for social housing buyers
- Housing law adjustments**
  - Overseas Vietnamese allowed to buy/own houses
  - Foreigners allowed to buy/own houses in commercial projects
- Real-estate law adjustments**
  - Developers/Investors allowed to transfer real-estate projects

## Policy support in the 2022-2026 period

- Rate cuts**
  - 2022-2023 Average refinancing rate at 5%
- Measures and policies supports**
  - Reduce land rent tax in 2023
  - Amendments to Laws on real estate business and housing ratified
  - Government taskforces to tackle problem in projects
  - Lending to real estate sector
- Housing law adjustments**
  - Revised Housing law & Law on RE business were approved in 2023
- Revised Land Law**
  - Support developers and RE market (expected to be approved in 2024)

### HN & HCM: Apartments sold in 2011-2015

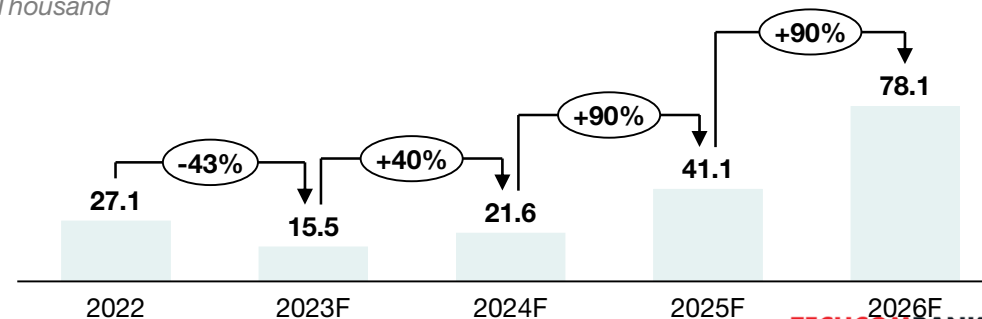
Unit: Thousand



Source: SBV, News, Savills' estimation, TCB Analysis forecast

### HN & HCM: Apartments sold in 2022-2026

Unit: Thousand



# Appendix



# 4Q23 Financial Highlights (1/3)

<b>Balance Sheet</b>	<b>Unit:</b>	<b>4Q22</b>	<b>1Q23</b>	<b>2Q23</b>	<b>3Q23</b>	<b>4Q23</b>
Total assets	VND bn	699,033	723,518	732,470	781,279	849,482
Deposits from customers	VND bn	358,404	387,298	381,947	409,045	454,661
Credit growth <sup>1</sup>	%	14.5%	9.3%	8.5%	11.4%	19.2%
CASA	%	37.0%	32.0%	34.9%	33.6%	39.9%
NPL	%	0.74%	0.87%	1.10%	1.40%	1.19%
Credit costs (LTM)	%	0.3%	0.4%	0.6%	0.7%	0.8%
Coverage ratio	%	151.2%	133.8%	115.6%	93.0%	102.1%

<b>FY22</b>	<b>FY23</b>
699,033	849,482
358,404	454,661
14.5%	19.2%
37.0%	39.9%
0.7%	1.2%
0.3%	0.8%
151.2%	102.1%

<b>FY23 vs FY22</b>	<b>4Q23 vs 3Q23</b>	<b>4Q23 vs 4Q22</b>
21.5%	8.7%	21.5%
26.9%	11.2%	26.9%
+474 bps	+782 bps	+474 bps
+296 bps	+628 bps	+296 bps
+46 bps	-20 bps	+46 bps
+54 bps	+16 bps	+54 bps
-4,913 bps	+903 bps	-4,913 bps

<b>Capital &amp; Liquidity</b>	<b>Unit:</b>	<b>4Q22</b>	<b>1Q23</b>	<b>2Q23</b>	<b>3Q23</b>	<b>4Q23</b>
Basel II CAR	%	15.2%	15.0%	15.1%	15.0%	14.4%
Basel II Tier 1 ratio	%	15.2%	14.8%	14.9%	14.8%	14.0%
Total Risk Weighted Assets	VND bn	737,334	783,241	811,026	844,966	931,151
ST fundings to MLT loans <sup>2</sup>	%	28.8%	33.5%	31.6%	30.5%	26.4%
LDR <sup>2</sup>	%	76.6%	81.0%	80.4%	76.7%	77.4%

<b>FY22</b>	<b>FY23</b>
15.2%	14.4%
15.2%	14.0%
737,334	931,151
28.8%	26.4%
76.6%	77.4%

<b>FY23 vs FY22</b>	<b>4Q23 vs 3Q23</b>	<b>4Q23 vs 4Q22</b>
-83 bps	-65 bps	-83 bps
-122 bps	-86 bps	-122 bps
26.3%	10.2%	26.3%
-235 bps	-414 bps	-235 bps
+83 bps	+67 bps	+83 bps

<b>Profitability</b>	<b>Unit:</b>	<b>4Q22</b>	<b>1Q23</b>	<b>2Q23</b>	<b>3Q23</b>	<b>4Q23</b>
Net interest income	VND bn	6,819	6,527	6,295	7,272	7,597
Non-interest income	VND bn	2,532	2,773	3,030	3,146	3,420
Total operating income	VND bn	9,351	9,300	9,325	10,418	11,017
Operating expenses	VND bn	(3,913)	(3,142)	(2,869)	(3,631)	(3,610)
Profit before tax	VND bn	4,746	5,623	5,649	5,843	5,773
NFI/TOI <sup>2</sup>	%	29.4%	23.7%	24.7%	26.3%	28.7%
CIR	%	41.9%	33.8%	30.8%	34.8%	32.8%
ROA (LTM)	%	3.2%	2.9%	2.6%	2.4%	2.4%
ROE (LTM)	%	19.6%	17.8%	15.8%	14.6%	14.8%
NIM (LTM)	%	5.1%	4.6%	4.3%	4.0%	3.9%
Cost of funds	%	4.1%	5.3%	5.4%	4.7%	4.2%

<b>FY22</b>	<b>FY23</b>
30,290	27,691
10,237	12,370
40,527	40,061
(13,023)	(13,252)
25,568	22,888
23.7%	26.0%
32.1%	33.1%
3.2%	2.4%
19.6%	14.8%
5.1%	3.9%
2.9%	4.9%

<b>FY23 vs FY22</b>	<b>4Q23 vs 3Q23</b>	<b>4Q23 vs 4Q22</b>
-8.6%	4.5%	11.4%
20.8%	8.7%	35.1%
-1.2%	5.7%	17.8%
1.8%	-0.6%	-7.8%
-10.5%	-1.2%	21.6%
+225 bps	+239 bps	-73 bps
+94 bps	-208 bps	-908 bps
-82 bps	0 bps	-82 bps
-474 bps	+22 bps	-474 bps
-122 bps	-13 bps	-122 bps
+199 bps	-52 bps	+9 bps

Notes: 1. Credit growth under SBV regulations; 2. Refers to NFI calculation in slide 15; TOI exclude recoveries



# 4Q23 Financial Highlights (2/3)

Balance Sheet - Segmentation							FY22		FY23		FY23 vs FY22	4Q23 vs 3Q23	4Q23 vs 4Q22
	Unit:	4Q22	1Q23	2Q23	3Q23	4Q23							
<b>Loans to customers</b>	VND bn	<b>420,524</b>	<b>465,425</b>	<b>466,546</b>	<b>475,606</b>	<b>518,642</b>	<b>420,524</b>	<b>518,642</b>		<b>23.3%</b>	<b>9.0%</b>	<b>23.3%</b>	
Retail	VND bn	217,452	213,028	197,546	197,176	204,861	217,452	204,861		-5.8%	3.9%	-5.8%	
SME	VND bn	69,113	70,856	74,568	73,677	80,692	69,113	80,692		16.8%	9.5%	16.8%	
WB	VND bn	124,604	172,038	184,250	191,926	216,469	124,604	216,469		73.7%	12.8%	73.7%	
Margin lending	VND bn	9,355	9,503	10,182	12,827	16,619	9,355	16,619		77.7%	29.6%	77.7%	
<b>Deposits from customers</b>	VND bn	<b>358,404</b>	<b>387,298</b>	<b>381,947</b>	<b>409,045</b>	<b>454,661</b>	<b>358,404</b>	<b>454,661</b>		<b>26.9%</b>	<b>11.2%</b>	<b>26.9%</b>	
Retail	VND bn	243,994	276,406	279,431	294,038	304,686	243,994	304,686		24.9%	3.6%	24.9%	
SME	VND bn	54,477	49,246	49,502	55,586	65,326	54,477	65,326		19.9%	17.5%	19.9%	
WB	VND bn	59,932	61,646	53,014	59,420	84,649	59,932	84,649		41.2%	42.5%	41.2%	
<b>Income Statement - Segmentation</b>							<b>FY22</b>	<b>FY23</b>	<b>FY23 vs FY22</b>	<b>4Q23 vs 3Q23</b>	<b>4Q23 vs 4Q22</b>		
<b>Total Operating Income</b>	VND bn	<b>9,351</b>	<b>9,300</b>	<b>9,325</b>	<b>10,418</b>	<b>11,017</b>	<b>40,527</b>	<b>40,061</b>	<b>-1.2%</b>	<b>5.7%</b>	<b>18%</b>		
Retail	VND bn	4,810	4,013	4,524	4,821	5,629	18,788	18,986	1.1%	16.8%	17%		
SME	VND bn	1,471	1,198	1,049	1,233	1,524	5,001	5,004	0.0%	23.6%	4%		
WB	VND bn	1,777	1,781	1,796	2,305	2,069	11,514	7,952	-30.9%	-10.2%	16%		
Markets	VND bn	979	1,448	1,311	1,944	1,763	3,639	6,466	77.7%	-9.3%	80%		
Others	VND bn	107	741	452	(92)	(279)	273	822	200.6%	201.5%	n.a		
Recoveries	VND bn	206	119	193	208	312	1,311	832	-36.6%	50.0%	51%		
<b>Net Interest Income</b>	VND bn	<b>6,819</b>	<b>6,527</b>	<b>6,295</b>	<b>7,272</b>	<b>7,597</b>	<b>30,290</b>	<b>27,691</b>	<b>-8.6%</b>	<b>4.5%</b>	<b>11%</b>		
Retail	VND bn	3,633	3,264	3,946	3,967	4,533	14,549	15,710	8.0%	14.3%	25%		
SME	VND bn	798	690	586	697	873	3,054	2,846	-6.8%	25.3%	9%		
WB	VND bn	917	736	564	898	740	7,683	2,938	-61.8%	-17.7%	-19%		
Markets	VND bn	1,284	1,598	1,137	1,560	1,676	4,477	5,971	33.4%	7.4%	31%		
Others	VND bn	188	240	62	149	(225)	526	225	-57.2%	n.a	n.a		
<b>Net Fee Income</b>	VND bn	<b>2,689</b>	<b>2,171</b>	<b>2,259</b>	<b>2,684</b>	<b>3,070</b>	<b>9,299</b>	<b>10,184</b>	<b>9.5%</b>	<b>14.4%</b>	<b>14%</b>		
Retail	VND bn	1,280	795	600	676	838	4,110	2,909	-29.2%	24.0%	-34%		
SME	VND bn	661	487	448	490	552	1,896	1,977	4.3%	12.7%	-16%		
WB	VND bn	754	972	1,160	1,525	1,672	3,313	5,329	60.9%	9.6%	122%		
Markets	VND bn	(0)	(0)	(0)	(0)	(0)	(3)	(0)	-81.8%	-66.6%	15%		
Others	VND bn	(5)	(82)	50	(7)	7	(17)	(32)	90.8%	n.a	n.a		

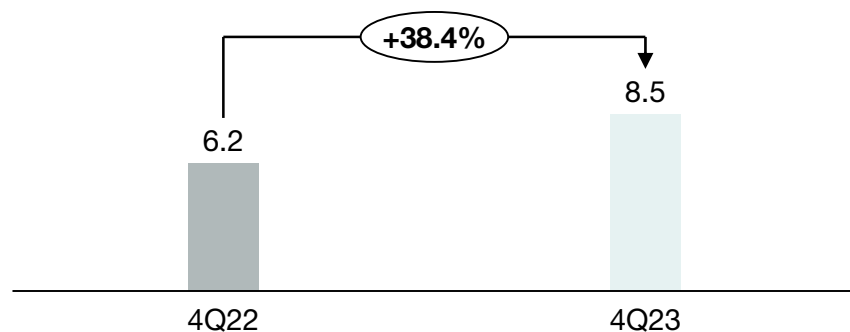
# 4Q23 Financial Highlights (3/3)

NFI - Segmentation	Unit:	4Q22	1Q23	2Q23	3Q23	4Q23			FY23 vs FY22	4Q23 vs 3Q23	4Q23 vs 4Q22
							FY22	FY23			
<b>Bond business</b>											
Bond issuance volume	VND bn	210	25,195	2,600	30,440	12,000	29,380	70,235	139.1%	-60.6%	5614.2%
Bond distribution volume	VND bn	17,146	7,851	12,832	17,031	22,764	87,875	60,478	-31.2%	33.7%	32.8%
<b>IB fees</b>	<b>VND bn</b>	<b>268</b>	<b>284</b>	<b>315</b>	<b>607</b>	<b>632</b>	<b>2,591</b>	<b>1,839</b>	-29.0%	4.1%	135.8%
Bond underwriting	VND bn	8	91	83	110	75	598	359	-40.0%	-31.8%	851.8%
Bond distribution <sup>2</sup>	VND bn	(67)	(19)	4	179	309	234	473	102.0%	73.0%	na
Other IB fees	VND bn	328	212	228	319	248	1,759	1,007	-42.7%	-22.1%	-24.3%
<b>Card business</b>											
	Thousand										
Total number of debit cards (EOP)	Cards	4,779	4,897	5,017	5,165	5,274	4,779	5,274	10.4%	2.1%	10.4%
Debit cards txn value	VND bn	61,642	54,143	51,436	50,947	49,137	257,779	205,662	-20.2%	-3.6%	-20.3%
	Thousand										
Total number of credit cards (EOP)	Cards	745	746	750	759	765	745	765	2.7%	0.8%	2.7%
Credit cards txn value	VND bn	33,500	32,020	36,124	39,085	41,425	116,835	148,655	27.2%	6.0%	23.7%
<b>Banca business</b>											
APE	VND bn	333	195	192	254	287	1,471	928	-36.9%	12.9%	-13.9%
FYP	VND bn	378	137	127	180	196	1,452	640	-55.9%	8.6%	-48.2%

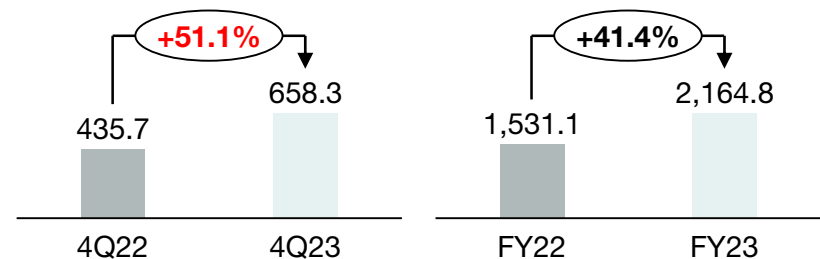
# Digital platform continued to be dominating channel

- Share of e-banking transaction edged up further to 93.9% in 4Q23 (from 91.7% in 2022) thanks to superior technology infrastructure

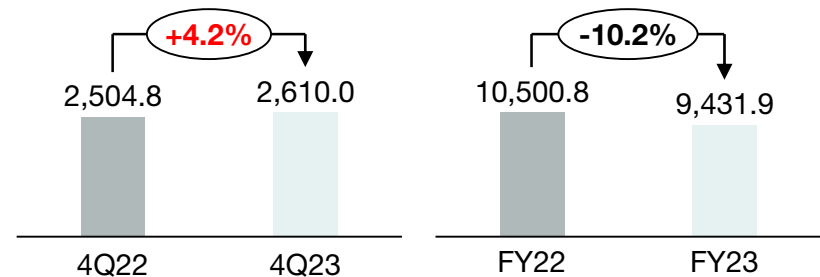
Number of Retail E-banking customers<sup>1</sup> (Mn, EOP)



Retail E-banking transaction volume (Mn)

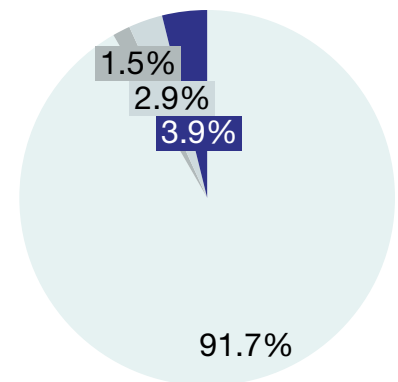


Retail E-banking transaction value (VND Tn)



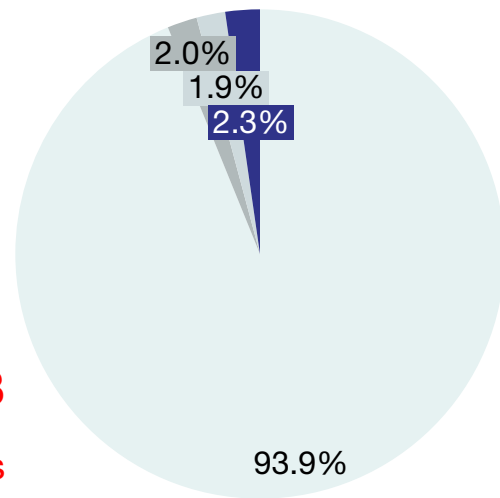
Share of retail transactions by channel

E-banking POS  
Branch ATM



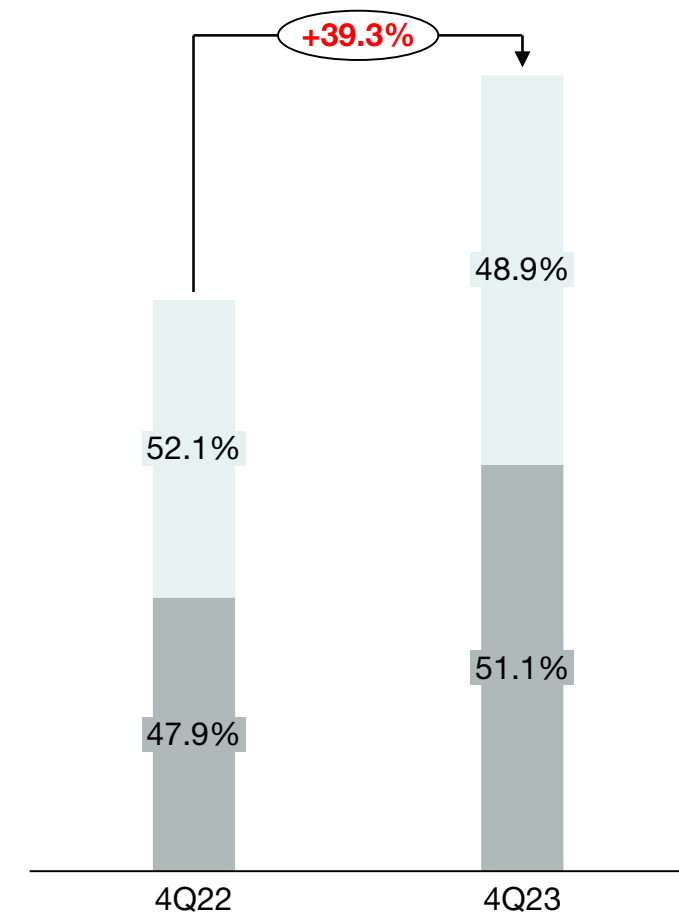
FY22  
1,670.0 Mn transactions

FY23  
2,306.5 Mn transactions



Retail term deposits by channel

Online Offline



Note: 1. Registered retail e-banking customers

## Indicators

## Formula

NPL coverage ratio

$$\frac{\text{Provision reserves for loans to customers}}{\text{NPL balance}}$$

- Excluding provision reserves for margin lending
- NPL balance excludes margin lending

CASA ratio

$$\frac{\text{Demand deposits} + \text{Margin deposits}}{\text{Total deposits from customers}}$$

ROA LTM

$$\frac{\text{PAT for the consecutive 4 quarters}}{\text{Average total assets (over 5 latest quarters)}}$$

ROE LTM

$$\frac{\text{PAT post NCI for the consecutive 4 quarters}}{\text{Average equities excl. NCI (over 5 latest quarters)}}$$

- Interest earning assets comprise: Balance with SBV, Deposits and loans to other credit institutions, Loans to customers, and debt investment securities

NIM LTM

$$\frac{\text{NII for interest earning assets for the consecutive 4 quarters}}{\text{Average interest earning assets (over 5 latest quarters)}}$$

Credit cost LTM

$$\frac{\text{Provision expenses for loans and corporate bonds for the consecutive 4 quarters}}{\text{Average loans and corporate bonds (opening and ending balances)}}$$

- Provision expenses for credit losses are for loans to customers (excl. margin lending) and unlisted corporate bonds (excl. for listed corporate bonds).
- Loans to customers balance excludes margin lending

Credit cost net recoveries

$$\frac{\text{Provision expenses for loans and corporate bonds} - \text{recoveries for the consecutive 4 quarters}}{\text{Average loans and corporate bonds (opening and ending balances)}}$$

## Indicators

## Formula

Asset yield

$$\frac{\text{Interest income for the quarter} * 4}{\text{Average daily interest earning assets}}$$

- Interest earning assets comprise: Balance with SBV, Balance at credit institutions, loans to customers, and investment securities

Loan yield

$$\frac{\text{Interest income from loans for the quarter} * 4}{\text{Average daily loan balance}}$$

Cost of fund

$$\frac{\text{Interest expenses for the quarter} * 4}{\text{Average daily funding balance}}$$

Deposit yield

$$\frac{\text{Interest expenses for deposits for the quarter} * 4}{\text{Average daily deposit balance}}$$

<b>AUM</b>	: Assets under management	<b>OTT</b>	: Overseas telegraphic transfer
<b>CAGR</b>	: Compounded Annual Growth Rate	<b>PAT</b>	: Profit after tax
<b>CAR</b>	: Capital Adequacy Ratio	<b>PBT</b>	: Profit before tax
<b>CASA</b>	: Current Accounts and Saving Accounts	<b>PMI</b>	: Purchasing Managers' Index
<b>CIs</b>	: Credit institutions	<b>PPoP</b>	: Pre-provision operating profit
<b>CIR</b>	: Cost-to-income ratio	<b>QoQ</b>	: Quarter-on-quarter
<b>CoF</b>	: Cost of funds	<b>ROA</b>	: Return on Average Assets
<b>FDI</b>	: Foreign direct investment	<b>ROE</b>	: Return on Average Equity
<b>FX</b>	: Foreign exchange/currency	<b>RWA</b>	: Risk weighted asset
<b>GDP</b>	: Gross Domestic Product	<b>RWR</b>	: Risk weighted ratio
<b>HOSE</b>	: Ho Chi Minh Stock Exchange	<b>SBV</b>	: The State Bank of Vietnam
<b>LDR</b>	: Loan-to-deposit ratio	<b>SME</b>	: Small and Medium Enterprise
<b>LTM</b>	: Last twelve months	<b>ST</b>	: Short-term
<b>MLT</b>	: Medium and long-term	<b>TCB</b>	: Techcombank
<b>MVP</b>	: Minimum viable product	<b>TCBF</b>	: Techcom Bond Fund
<b>NFI</b>	: Net fee income	<b>TD</b>	: Term Deposit
<b>NII</b>	: Net Interest Income	<b>TOI</b>	: Total Operating Income
<b>NIM</b>	: Net Interest Margin	<b>VGB</b>	: Vietnam Government Bond (G-bond)
<b>NonII, Non-NII</b>	: Non-interest income	<b>VND</b>	: Vietnam Dong
<b>NPL</b>	: Non-performing Loan	<b>WB</b>	: Wholesale banking
<b>OPEX</b>	: Operating expenses	<b>YoY</b>	: Year-on-year
<b>OCR</b>	: Optical character recognition		



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