

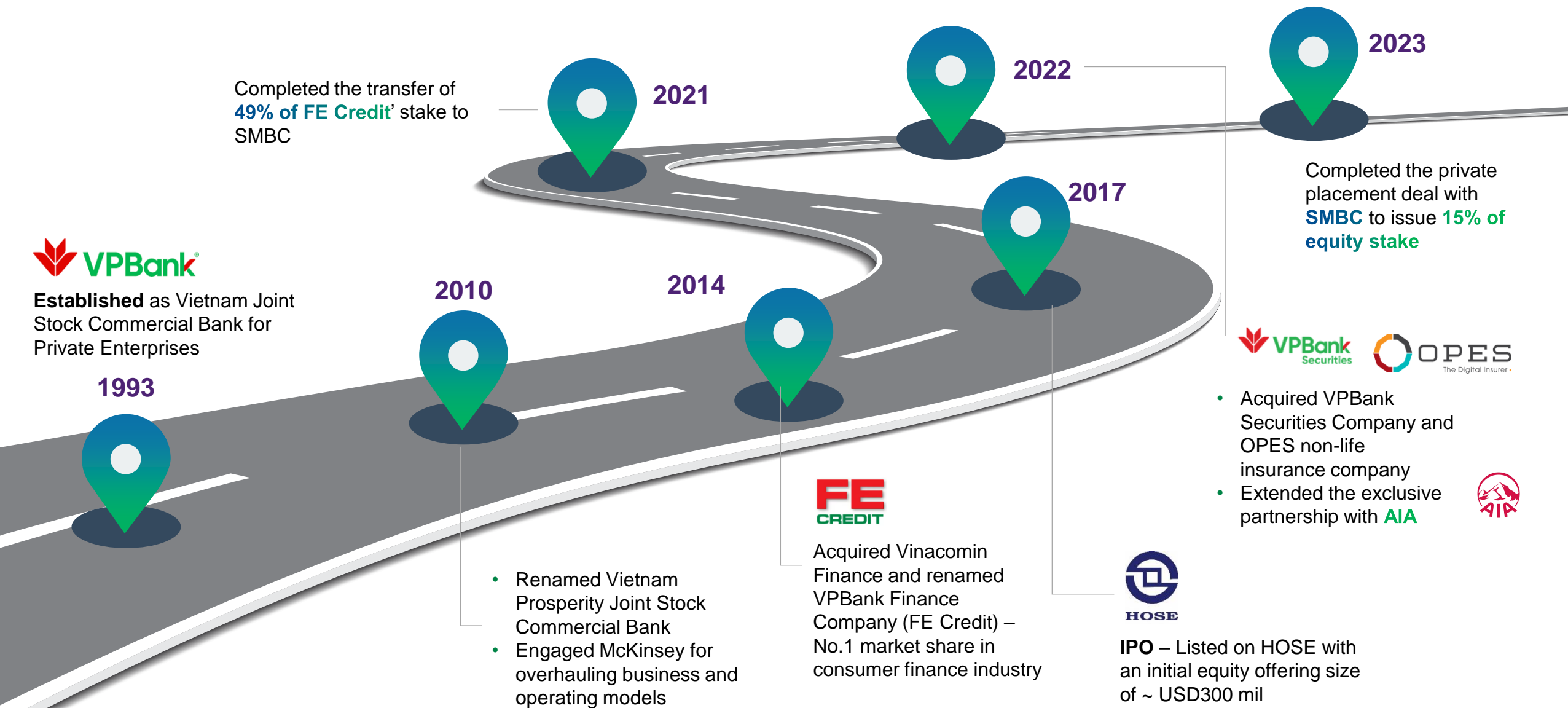


VPBank

Be Unique to LEAD

Bangkok, May 2024

A history of transformation and sustainable growth of a leading private bank in Vietnam





ACCELERATE GROWTH THROUGH STRONG CAPITAL



USD 1.5 Billion
Injected in Tier 1 Capital



#2 Total Owner's Equity
In the industry



CAR 17.1%
Highest among **MOODY'S** rated
banks in Vietnam



Second largest bank in Japan



High Rating from Credit agencies: "A" by Fitch Ratings,
"A" by Standard & Poor's Global and "A1" by Moody's



Offices in 39 countries and regions across Americas,
Europe, Middle East, Africa, Asia and Oceania

BUSINESS SYNERGY



Expand customer base to serve the FDI and MNCs



Offshore funding with reasonable cost



Corporate governance



ESG's framework and practices

INVESTMENT HIGHLIGHTS



- 1** Ambitious and bold strategic vision through a history of transformation
- 2** Distinct business model covering full spectrum of customer segmentations
- 3** Multi-layered ecosystem with diversified product suites
- 4** Robust capital foundation for sustainable growth
- 5** Acceleration digital innovation to enhance customer engagement
- 6** Solid leadership with award-winning corporate governance
- 7** Advanced risk management platform fully integrated across entire business
- 8** Forerunner in sustainability in the banking sector
- 5** Diversifying revenue source with outstanding growth in fee income



2012 - 2017

- **Top 3** Retail JSCB bank
- **Top 5** JSCB bank overall



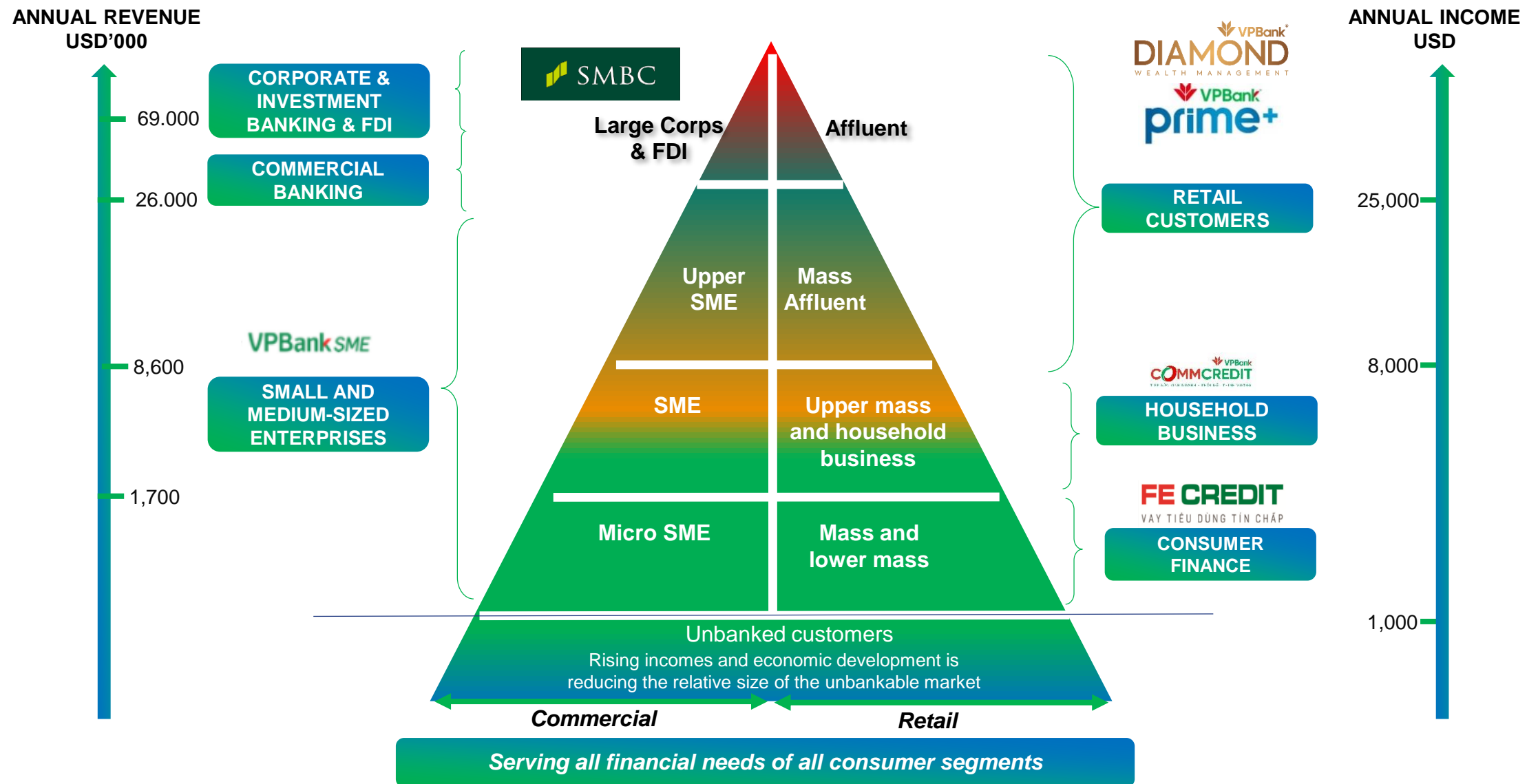
2017 - 2022

- **Top 3 most valuable banks** in Vietnam
- The **most consumer friendly** bank through technology



2022 - 2026

- **Top 3** leading banks in Vietnam
- **Top 100** largest banks in Asia
- Building a **universal bank** with continued focus on retail banking, leading in value creation through the synergy of our ecosystem and cutting-edge technologies.







VPBank Securities Company

VPBankS's charter capital reached more than VND 15 Trillion in December 2022- Top 2 **Best Capitalized Securities Company** in the industry



VPB SMBC Finance Company

- Maintains **#1 market share**
- Largest network with more than 19,000 POS/POC



OPES Insurance Company

- A digital insurer to achieve comprehensive insurance ecosystem.
- Start cross-selling and scale up non-life insurance business



TOTAL EQUITY
VND 140 Tril
TOP 2



CAR
17.1%
Leading in the market



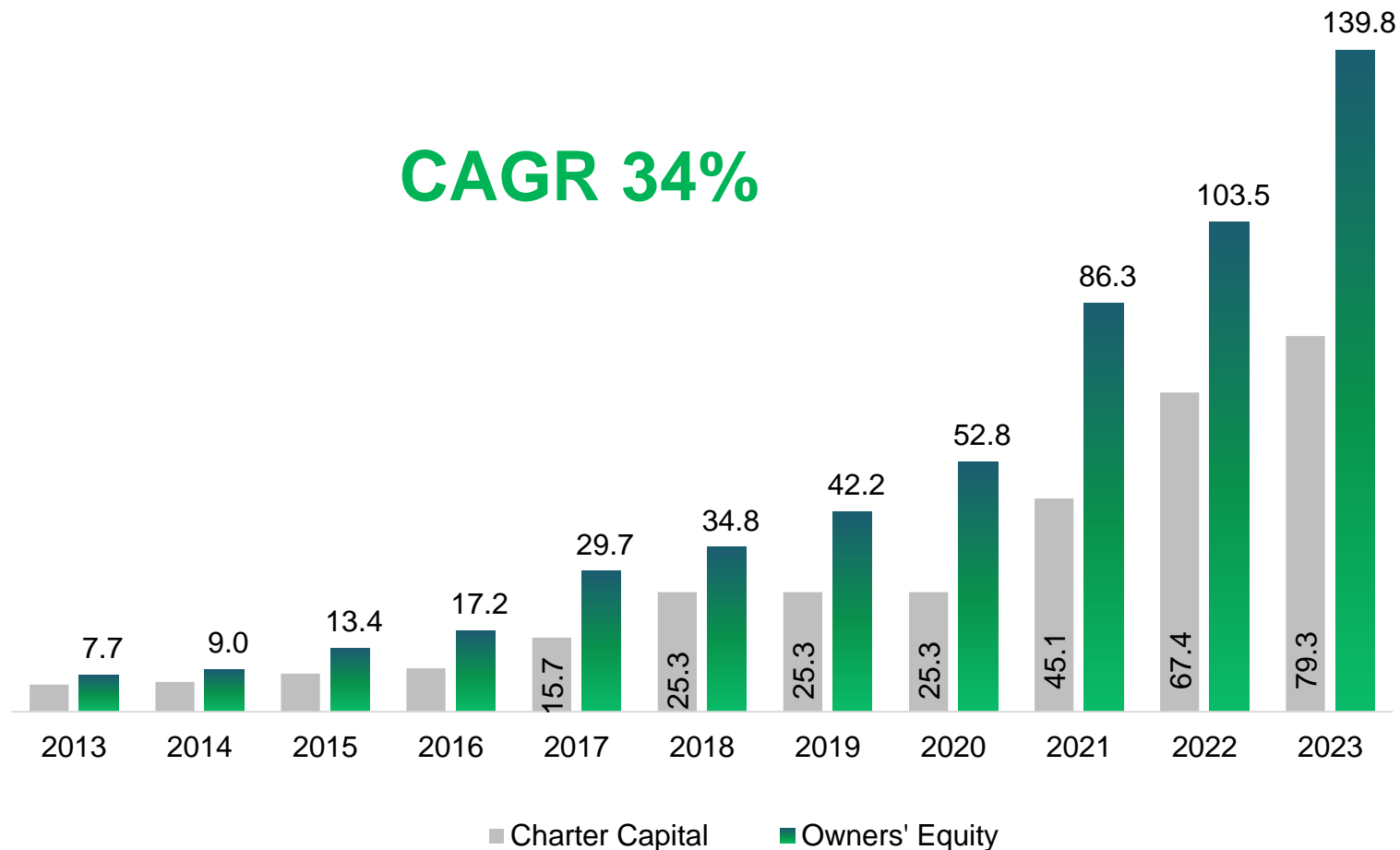
CHARTER CAPITAL
VND 79 Tril
Leading in the market

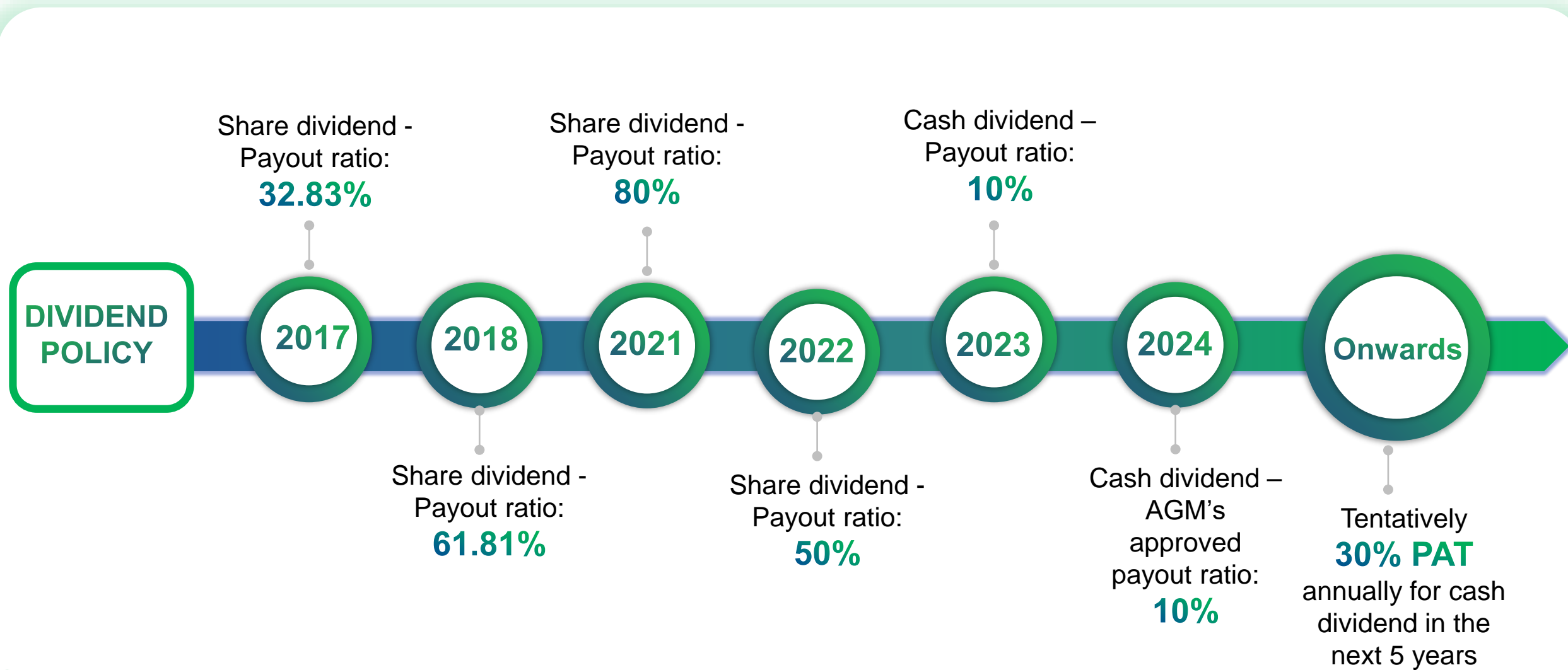
Charter Capital & Owners' Equity (Tril VND)

CAR Basel II

9.5% 12.7% 11.2% 11.6% 11.7% 14.3% 14.9% 17.1%

CAGR 34%





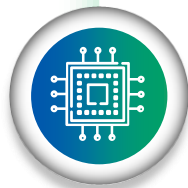
Digitizing the existing Bank



- ❖ VPBank NEO – **Super App** for financial and integrated services serving Retail & Corporate customers
- ❖ Enhance infrastructure **agility**
- ❖ Adopt **Cloud Computing**
- ❖ Develop **Data Platform** for Advanced Analytics to enhance service quality



Develop a separate digital banking platform to serve specialized customers



- ❖ Optimize opportunities with lower & mass customers, and customers in partners' ecosystem
- ❖ Cross-sell & create greater value to customers and partners



Ecosystem development

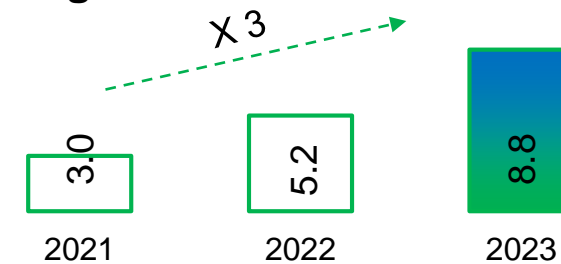
Strengthen partnerships with Fintech, telcos, e-wallet, e-commerce & retail business..



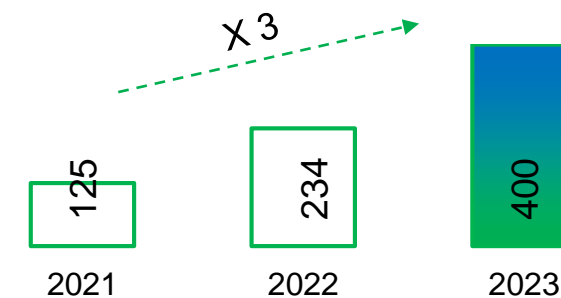
Unit: million, %



Number of registered customers through VPBank NEO & NEOBiz



Number of NEO transactions



Penetration rate via Digital channel

99.6%

Top 1 Credit card, in term of number of cards in force and spending volume

Accum. Credit Card
in force

1.59 mil

Spending volume
of Credit Card

149 tril

▲ 49% Y-o-Y

Net Fee Income

Top 2

Unit: VND bil; %

Top 4 Bancassurance with 19 years exclusive **life insurance** partnership and a subsidiaries in non-life digital insurer



Payment activities accelerated thanks to pioneering in offering diverse payment solutions for customers

#Number of POS

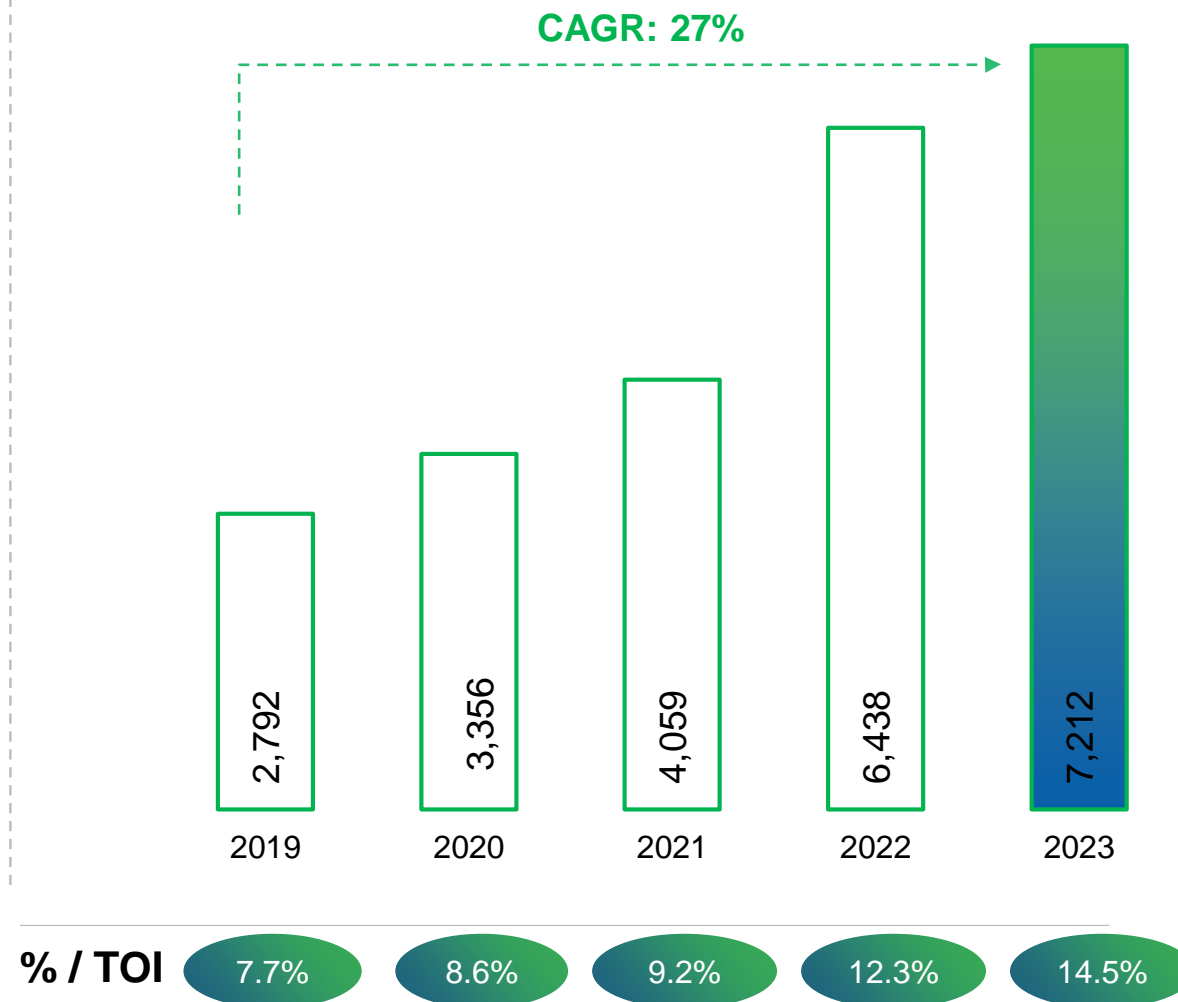
▲ **124%**

Y-o-Y

Spending volume
of POS

▲ **60%**

Y-o-Y

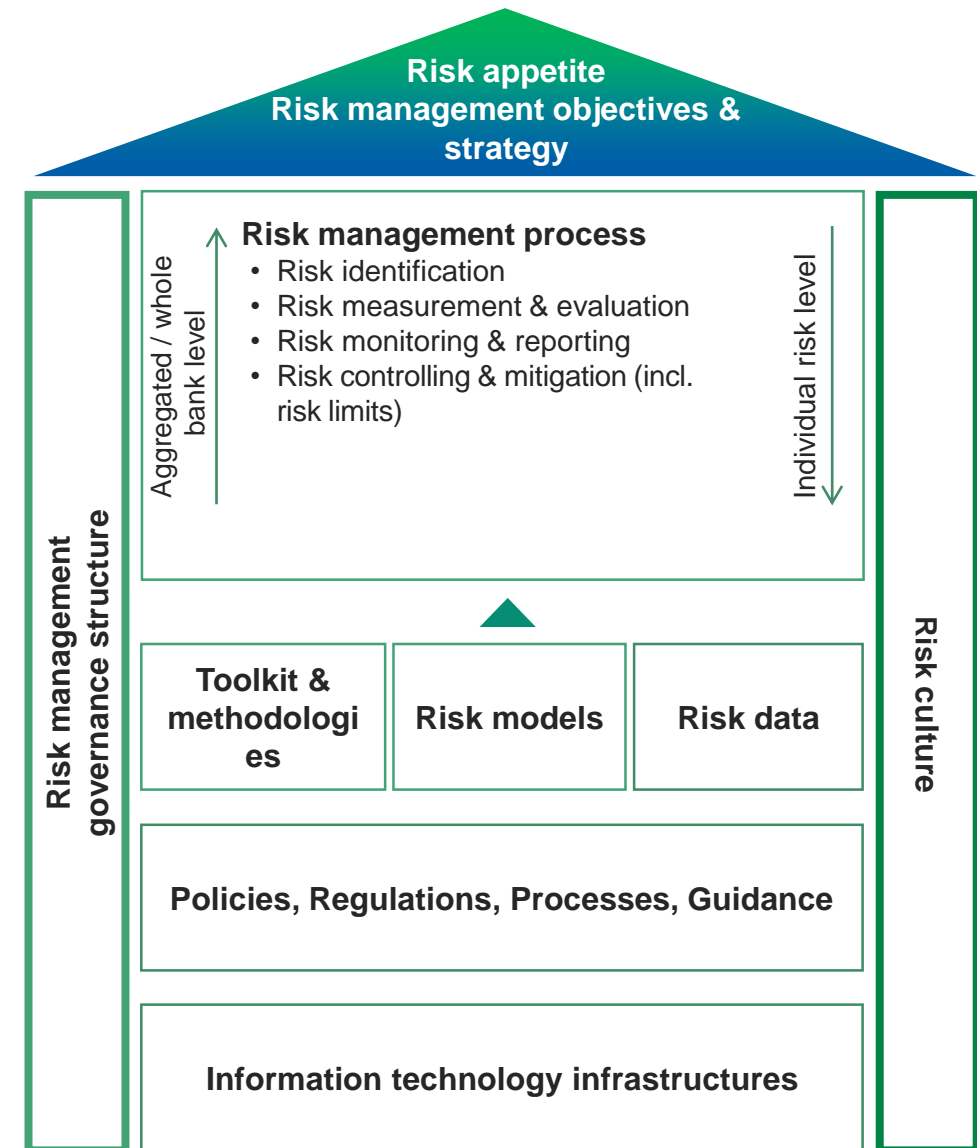


RISK GOVERNANCE FRAMEWORK

3 LINES OF DEFENSE MODEL



RISK MANAGEMENT FRAMEWORK



Basel adoption & implementation



Basel 2 (all 3 Pillars): VPBank is one of the first 3 banks to fully adopt Basel 2 since February 2020.

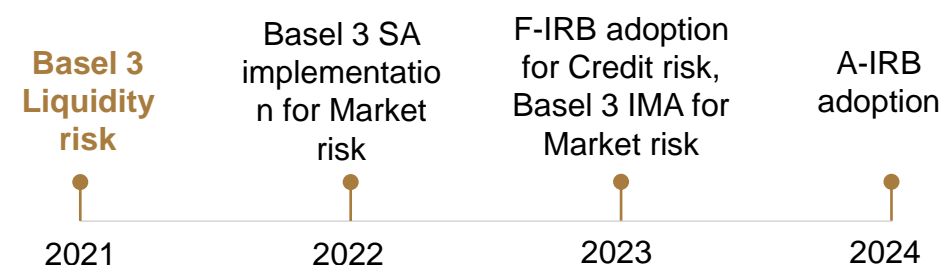


Basel 3 for Liquidity risk management: VPBank is one of the very first Vietnamese banks that fully adopt Basel 3 – Liquidity Risk into daily management

Advanced approach preparedness

➤ Advanced Basel implementation roadmap for next 3 years

To evolve with time, VPBank has developed plan for implementing further **advanced approaches for internal risk assessments**



VPBank's risk management achievements in 2018-2023

Risk award



VPBank was the only Vietnamese bank selected for **Model Risk Manager 2023** by **Celent** – a Research and Advisory firm focused on technology for financial institution globally.



The first Vietnamese representative receiving the **“Climate Risk Manager of the Year”** title in the **Energy Risk Asia Awards 2023**




IT security



ISO/IEC 27001:2013 certification for VPBank's Information Security Management System, awarded since 2020 and renewed annually



KEY FOCUSES

-  Net zero emission by 2050
-  Environmental and climate risk management in credit activities and supply chain
-  Social risk management and enhance social responsibility

ACHIVEMENTS

-  TOP 20 Listed companies with highest VNSI for 5 consecutives years
-  Climate Risk Manager of the Year” in the Energy Risk Asia Awards 2023
-  Top 10 Sustainable and Green Enterprises 2023 by Vietnam Environmental Industry Association (VEIA)



Ambitious leadership with award-winning corporate governance

VPBank's visionary & experienced leadership team with proven track record has guided the bank through various chapters of transformation journeys

BOARD OF DIRECTORS



Mr. Ngo Chi Dung
Chairman



Mr. Bui Hai Quan
Vice Chairman



Mr. Lo Bang Giang
Vice Chairman



Mr. Nguyen Duc Vinh
Member & VPBank CEO



Mr. Nguyen Van Phuc
Independent member



Mr. Takeshi Kimoto
Member



Ms. Pham Thi Nhung
Member



“VPBank was selected by IFC as 1 out of 3 case studies in Corporate Governance in Vietnam along with VinaMilk and Thien Minh Group”

Source: IFC Corporate Governance Case Studies/Vietnam – Jun 2018

MOODY'S



Moody's announced **VPBank's ESG** score for the first time with Credit Impact Score rated neutral to low, CIS – 2 (on a scale of 1-5 with 1 is the highest), thanks to strong foundation, clear strategies & good governance framework.

Moody's Governance assessment for VPBank G-2 – among the highest in the industry:

“VPBank faces low governance risks, reflecting its strong management credibility and track record. Its risk management and compliance functions are in line with industry best practices. The bank is publicly listed with no ownership concentrations. “

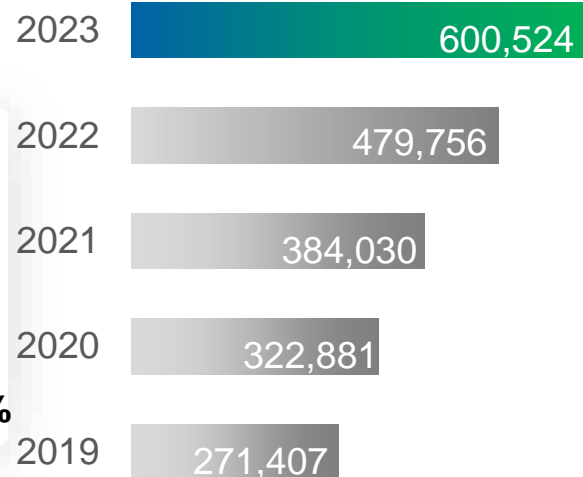
Unit: VND bil; %

CREDIT TO CUSTOMERS

600,524

CAGR: 22%

Industry average : 18.1%

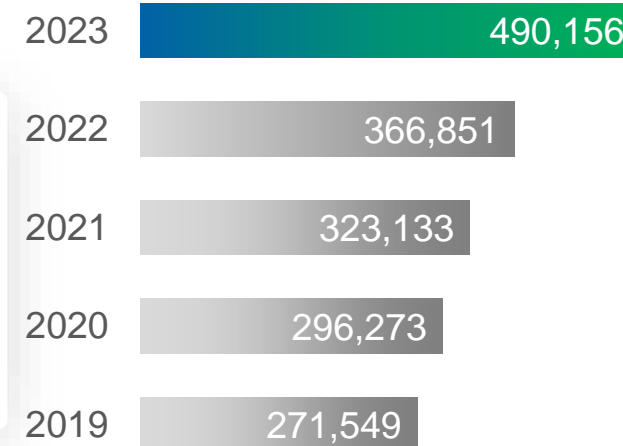


CUSTOMER DEPOSIT

490,156

CAGR: 16%

Industry average : 20.7%

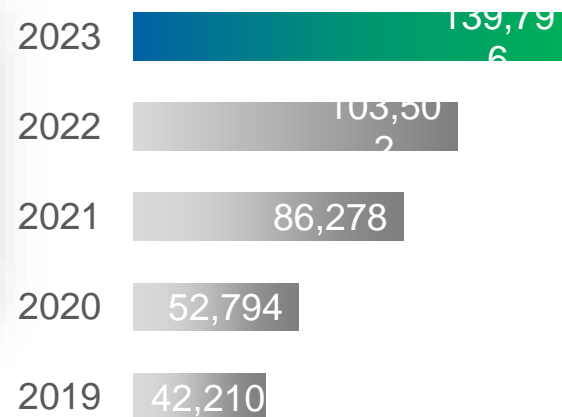


OWNER EQUITY

139,796

CAGR: 35%

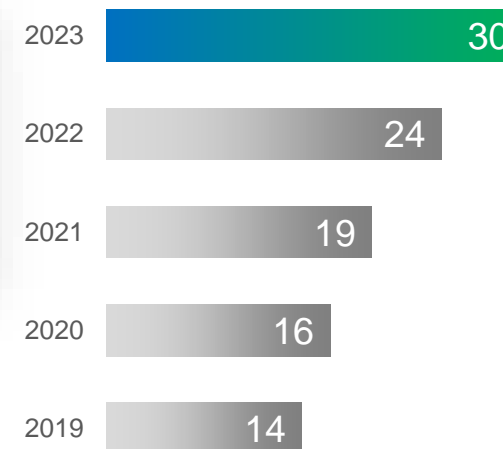
Industry average : 18.2%



CUSTOMER BASE

30

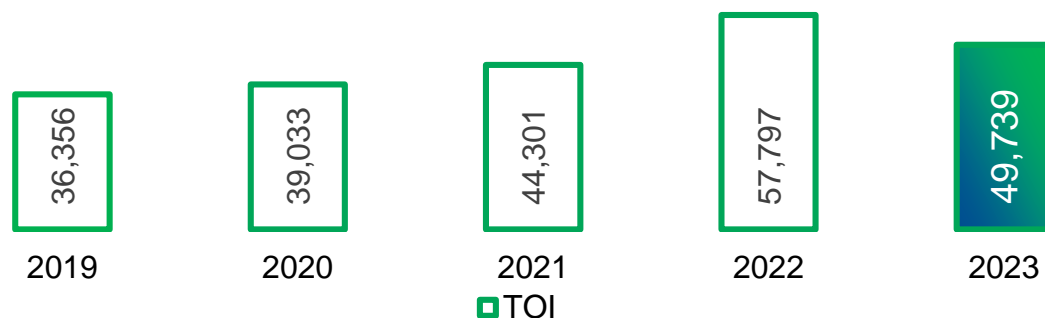
CAGR: 21%



Unit: %

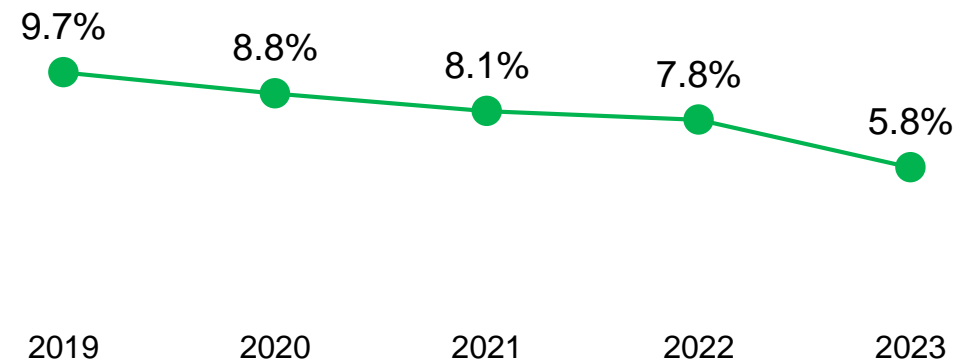
Total Operating Income

Constantly in the leading position over the past 10 years



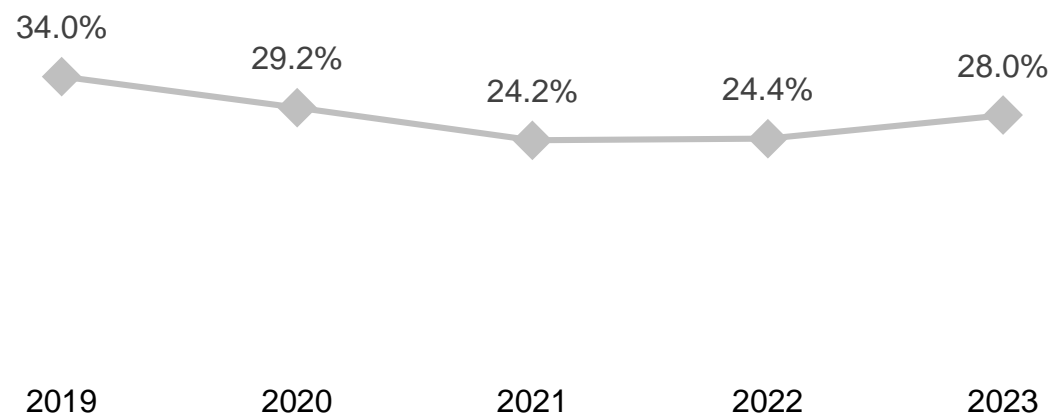
Net Interest Margin (NIM)

Industry Average 4%



Cost to Income Ratio

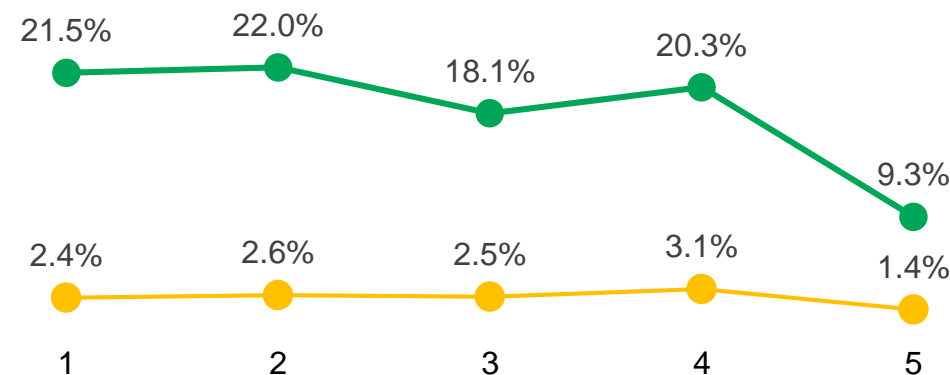
Industry Average 36%



ROE & ROA

Industry Average ROE: 16.5%

ROA: 1.6%

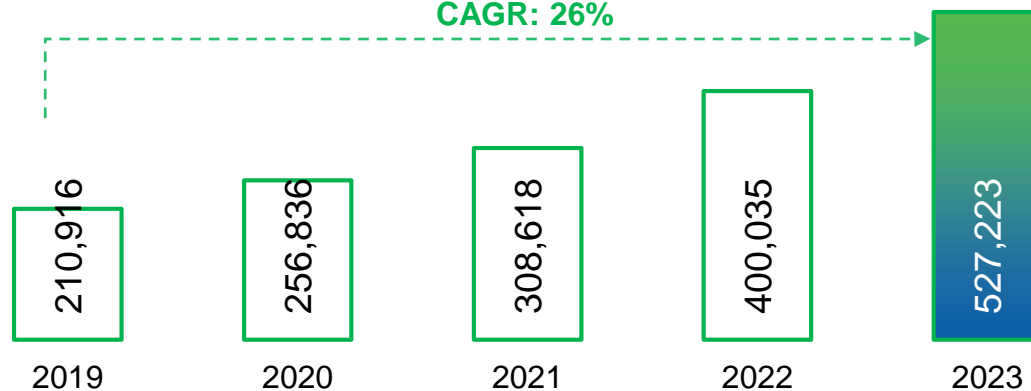


* ROA & ROE in 2023 was impacted due to the huge proceeds from SMBC deal recorded in Quarter 4 last year

* The industry average ratios are calculated based on VPBank's 18 bank coverage including: BID, CTG, VCB, ABB, ACB, EIB, HDB, LPB, MBB, OCB, SSB, SHB, STB, TCB, TPB, VIB and VPB at 31.12.2023

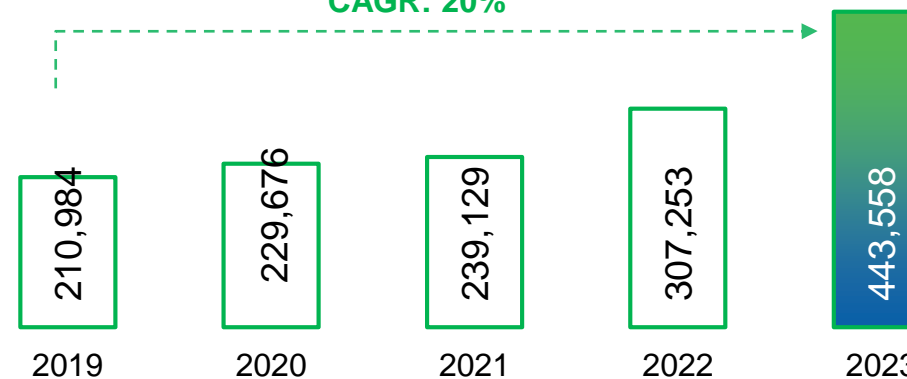
CREDIT TO CUSTOMERS

CAGR: 26%



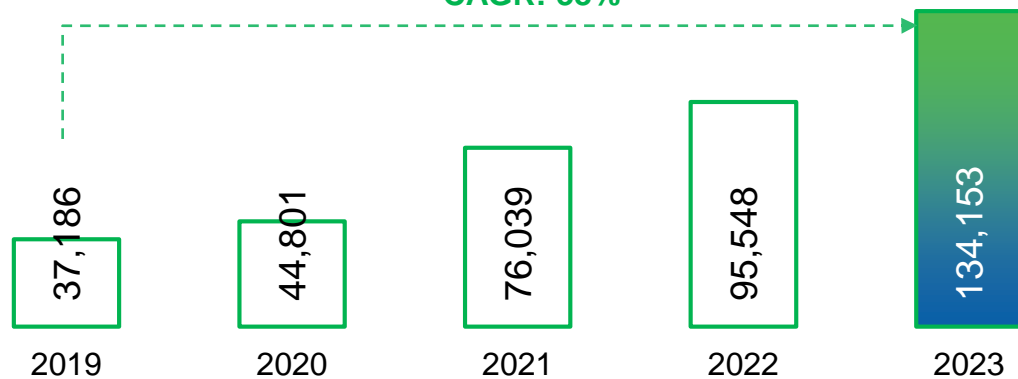
CUSTOMER DEPOSIT

CAGR: 20%



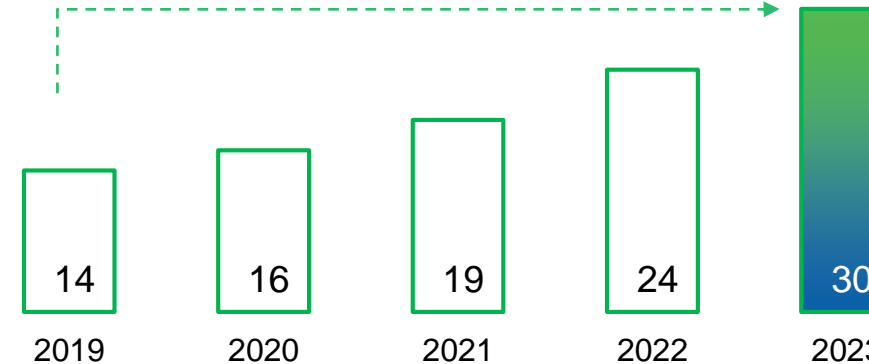
OWNER EQUITY

CAGR: 38%



CUSTOMER BASE

CAGR: 21%





#1 Retail size

Leading the private banks in term of retail loan balance (*) and NIM






#2 CIR

In the industry thanks to OPEX optimization, digitization












01 Strong and Sustainable Economic Growth Profile

-  **Fastest growing major economy in ASEAN** – GDP Growth rate at 5.05% in 2023
-  **Robust growth in FDI in 2023** – FDI Disbursement recorded at **USD 23.2 Bn**, up 3.5% YoY, the highest amount in the past 5 years.
-  **Digital adoption witnessed significant growth** (**84%** of population are smartphone users, **11 bn** cashless transactions in 2023 – grew by 50% yoy)

02 Emerging Demographic Trends to Drive Consumption and Modernization

-  **15th largest population in the world** – 100 million
-  **Favorable Demographics** – rapidly-growing middle and upper income population - Median age 32.8 years
-  **Low Urbanization Rate** – 41.7%
-  **Retail Sales** – 6.2% CAGR from 2019 – 2023
-  **SME accounts for 80% of corporates in Vietnam**

03 Government Initiatives that will accelerate foreign investment

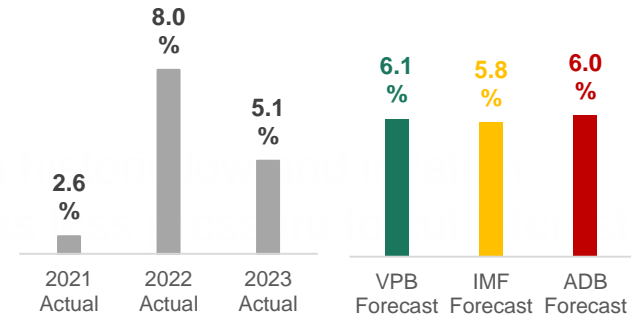
-  Participating in many FTAs: **CPTPP, RCEP, EVFTA, UKVFTA**, along with low labor cost and well managed the pandemic aftermath, and several accommodative fiscal and monetary policies to boost the economic recovery. Vietnam is a destination for a factory shift in the wave of global supply chain restructuring.
-  Elevated to Comprehensive Strategic Partnership with US, Japan, Australia, China, South Korea



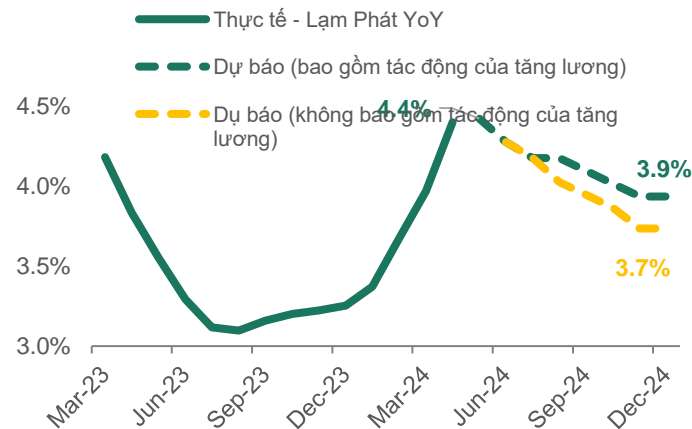
Business Outlook



Vietnam GDP growth expected to be 6.1% in 2024



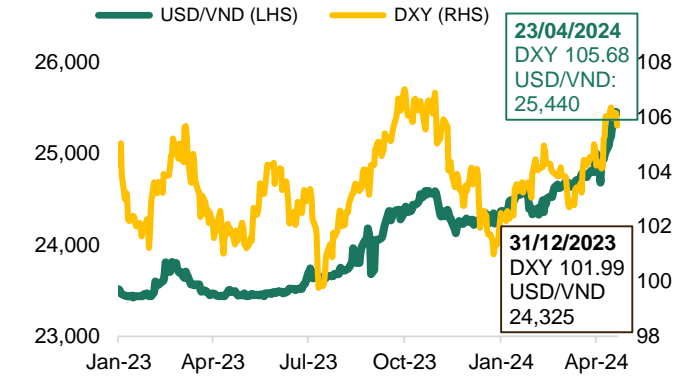
Inflation likely to be within and below government's target of 4.0 – 4.5% YoY



USD/VND exchange rate's movement would depend on DXY:

- Current high uncertainty on the US Fed rate cuts to drive DXY even higher
- DXY may cool down by the end of the year following the US Fed rate cuts

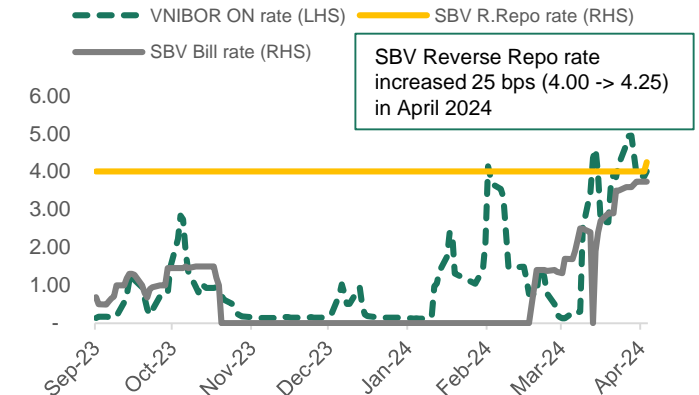
USD/VND increased in tandem with DXY



Interest rate will likely increase by 50-150bps, due to:

- higher economic activities and associated with it stronger credit growth, higher consumer spending
- SBV to keep VND from further sharp devaluation, which could destabilize the financial markets
- inflation is expected to be high (around 3.8%-4.1%) due to strong USD and higher budget spending (associated with wage raise in public sector)

SBV raised interbank rates through intervention in OMO market (by issuing bills)



INDICATOR	FY21	FY22	FY23	1Q24	FY24F	FY24F vs FY23
Real GDP Growth Rate	2.6%	8.0%	5.1%	5.7%	6.1%	↑ 1.0%
Inflation Rate (Average of Period YoY)	1.8%	3.2%	3.3%	3.8%	3.8%	↑ 0.5%
Export YoY Growth	19.0%	11.0%	(4.0)%	17.1%	20.0%	↑ 24%
Trade Balance (billion USD)	4.0	11.2	28.0	8.1	25.0 30.0	→ ~0.0
Total Credit Growth Rate (November vs. November YoY)	8.8%	14.9%	11.3%	11.9%	12.5%	↑ 1.2%
Total Deposit Growth Rate (November vs. November YoY)	5.6%	7.5%	11.8%	11.2%	10.8%	↓ 1.0%
6M average Deposit Rate of top private banks (EOP)	N/A	7.2%	6.7%	4.0%	4.5% 5.5%	↑ 50-150 bps
10Y Government Bond Yield (EOP)	2.1%	4.9%	2.3%	2.5%	2.8% 3.3%	↑ 50-100 bps

Source: SBV, GSO, Reuters, VPB's calculation

Quality growth in scale across all segments

- Strategic segments are prime targets for credit expansion
- Explore growth opportunities with FDI segment
- Ensure strong liquidity and diversify funding to optimize cost of fund

1

Comprehensive asset quality management

- Deploy risk management expertise to support our customers
- Pursue effective debt collection strategy

2

Promote Ecosystem activities

- Deepen customer engagement via further integration of our digital ecosystems
- Capture new growth opportunities and seek new growth drivers within ecosystem

5

Strengthen the enablement infrastructure

- Accelerate execution of digital initiatives
- Embrace cloud computing to increase stabilities and flexibility
- Leverage in-depth data analytics and machine learning capabilities to meet customers' needs

4

3

Enhance sustainable practices

- Green the finance - Accelerate green financing disbursement
- Transform the portfolio – Green the finance

Total assets **974,270**

Credit to customers **752,104**

**Deposit of customers
include valuable papers** **598,864**

PBT **23,165**

	2024	2023	2024 vs. 2023
Total assets	974,270	817,628	19%
Deposits & Valuable papers	598,864	490,156	22%
Credit to customers	752,104	600,524	25%
NPL bank only (acc. CIR 11)	< 3%	2.95%	
Consolidated PBT	23,165	10,804	114%
Single PBT	20,709	13,468	54%
FE Credit PBT	1,200	(3,699)	
VPBankS PBT	1,902	1,255	52%
OPES PBT	873	156	459%

Source: Audited Consolidated Financial Statements FY23 & 2024 Business Plan of VPBank

Appendix

Definition of Indicators

1. Cost to income ratio (CIR)	OPEX / TOI
2. ROE (Consolidated)	$\text{Profit after tax} / \text{Average Total Equity}$
3. ROA (Consolidated)	$\text{Profit after tax} / \text{Average Total Assets}$
4. ROE (Bank Standalone)	$\text{Profit after tax exclude income from subsidiaries} / \text{Average Total Equity exclude investment to subsidiaries}$
5. ROA (Bank Standalone)	$\text{Profit after tax exclude income from subsidiaries} / \text{Average Total Assets exclude investment to subsidiaries}$
6. NPL in accordance with Cir 11	$\text{Total amount of non-performing exposure} / \text{Total credit exposure per Cir 11}$
7. Credit cost	$(\text{Provision expenses for credit losses} - \text{Specific bond provision} - \text{Income from bad debt recovery} + \text{Collection cost}) / \text{Average Loans to customers}$
8. COF	$\text{Interest Expenses} / \text{Average total funding}$
9. Yield	$\text{Interest Income} / \text{Average Earning Assets}$
10. NIM	$\text{Net Interest Income} / \text{Average Earning Assets}$

ADB	Asian Development Bank
CAR	Capital Adequacy Ratio
CASA	Current Account Savings Account
CD	Certificate of deposits
CIR	Cost-to-Income Ratio
COF	Cost of fund
CPI	Consumer Price Index
DXY	US Dollar Index
EOP	End of Period
FED	Federal Reserve System
FDI	Foreign Direct Investment
FX	Foreign Exchange
GDP	Gross Domestic Product
GSO	General Statistics Office
IMF	International Monetary Fund
LDR	Loan to deposit ratio
LHS	Left-hand side
MWG	Mobile World Investment Corporation.
MLT	Mid – long term

NFI	Net Fee Income
NII	Net Interest Income
NIM	Net Interest Margin
NPL	Non-Performing Loan
OMO	Open Market Operations
OPEX	Operating expense
PAT	Profit after Tax
PBT	Profit before Tax
PMI	Purchasing Managers' Index
RB	Retail Banking
RHS	Right-hand side
ROA	Return on Asset
ROE	Return on Equity
SBV	State Bank of Vietnam
SME	Small and Medium-Sized Enterprises
S&P 500	Standards & Poor 500
TOI	Total Operating Income
VNIBOR	Vietnam Interbank Offered Rate
YTD	Year to date
YOY	Year on year

The material in this presentation is general background information about VPBank's activities at the date of the presentation. It is information given in summary form and does not purport to be completed. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate. The information might be updated from time to time and it is not our responsibility to notify about those changes (if any).

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