



1H2024 EARNINGS PRESENTATION

August 2024

For more information about MSB, please visit: <https://www.msb.com.vn/en/>

MSB MEETING HOST



Ms. Nguyen Thi Thu Hang
Head of Financial Management



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Chief Risk Officer



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Head of Economic Research



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MSB – Q2 Highlights

MSB holds the belief that businesses cannot sustain themselves solely by focusing on immediate short-term objectives, disregarding the long-term implications for the environment, society, and the overall welfare of relevant parties. This brings higher living values to every customer with the mission of “**Making the Society Better**”.

2Q2024 HIGHLIGHTS



- ▶ On June 5, 2024, the MSB Board of Directors issued a resolution approving the 2024's charter capital increase. All documents for the capital increase have been approved by the SBV and SSC, increasing the charter capital by up to USD 235 million (~VND 6,000 billion) through the issuance of shares to pay dividends at 30% ratio. MSB had issued a resolution announcing that the record date for receiving dividends is August 29, 2024



- ▶ MSB is launching a mortgage loan program with interest rates starting at 5% per annum, allowing customers to borrow up to 95% of their required capital, with a loan term of up to 35 years. This program is designed to alleviate financial pressures, enabling customers to enjoy life in their new homes.



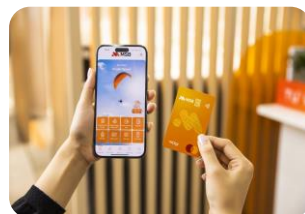
- ▶ MSB offers a credit package with interest rates starting from 6.2% per annum for small business owners and micro-enterprises, with a maximum loan limit of USD 780 thousand (~ VND 20 billion), supporting working capital needs for the 2024 fiscal year.
- ▶ Additionally, MSB has launched the M-Flash unsecured loan solution with super-fast approval within 4 working hours, with a maximum limit of USD 78 thousand (~VND 2 billion). Providing quick capital for businesses through an AI-based automatic approval process.



- ▶ On May 20, 2024, MSB signed a cooperation agreement with Gtel Mobile to provide telecommunications services and financial solutions to customers, promoting digital transformation and enhancing customer experience.
- ▶ Recently, MSB formed a cooperation with University of Banking HCMC, to offer special incentives like VIP insurance and Mastercards for students and lecturers.



- ▶ To provide additional resources for customers to seize opportunities and develop agricultural production and business, from now until the end of 2024, MSB is implementing an interest rate incentive program starting from 7%/year for individuals and households engaged in agricultural production and business in the Central Highlands, Southeast region, and Mekong Delta.



- ▶ Additionally, in Q2/2024, MSB upgraded its Core Banking system, launched cardless withdrawal services, and an online support center on the MSB mBank app, along with collecting biometric data from ID cards.

1H2024 FINANCIAL HIGHLIGHTS

1H2024 PBT

152 USD mn¹

▲ **3.99%** YoY

~ 54.3% of 2024's target

Credit growth³

12.41% YTD

compared to 13.22% (2023)

CASA ratio

26.71%

compared to 26.54% (31/12/2023)

NIM (TTM)

3.69%

vs 3.98% (31/12/2023)

NPL³

2.13%

vs 1.94% (31/12/2023)

CAR²

12.13% YTD

vs 12.76% (31/12/2023)

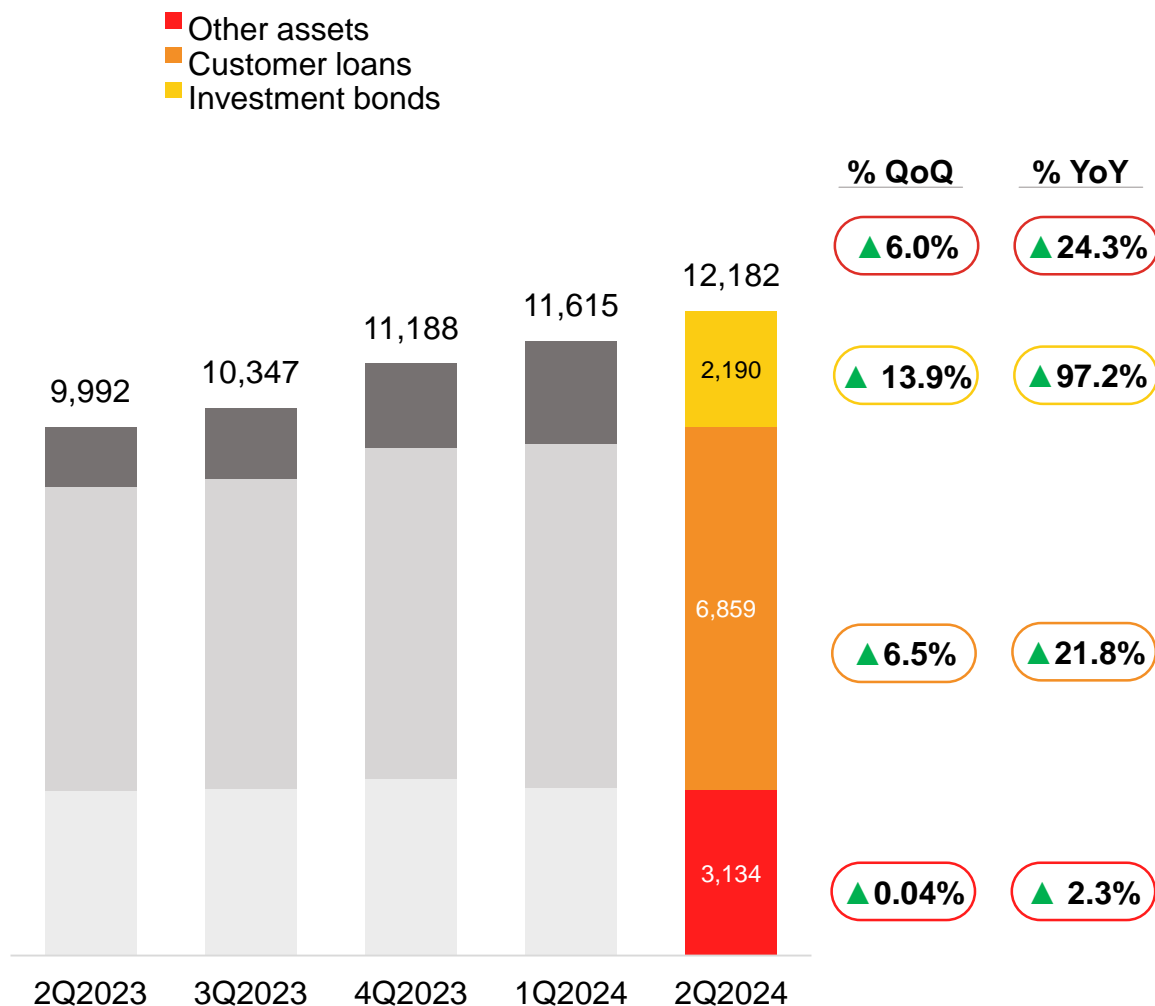
Note: 1. VND/USD exchange rate @ 29/06/2024

2: Consolidated data

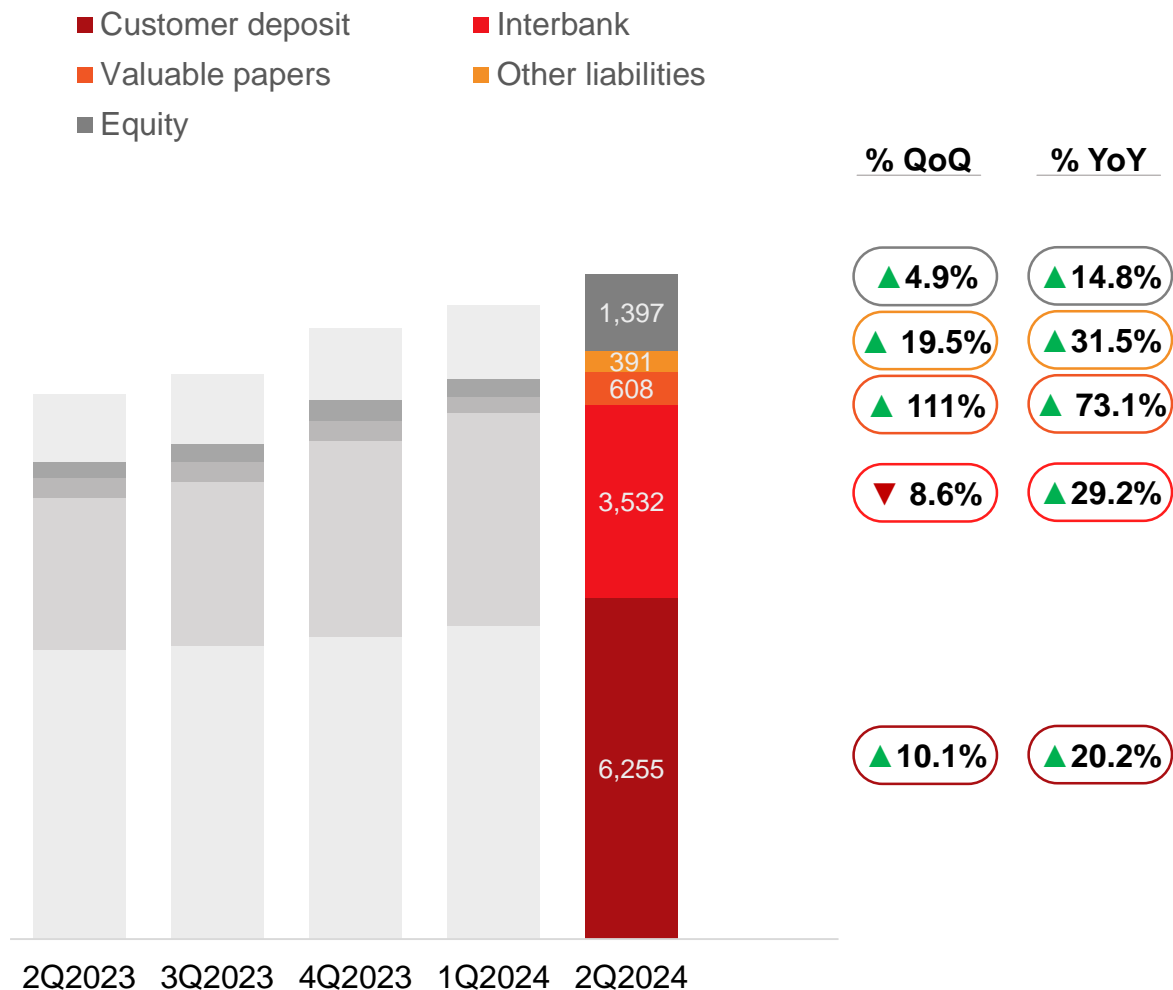
3: Data of parent bank according to Cir. 11/2021/TT-NHNN

BALANCE SHEET OVERVIEW

Assets (USD mn)



Liabilities & Equity (USD mn)

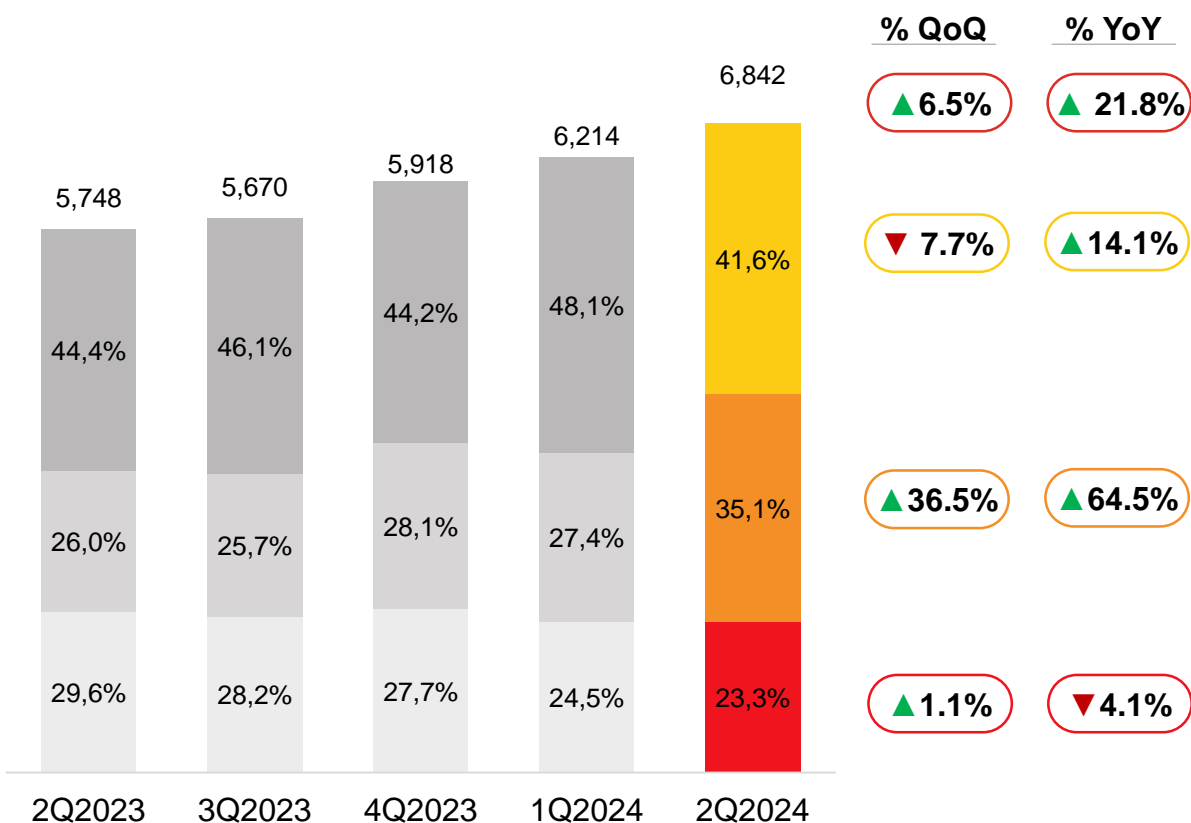


Note: VND/USD exchange rate estimated at SBV's rates at the final transaction date each quarter

ASSET & LOAN PORTFOLIO

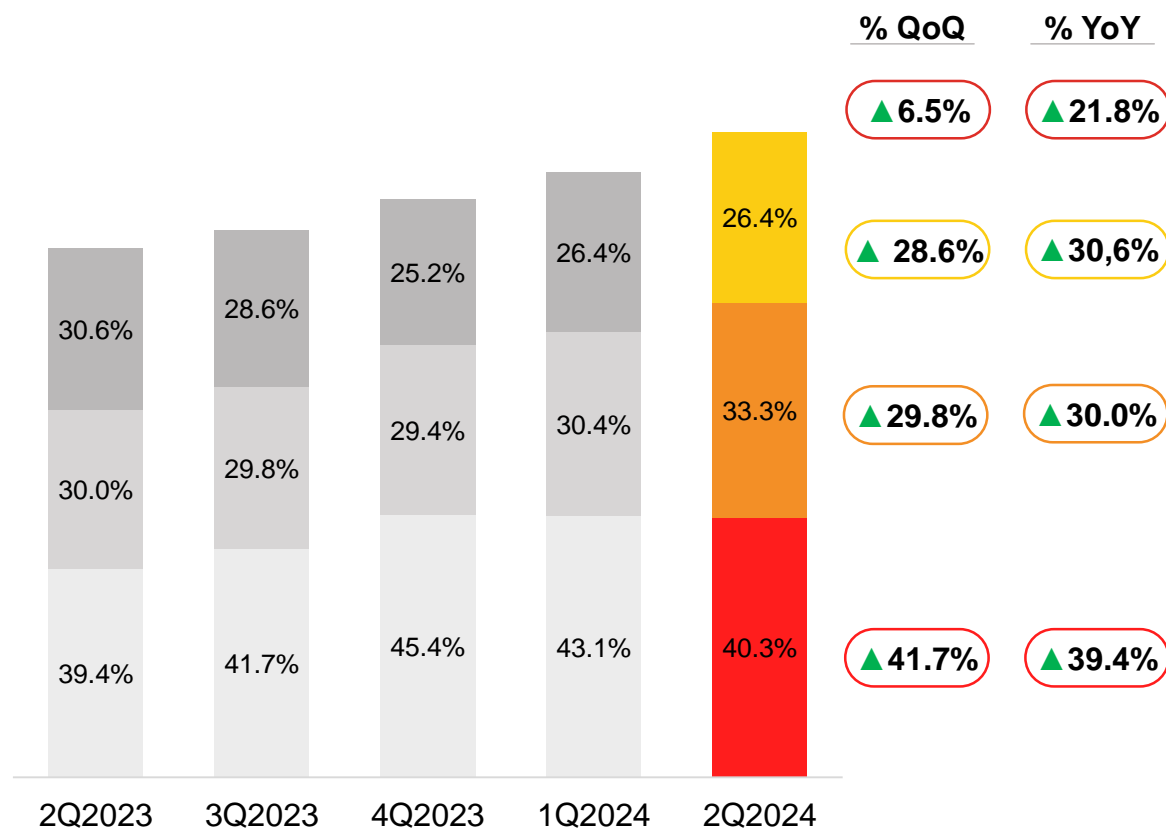
Customer loans by segment (USD mn)

■ Individuals ■ SMEs ■ LC, LMC



Customer loans by tenor (USD mn)

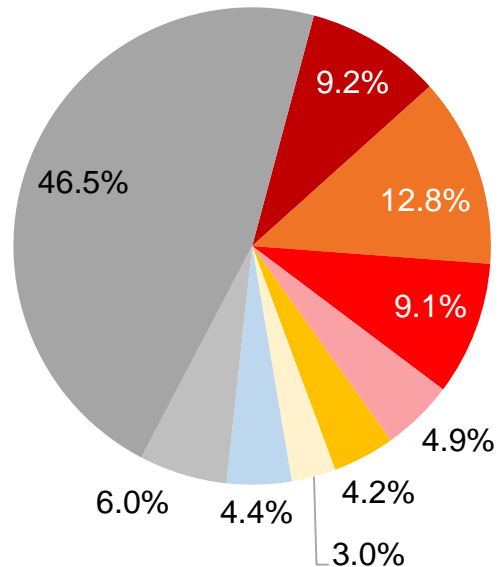
■ Short-term ■ Intermediate-term ■ Long-term



Note: VND/USD exchange rate estimated at SBV's rates at the final transaction date each quarter

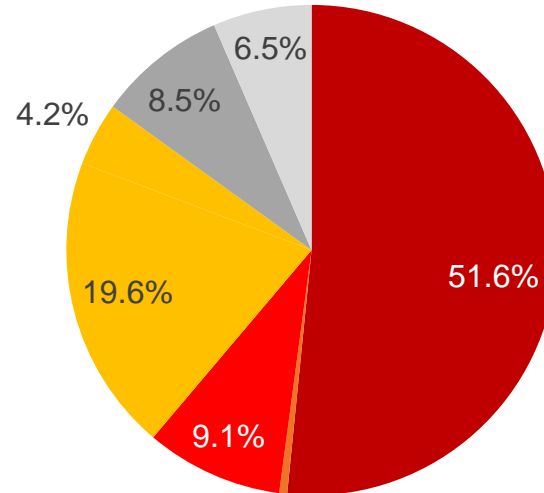
ASSET & LOAN PORTFOLIO

MSB loan book breakdown



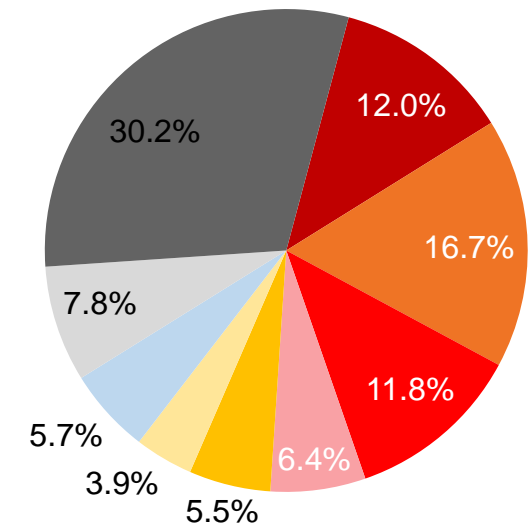
- Real estate
- FMCG
- Construction
- Utility & Energy
- IT, Education, Healthcare...
- Logistics
- Construction materials
- Finance
- Others

Retail loan portfolio by product



- Home Loan Products
- Auto Loan Products
- Business Loan Products
- Consumer Loan Products
- Loan Against FD
- Credit Card
- Others

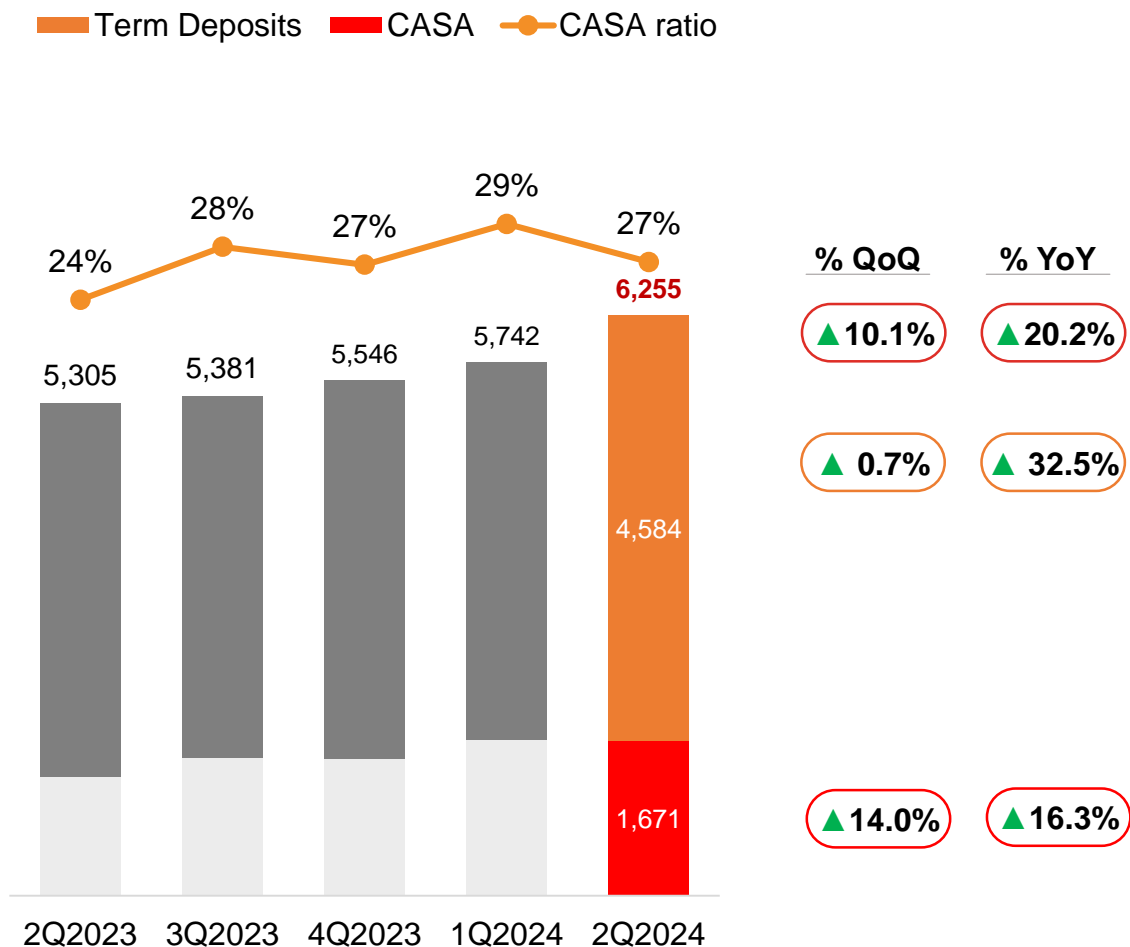
Corporate loan portfolio by sector



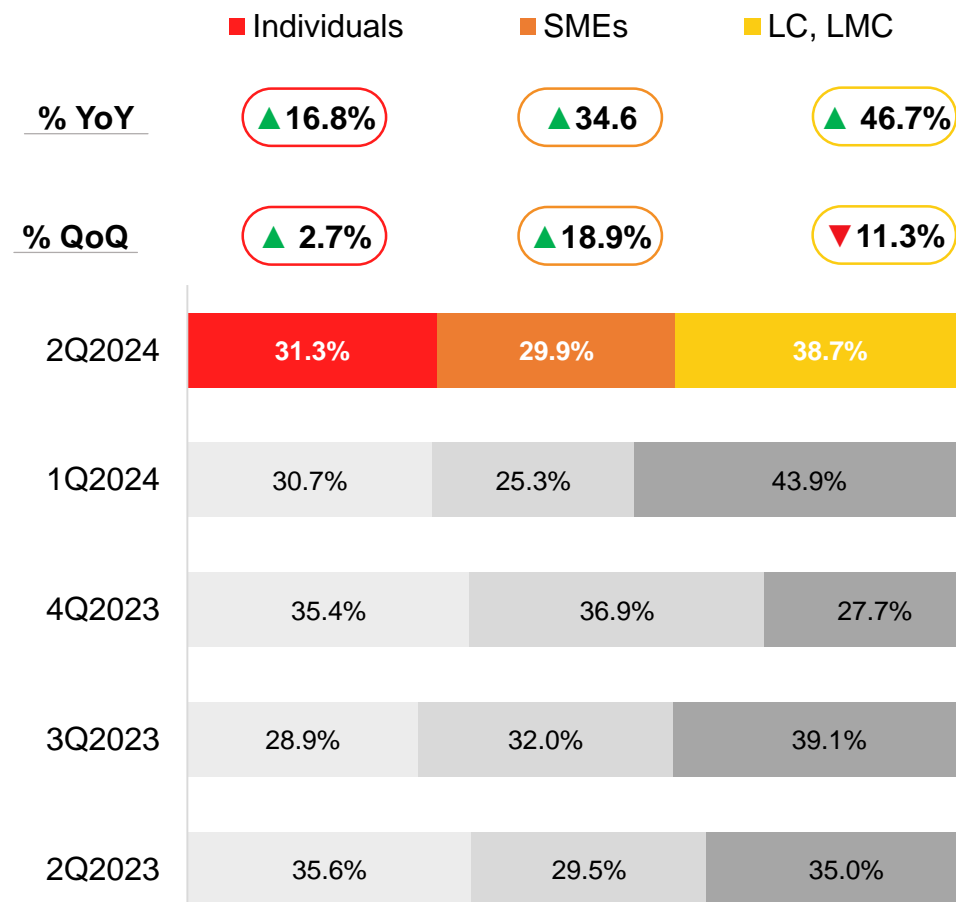
- Real estate
- FMCG
- Construction
- Utility & Energy
- IT, Education, Healthcare...
- Logistics
- Construction materials
- Finance
- Others

CUSTOMER DEPOSITS

Customer deposits (USD mn)



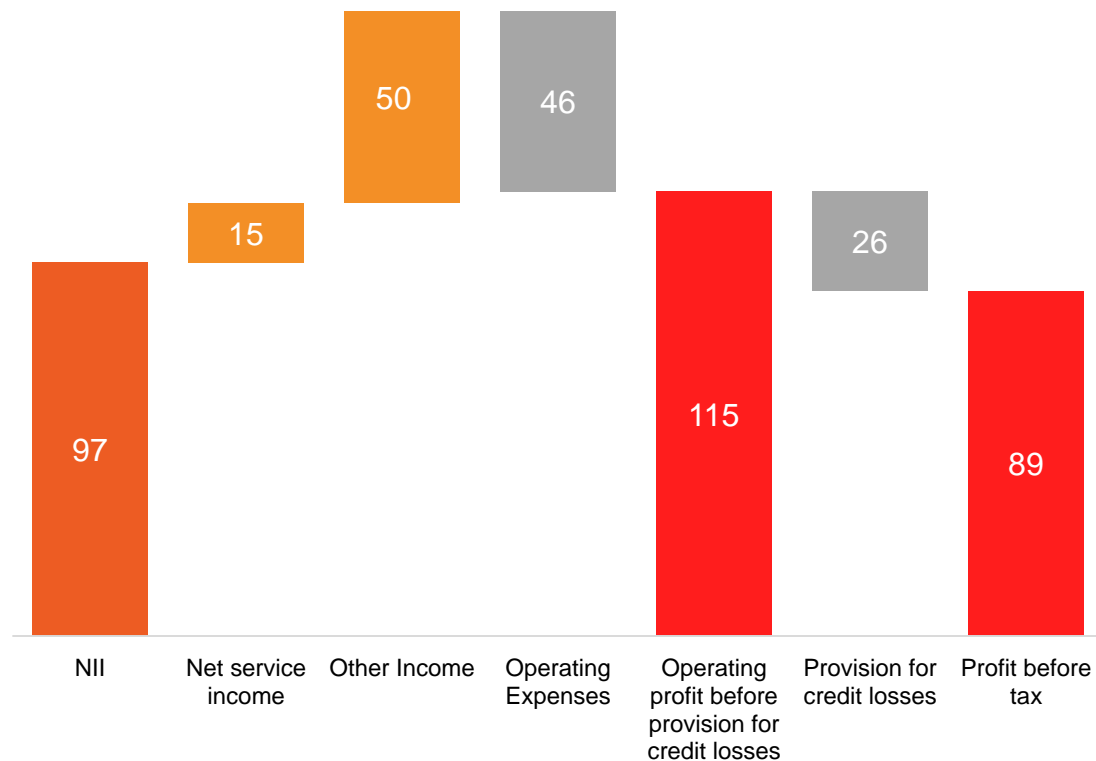
CASA breakdown by sources



Note: VND/USD exchange rate estimated at SBV's rates at the final transaction date each quarter

1H'S PROFIT REACHED 54% TARGET OF 2024

2Q2024 Earnings breakdown (USD mn)



% QoQ ▼ 1.0% ▲ 23.1% ▲ 165.4% ▲ 7.7% ▲ 34.5% ▲ 15.6% ▲ 41.2%

% YoY ▲ 5.9% ▼ 54.5% ▲ 138% ▲ 12.1% ▲ 10.5% ▲ 25.2% ▲ 6.8%

1H2024 Earnings breakdown (USD Mn)

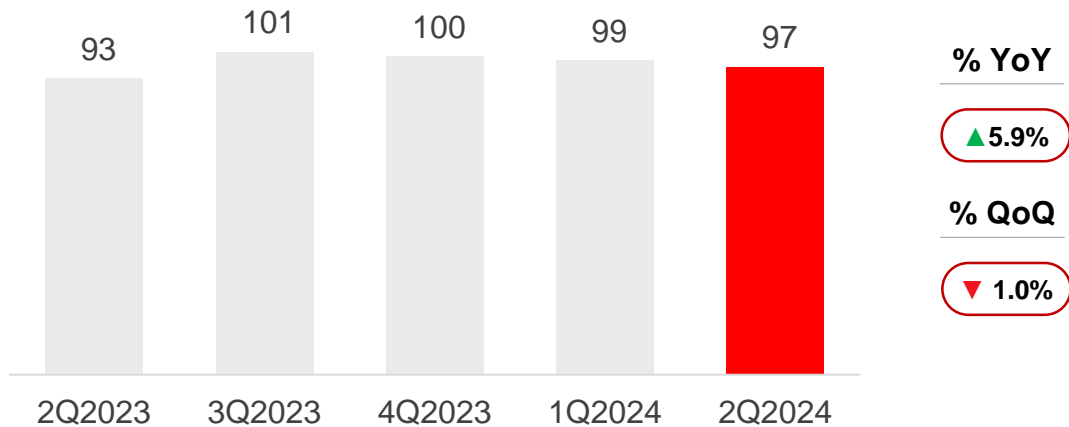


% YoY ▲ 7.8% ▼ 38.0% ▲ 74.8% ▲ 11.9% ▲ 9.1% ▲ 29.2% ▲ 4.0%

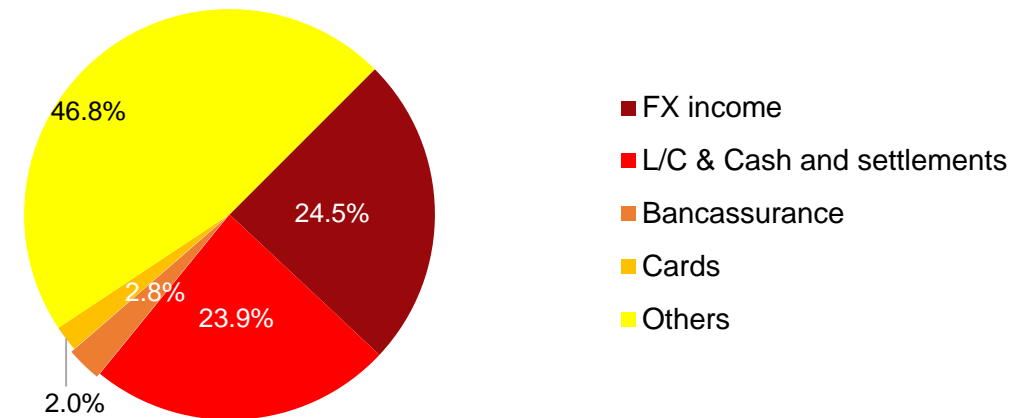
Note: SBV's VND/USD exchange rate @ 29/06/2024

NII SLIGHTLY DECREASED AS THE INCREASING FUNDING COST

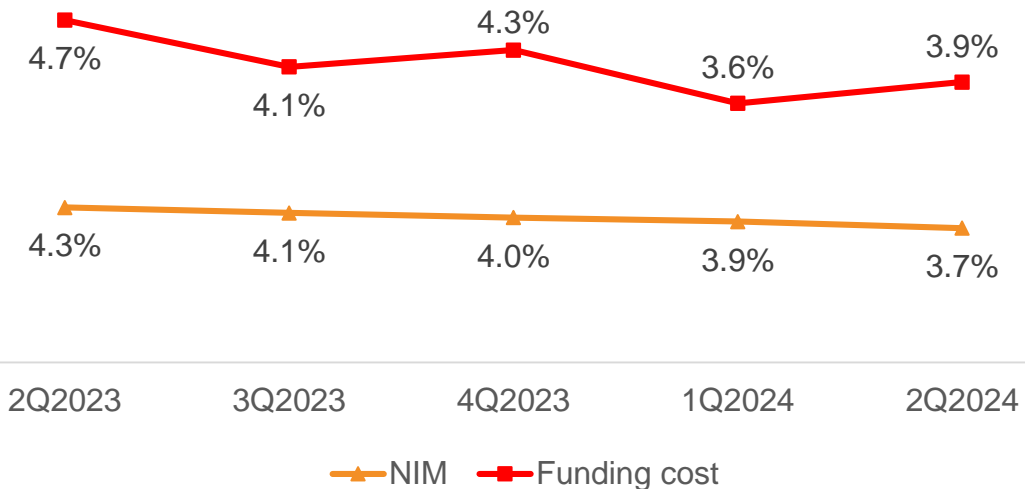
Net interest income (NII) (USD mn)



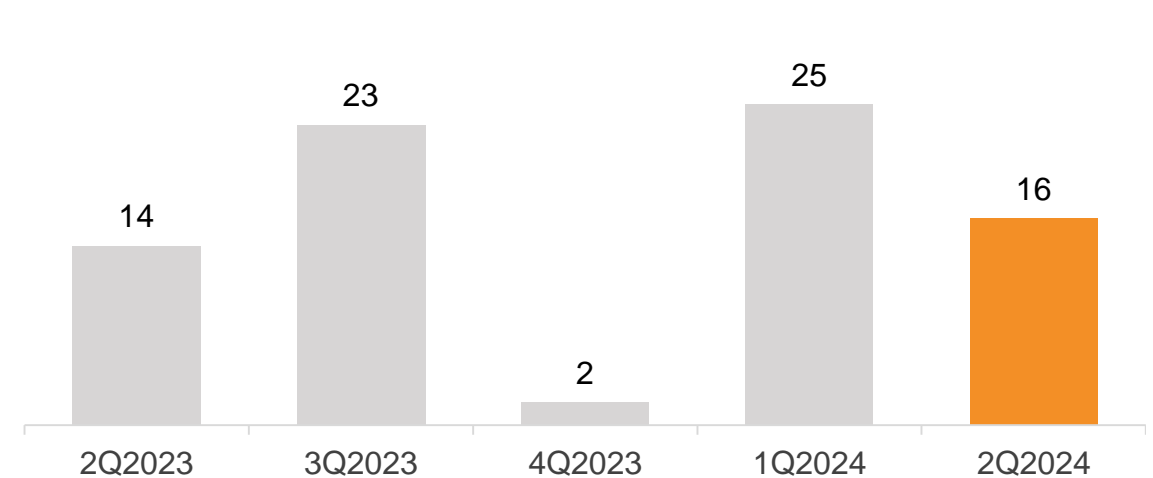
2Q2024 Non-interest income breakdown



Funding cost & Net interest margin (NIM)



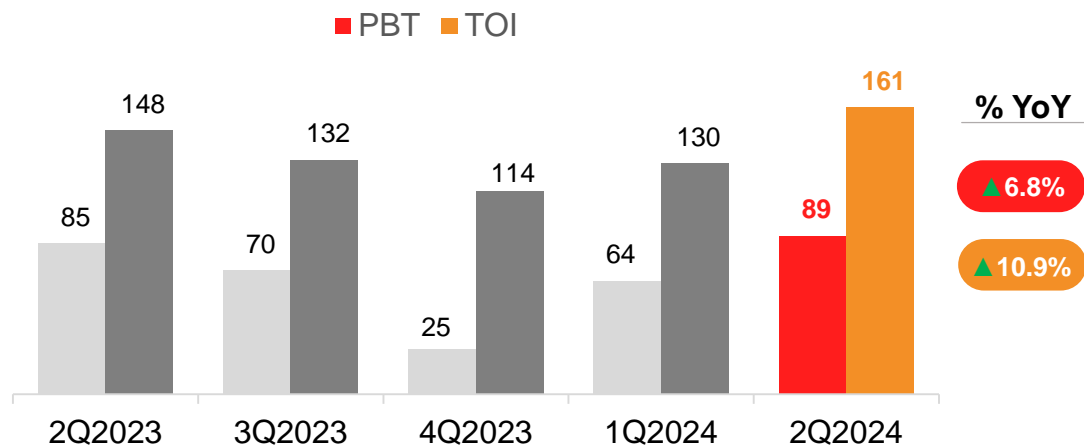
Revenue from foreign currency trading (USD mn)



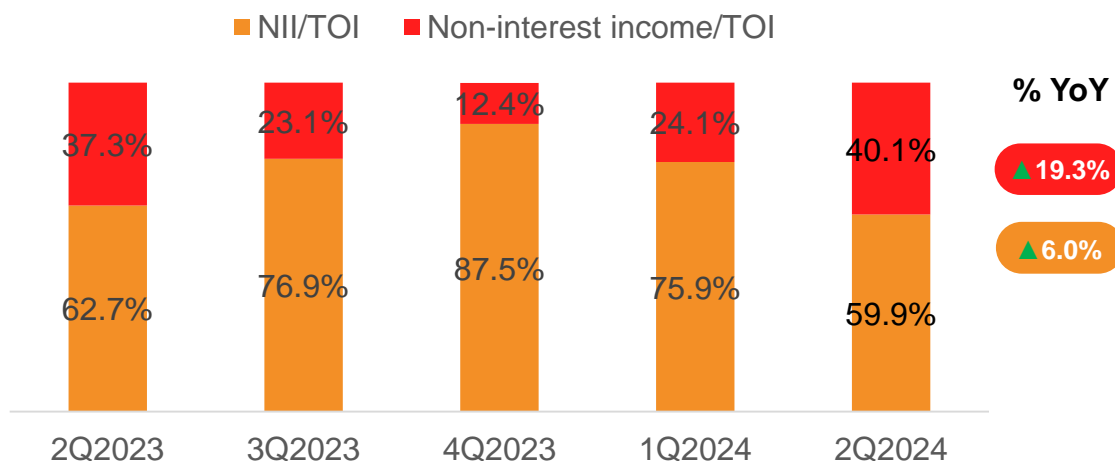
Note: VND/USD exchange rate estimated at SBV's rates at the final transaction date each quarter

CONSISTENT PERFORMANCE WITH MANAGED EXENDITURES

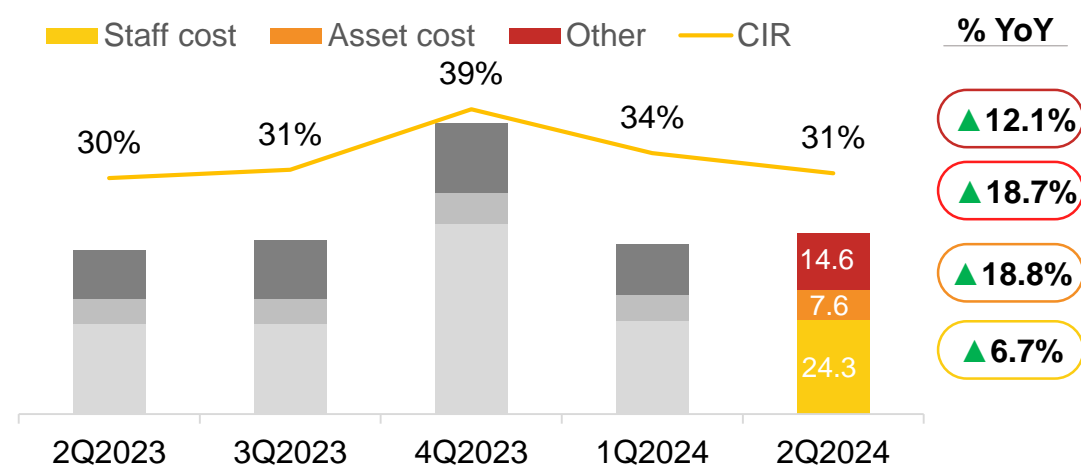
TOI & PBT (USD mn)



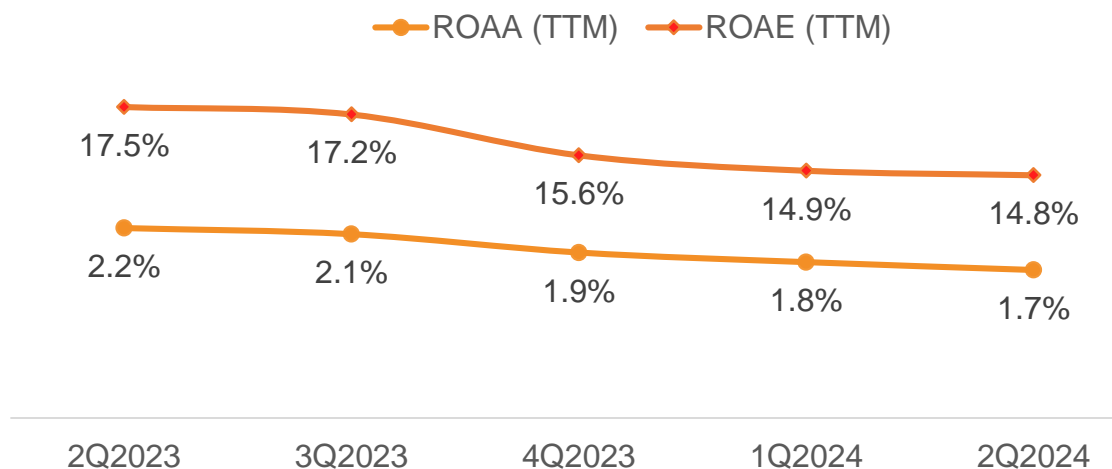
TOI breakdown



OPEX & CIR (USD mn)



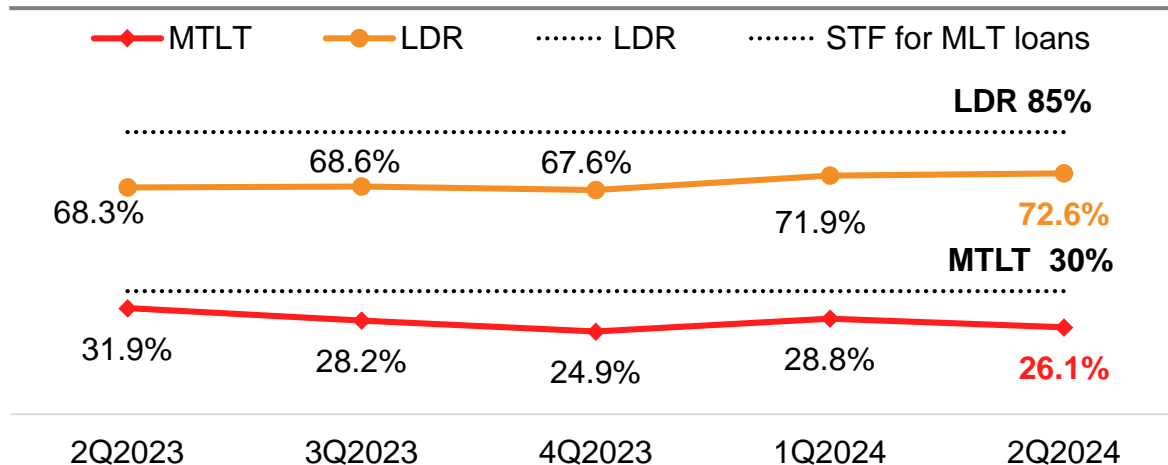
Profitability



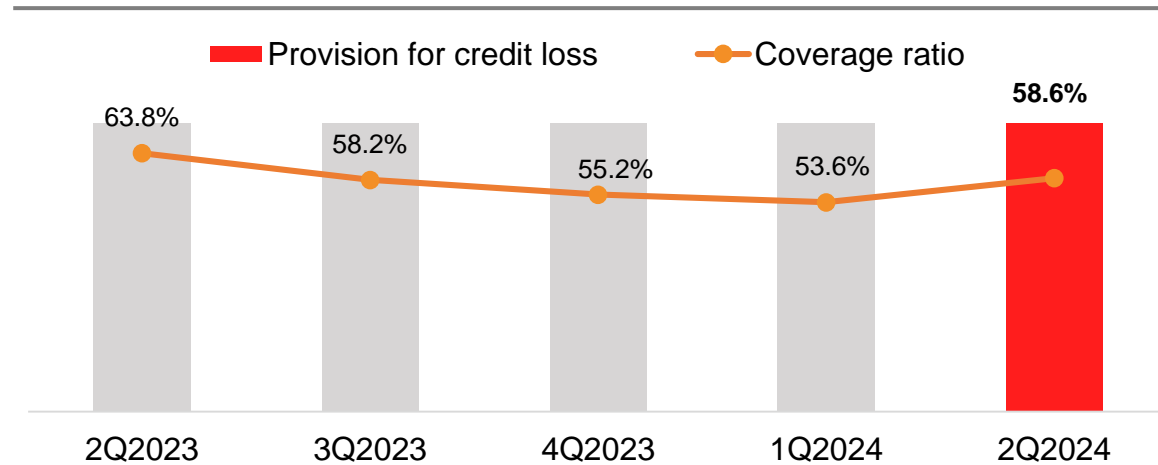
Note: VND/USD exchange rate estimated at SBV's rates at the final transaction date each quarter

ENHANCED RISK MANAGEMENT WITH IMPROVING ASSET QUALITY

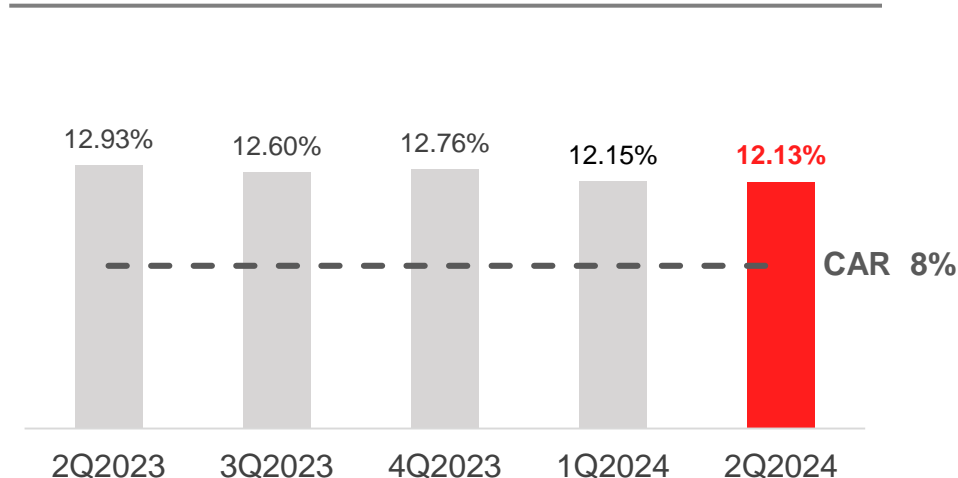
LDR¹ and Statutory medium & long-term loans



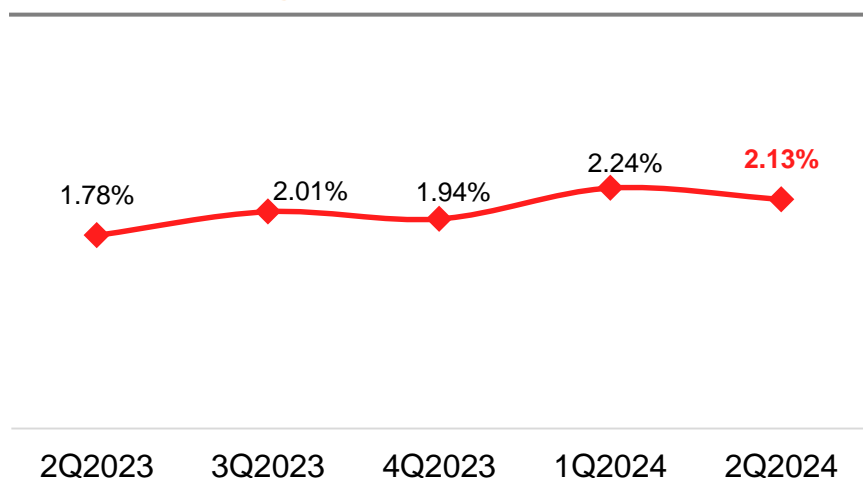
Loan loss provision (USD Mn)



Capital adequacy ratio (CAR)²



Non-performing loan (NPL)³



Note:

- (1): LDR of parent bank only, calculated according to Cir. 02/2013/TT-NHNN;
- (2): 2017-2018 under Cir. 36/2014/TT-NHNN, since 2019 under Cir. 41/2016/TT-NHNN.
- (3): NPL of parent bank only, calculated according to Cir. 02/2013/TT-NHNN for 2017-2020, Cir. 11/2021/TT-NHNN for 2021



02

BUSINESS PLAN

FINANCIAL GUIDELINE FOR PERIOD 2023 – 2027

Vision to be in the top 5 private joint stock commercial banks and achieve PBT of a billion USD

	INDICATOR	2023 - 2027F
SCALE	Total assets (CAGR)	▲ 10 - 17%/year
	Equity (CAGR)	▲ 20 - 30%
	CASA ratio	35 - 40%
	Credit growth	15 - 30%
	%RB+SME Lending/Total loan book	≥ 60%
GROWTH	TOI (CAGR)	▲ 20 - 30%
	Fee income	▲ 30%/year
	Banca sales (CAGR)	▲ 25 - 30%
	PBT (CAGR)	▲ 20 - 30%
PROFITABILITY & ASSET QUALITY	ROE	18 - 22%/year
	ROA	2.5 - 2.8%/year
	NPL	<3%
	CAR	>11%



2024 PLAN

#	METRIC	UNIT	2022	2023	2024 plan	1H2024	% plan
1	Total assets	USD Mn	9,011	11,188	11,542	12,182	105.5%
2	Deposits from customers and valuable papers	USD Mn	5,451	5,922	7,374	6,768	90.1%
3	Outstanding credit (including corporate loans, retail loans, corporate bonds) (*)	USD Mn	5,219	6,313	7,345	6,825	93.2%
4	Consolidated NPL	%	1.24%	1.94%	<3.00%	2.18%	As planned
5	PBT (including reversal of loan loss provision)	USD Mn	245	244	280	151	54.3%
6	Charter capital	USD Mn	807	838	1,072	824	77%
7	Cash/stock dividend payout ratio (from owner's equity as the end of previous year)	%	30%	0%	30%	30% (undergoing)	-

(*) Depending on the credit quota granted by the SBV in each period

Note: VND/USD exchange rate estimated at SBV's rates at the final transaction date each quarter





03

Q&A



Thank You!

INVESTOR RELATIONS

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