

# **FY2024 Results & Business Update**

## **Outstanding Business Performance Affirms Solid Foundations and Digital Excellence**

*Ho Chi Minh City, February 2025*



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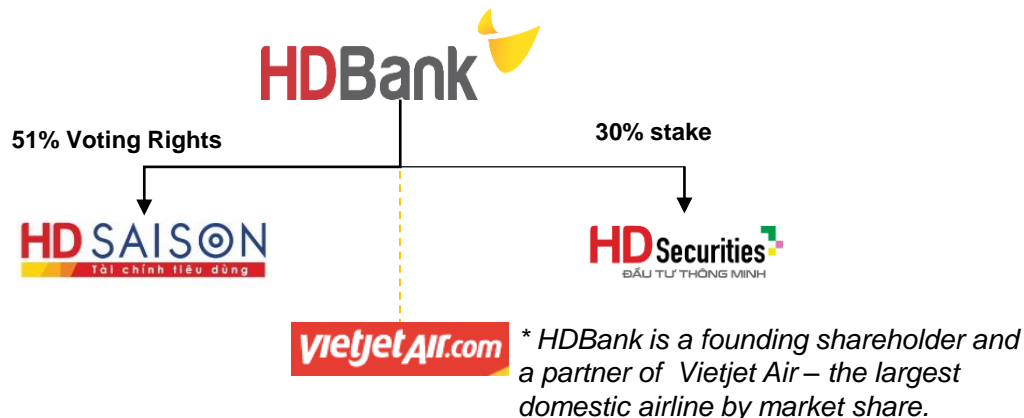
# Overview of HDBank

One of the best banks in delivering shareholders' value

## Overview

- Established in 1989, HDBank is currently among the largest listed companies by market capitalization and belongs to VN30 Index of top companies by market cap.
- HDBank has proven M&A capabilities, successfully completing the acquisition of Societe Generale Viet Finance and DaiA Bank in 2013 to become one of the largest financial institutions in Vietnam
- HDBank has 51% of voting rights in HD Saison, one of the largest consumer finance companies in Vietnam.
- As of 31/12/2024, the Bank had 371 branches and transaction offices, more than 18,500 employees serving more than 20 million customers.
- Affiliated with Sovico - one of Vietnam's largest and most reputable conglomerates
- HDBank's long-term deposit credit rating is affirmed at B1 by Moody's.

## Subsidiary and partners



Source: Company data;  
Exchange rate: 1 USD = 25,405 VND

\*Total credit include gross loans to customers & investments in corporate bonds

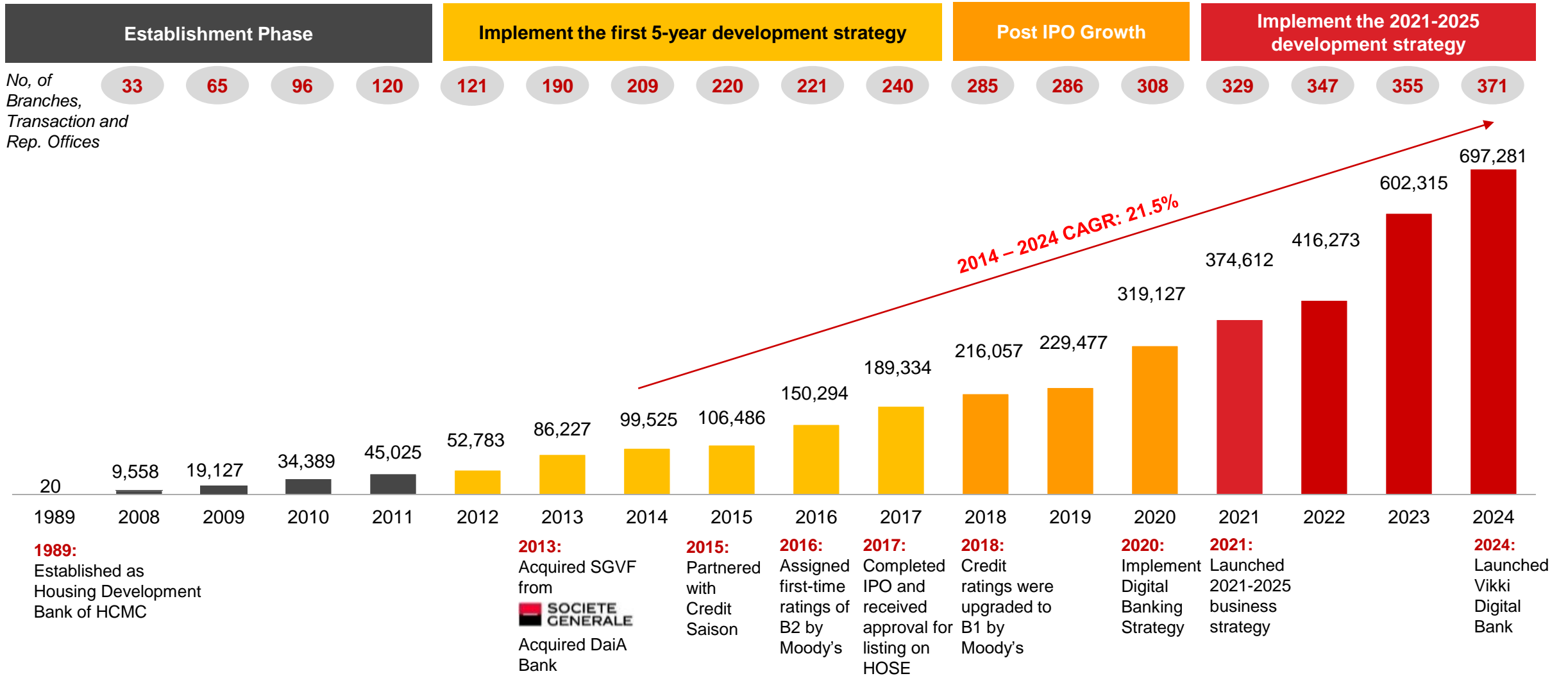
## Key Statistics of FY2024 Performance

<b>VND697tn</b> (~US\$27.4 billion)  Total assets 10 years CAGR 21.5%	<b>VND438tn</b> (~US\$17.2 billion)  Total credit balance* Growth rate: 23.9% (YOY)	<b>VND16.7tn</b> (~US\$ 657.4 million)  Profit before tax Growth rate: 28.5% (YOY)
<b>5.6%</b>  Net Interest Margin	<b>25.7%</b>  Return On Equity	<b>14.0%</b>  CAR (Basel II)
<b>1.75%</b>  NPL ratio (parent bank) (Before CIC: 1.48%)	<b>35.2%</b>  Cost-to-Income Ratio (CIR)	<b>8.7%</b>  Tier-1 ratio (Basel II)

# Development Timeline

Over the past decade of transformation, HDBank has witnessed remarkable growth in both its total assets and network

(In VNDbn)



Source: Financial Statements

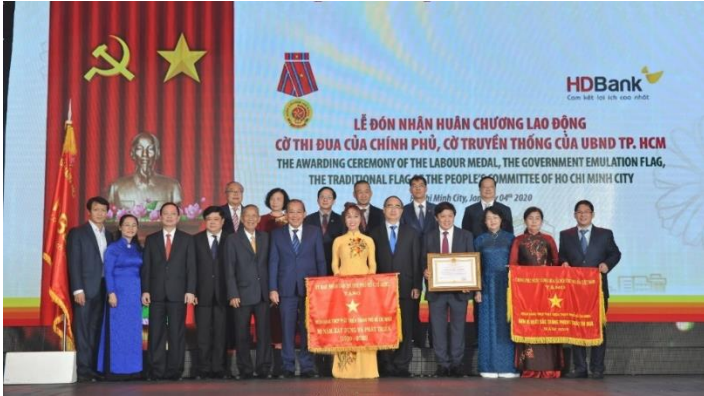
Note: In 2013, HDBank acquired 100% equity of Societe Generale Viet Finance Company Limited (SGVF) of the Société Générale Group (Republic of France) - one of the three largest consumer finance companies in Vietnam, to become a subsidiary of HDBank named HDFinance. In 2013, DaiA Bank had 20 years of banking experience, with a charter capital of VND 3,100 billion. Through the merger with DaiA Bank, HDBank increased its charter capital to VND 8,100 billion, and became one of the top 10 largest commercial banks in Vietnam.



# Reputable Brand Name

Strong recognition from international institutions with B1 credit rating by Moody's

## Prestigious Awards from the Government



- Awarded the Labor Medal by the President in 2013, 2015, 2017 and 2020
- Awarded a Certificate of Merit by the Prime Minister in 2021; Emulation Flags in 2016 and 2020
- Awarded the Emulation flag by the Governor of the State Bank in 2016

## Moody's Credit Rating

# MOODY'S

Credit rating of **B1**

## Reputable Awards From Domestic And International Institutions



- Certificate of Merit for important contributions to the digital transformation of the banking sector in 2024



- Honored as a National Brand in 2024 by the Prime Minister



- Best Green Financing Bank Initiative awarded



- Best bank for Sustainable Finance in 2024



- Top Leading Listed Brands in 2024



- Green Bank of the Year 2024



- Retail Bank of the Year 2024
- Digital Banking and Payment Initiative of the Year 2024



- 2024 Best Commercial Bank in Vietnam

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# Key Investment Highlights



- 1** Impressive track record of growth and operational efficiency
- 2** Strategic focus on fast growing retail and SME banking segments
- 3** Controls a leading consumer finance company
- 4** Prudent and proven risk management practices
- 5** Well-established operating base to drive strong and sustainable growth
- 6** Reputable, highly experienced, and committed Board of Directors and management

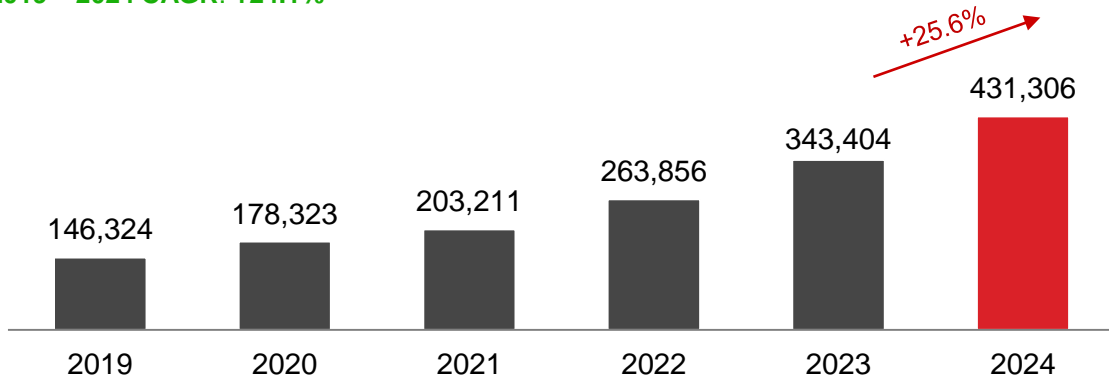


# 1 Impressive Track Record Of Growth And Operational Efficiency

Significant growth in scale with ample capital base

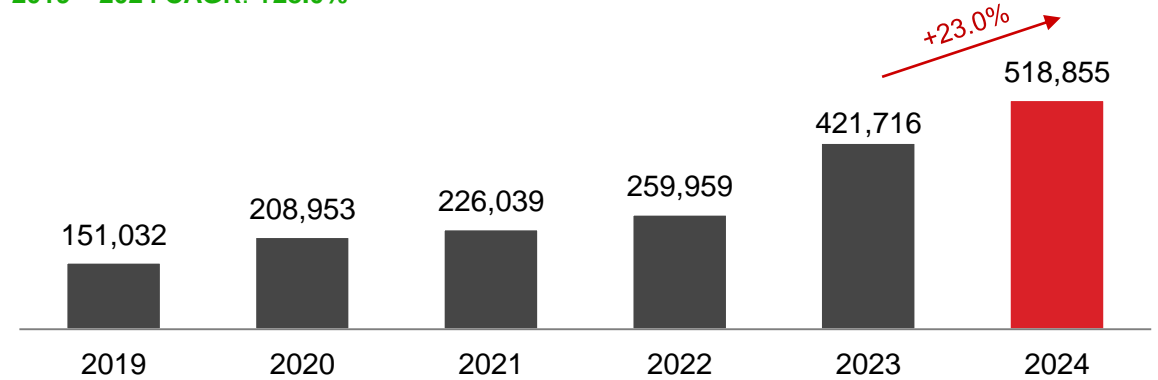
## Loan Book (VNDbn)

2019 – 2024 CAGR: +24.1%



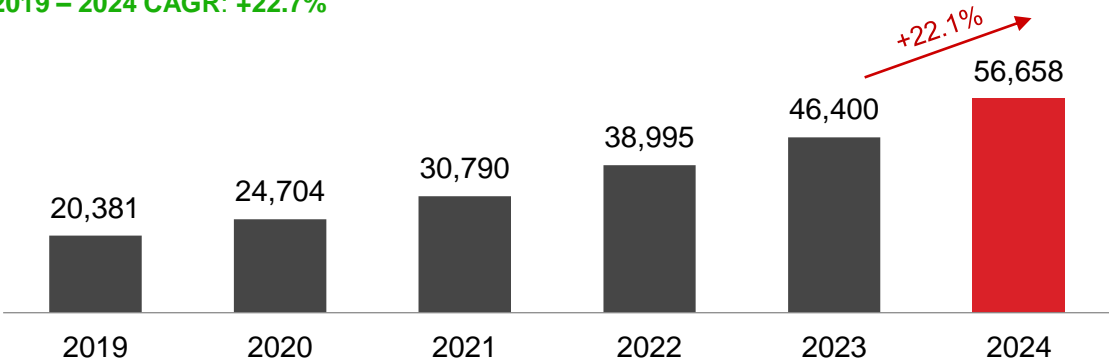
## Customer Deposits and Valuable Papers (VNDbn)

2019 – 2024 CAGR: +28.0%

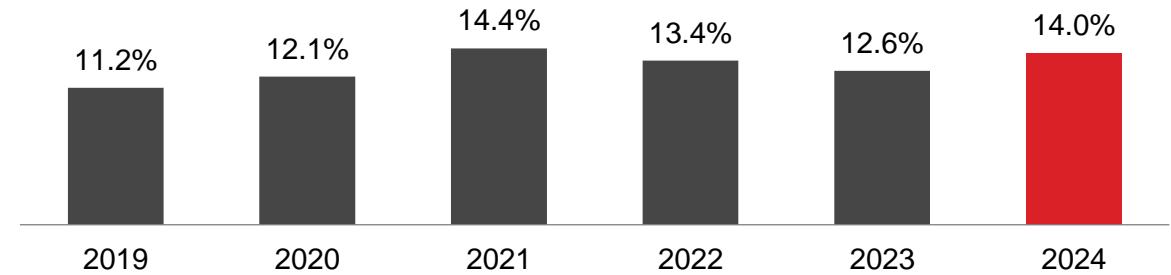


## Total Equity (VNDbn)

2019 – 2024 CAGR: +22.7%



## High level of Capital Adequacy



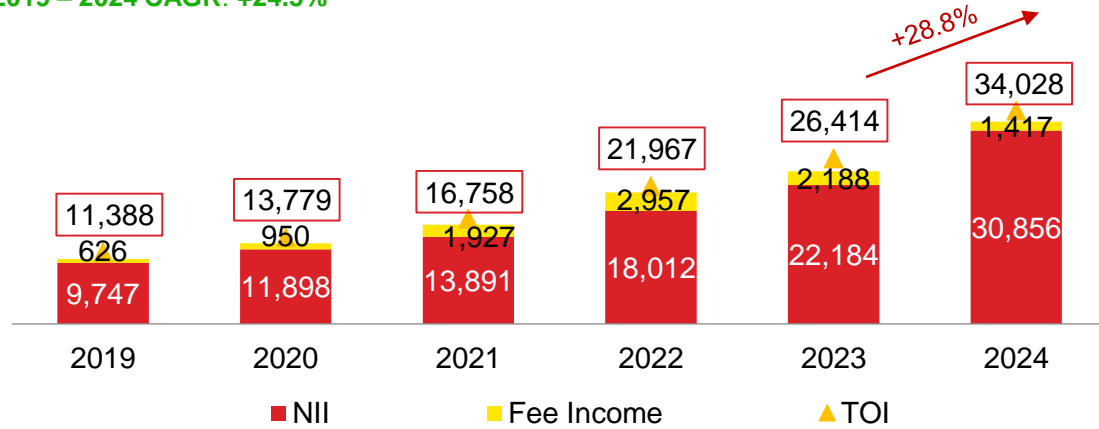
CAR (Basel II)

# 1 Impressive Track Record Of Growth And Operating Efficiency

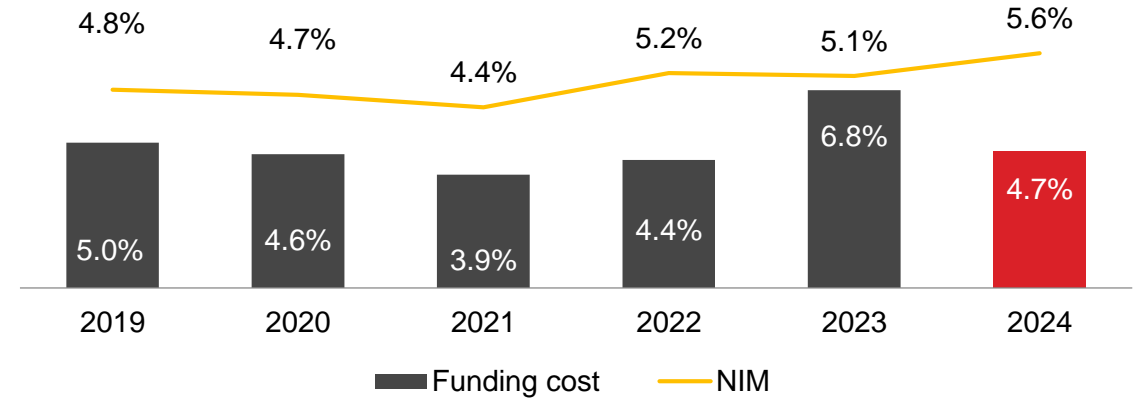
Consistently achieving strong profitability

## Total Operating Income Breakdown (VNDbn)

2019 – 2024 CAGR: +24.5%

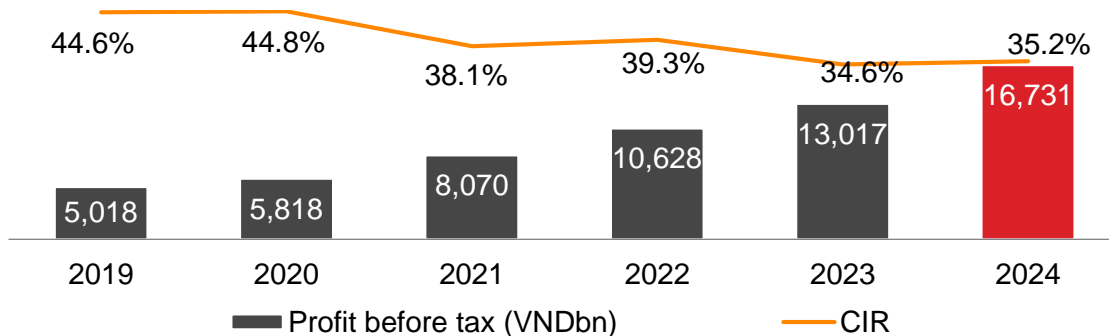


## Net Interest Margin Expands As Funding Cost Is Well-controlled

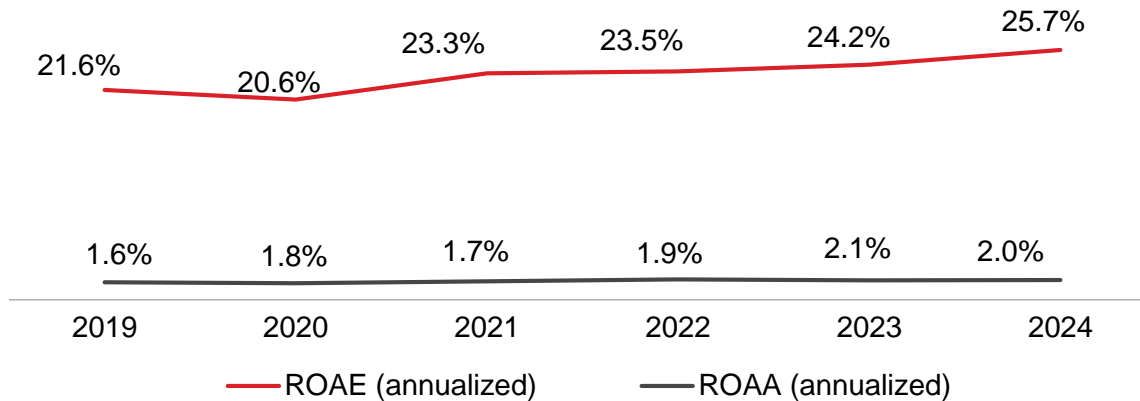


## Robust Profit Growth As Operating Expenses Were Optimized

2019 – 2024 CAGR: +27.2%



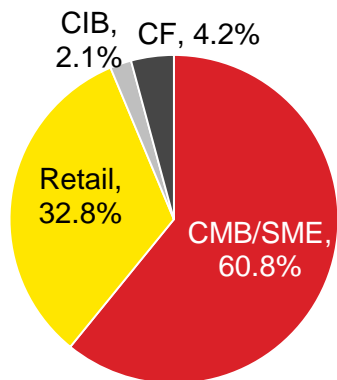
## Marketing-leading High Profitability Ratios



## 2 Strategic Focus on the Fast-Growing SME and Retail Banking Segments

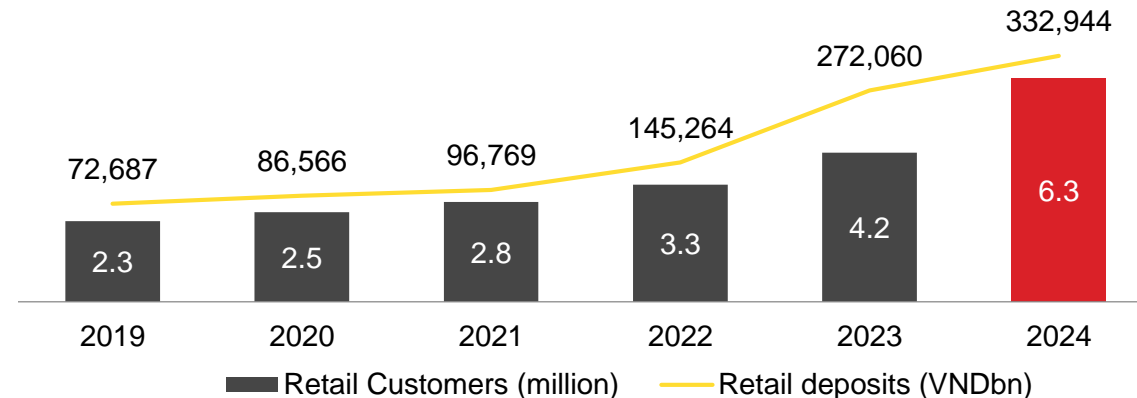
SME and Retail are most benefited from the country strong economic growth

### Loan Portfolio Breakdown

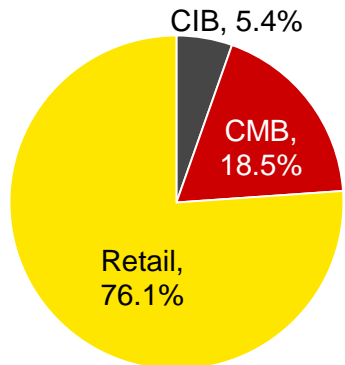


- Over the years HDBank has carefully tailored its strategy to focus on the fast growing CMB/SME and Retail & Consumer banking segments.
- Retail, SME and consumer finance continue to be the dominant contributors to HDBank's loan book

### Retail Customers and Deposits Growth

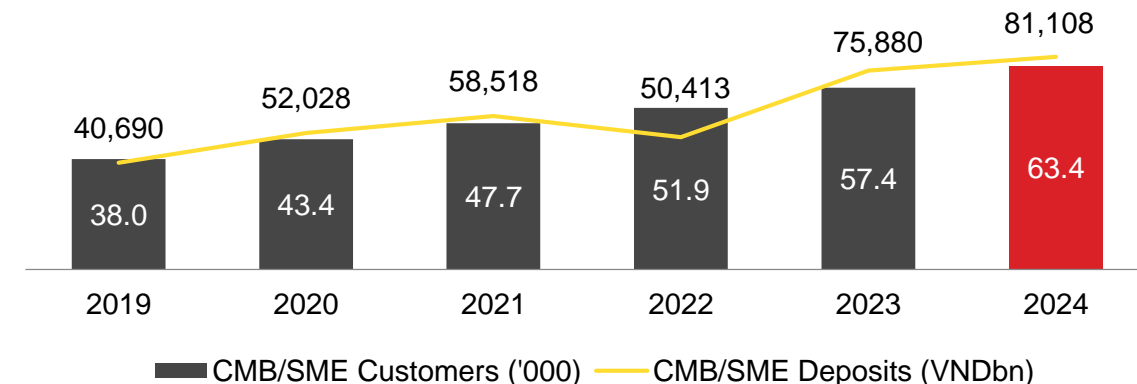


### Customer Deposit Breakdown



- Customer deposits account for ~85% of the total funding of HDBank
- Retail deposits accounted for the largest proportion which are >76% of total deposits

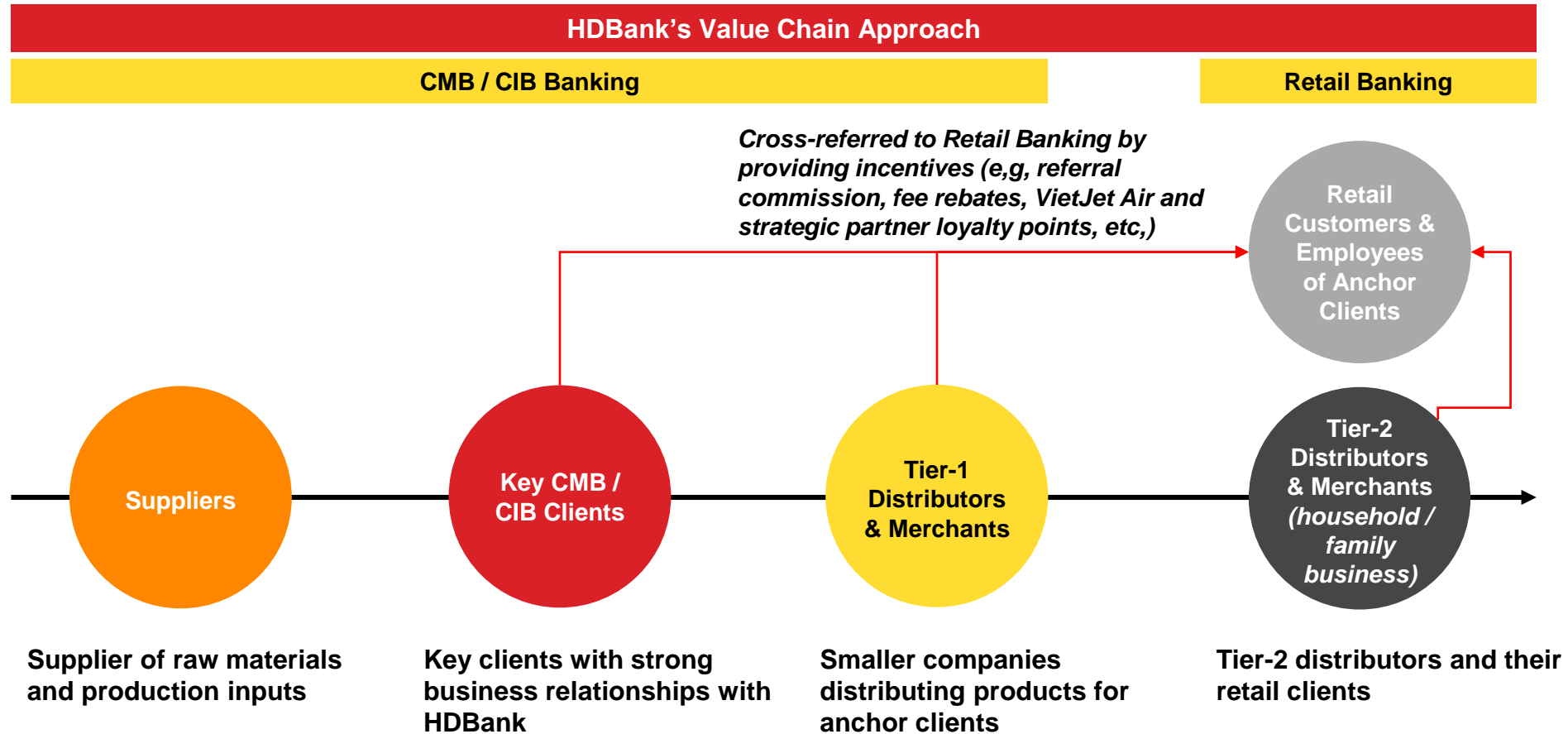
### CMB/SME Customers and Deposits Growth



## 2

# Strategic Focus on the Fast-Growing SME and Retail Banking Segments

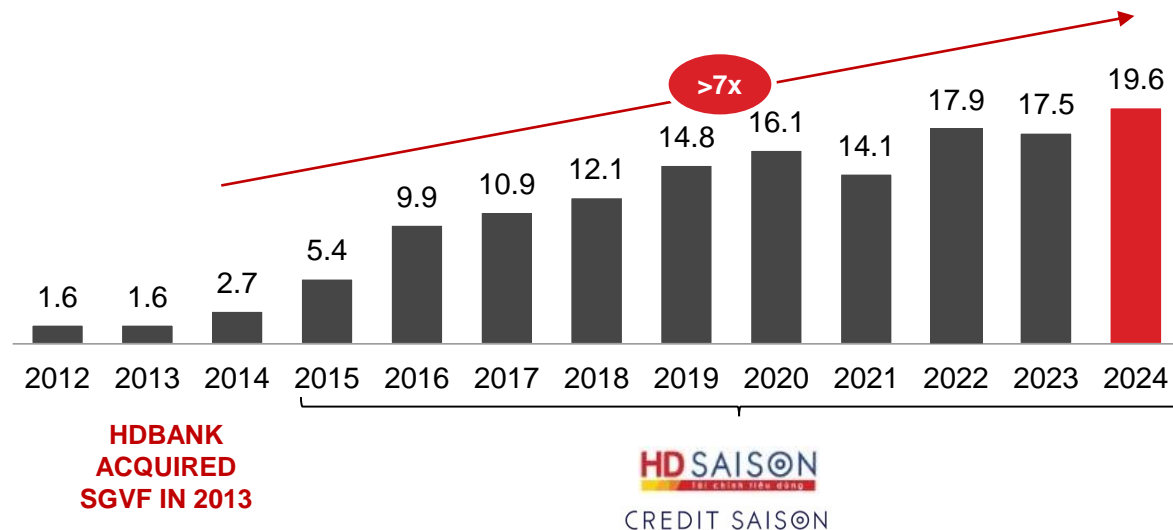
Opportunities to capture values from all potential customers in the value chain ecosystem



# Controls a Leading Consumer Finance Company

HD Saison is one of the leading consumer finance companies in Vietnam

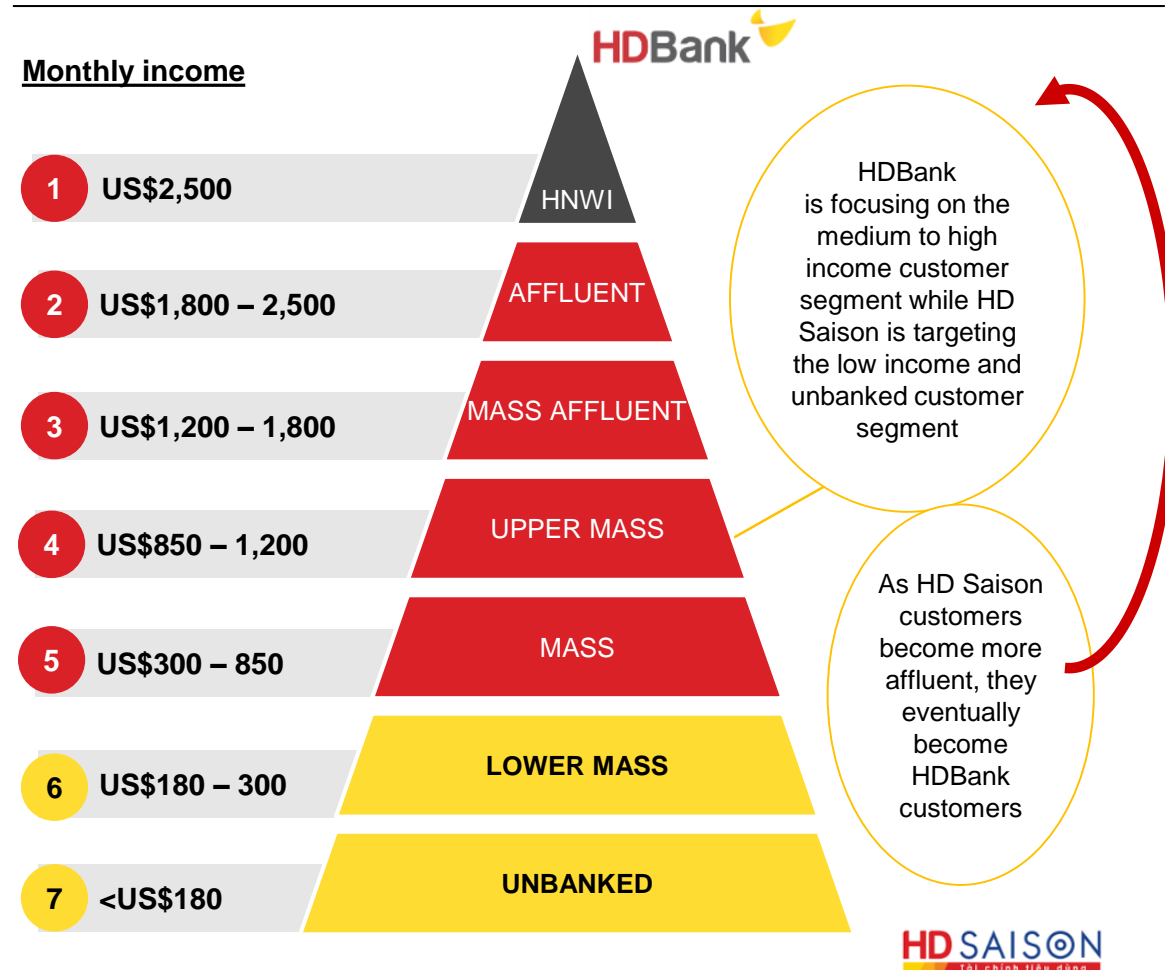
## HD Saison's Total Assets (VNDtn)



## Benefiting from International Partnership

- Inherited product packages, information technology, credit scoring and risk management systems developed by Societe Generale
- Strategic partnership with Credit Saison, a top 3 largest credit card issuer in Japan
- Credit Saison provides HD Saison with technical assistance, training, customer service, diversified products, including credit cards and access low cost funding sources

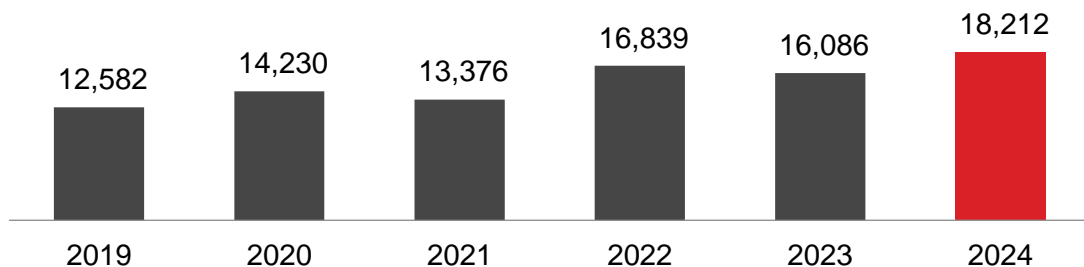
## Targeted Customer Segments



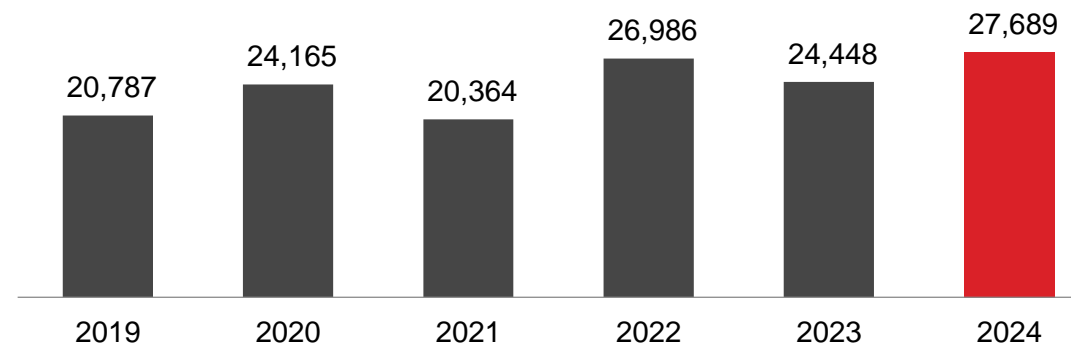
## Controls a Leading Consumer Finance Company

Well-established market position in motorbike lending and profitability

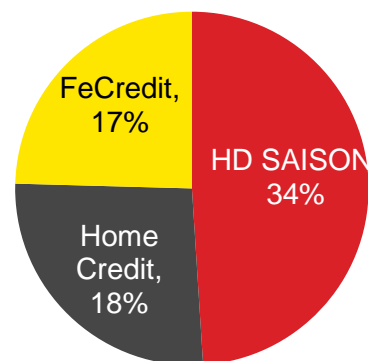
### Total Loan (VNDbn)



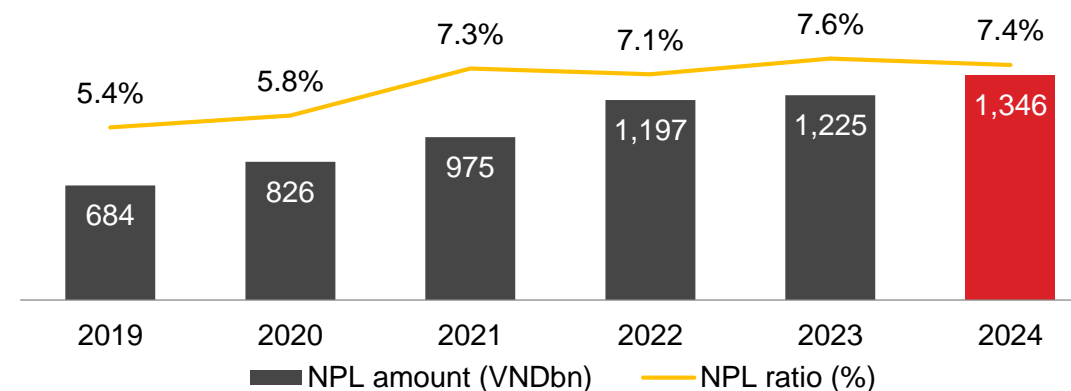
### Total Disbursements (VNDbn)



### Leading Motorbike Loan Market Share



### Low NPL Ratio Thanks To Prudent Underwriting Policy

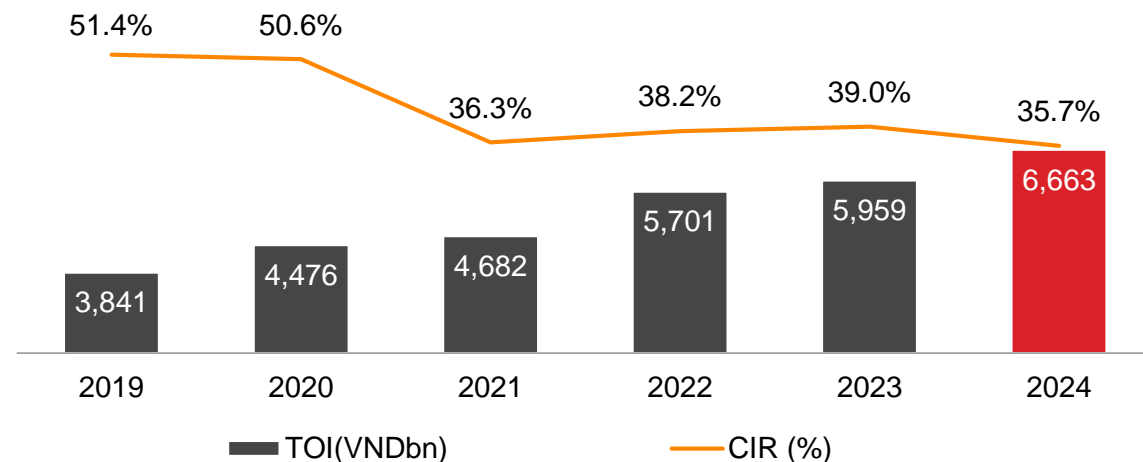




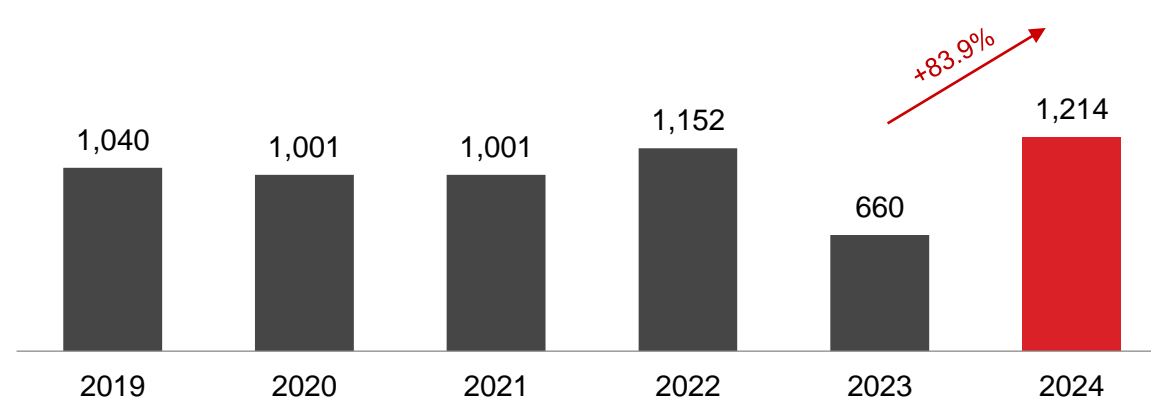
# Controls a Leading Consumer Finance Company

Well-established market position in motorbike lending and profitability

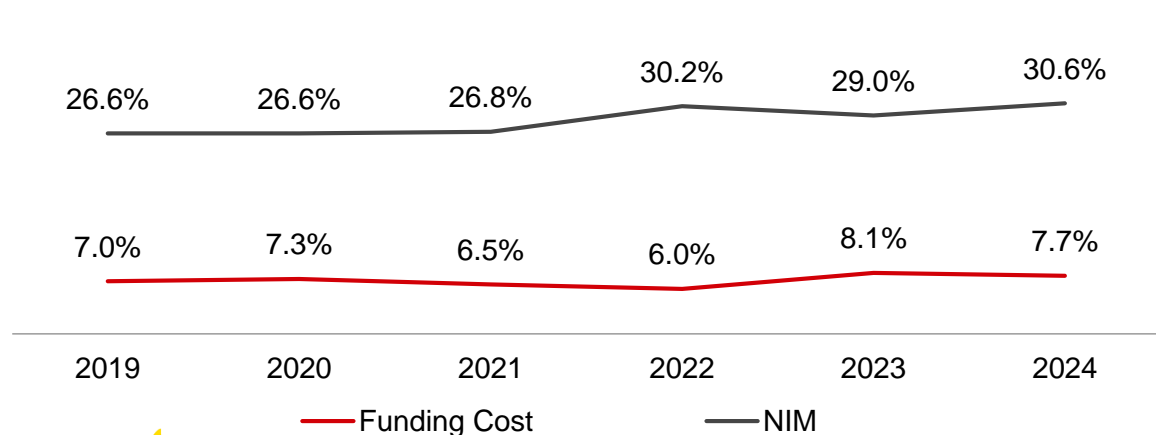
## Total Operating Income and Cost-Income Ratio (CIR)



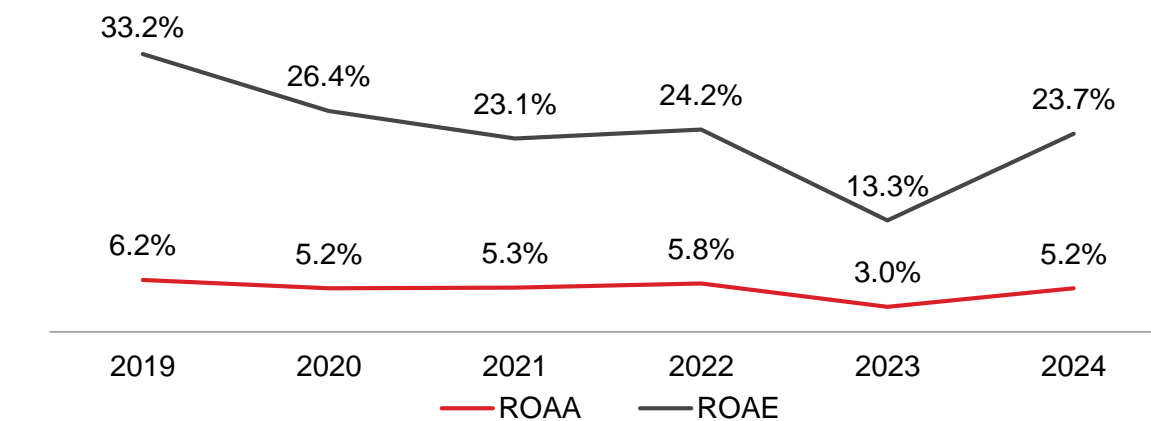
## Profit Before Tax Is Bouncing Back Robustly (VNDbn)



## Net Interest Margin And Funding Cost



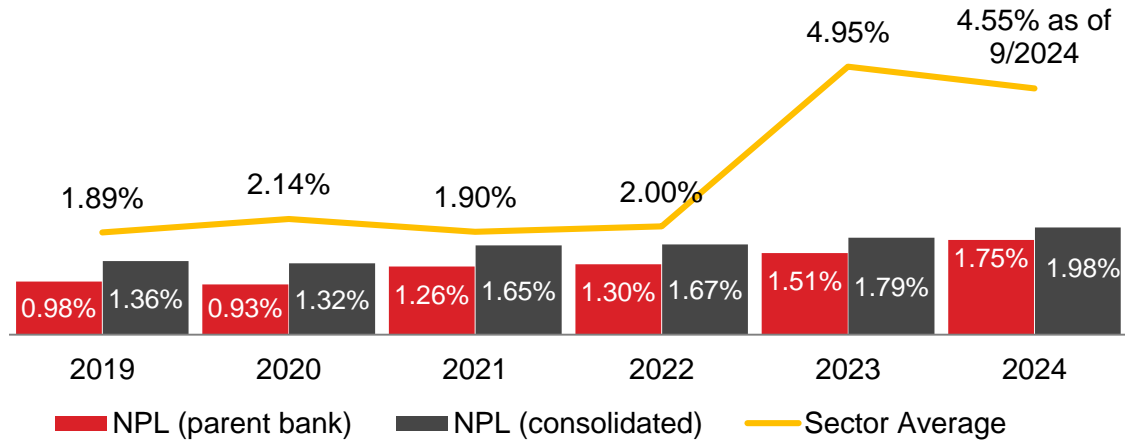
## Market-leading Profitability Ratios



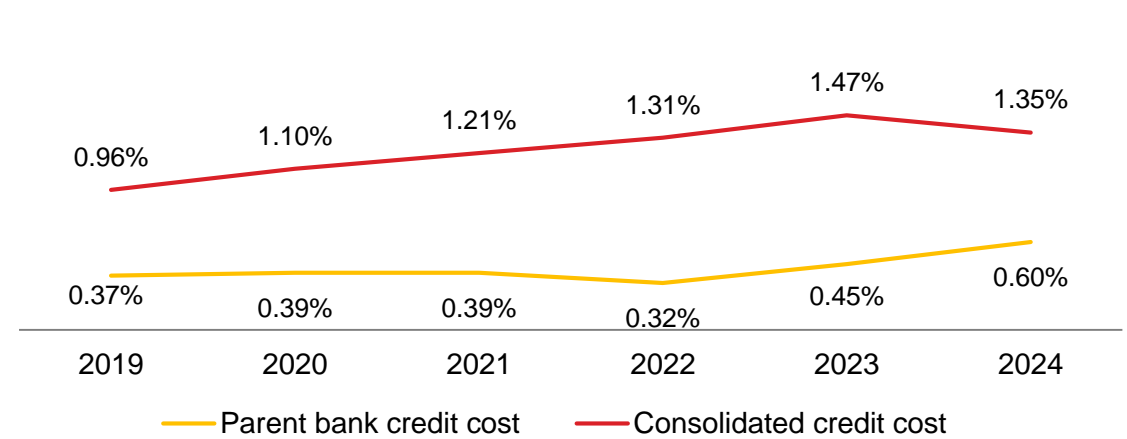
# 4 Prudent and Proven Risk Management Practices

Parent bank NPL and liquidity ratios are among the best in the industry

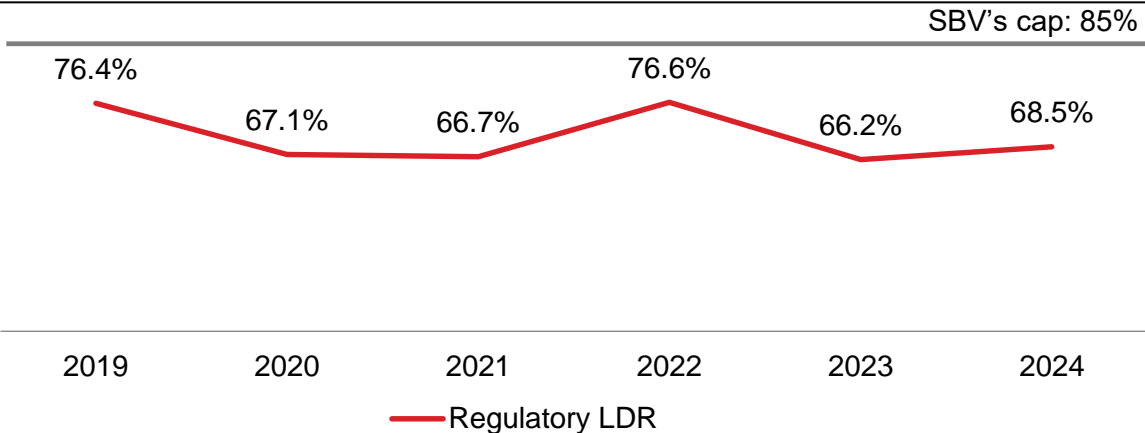
## NPL Ratio Remains Better Than Industry Average



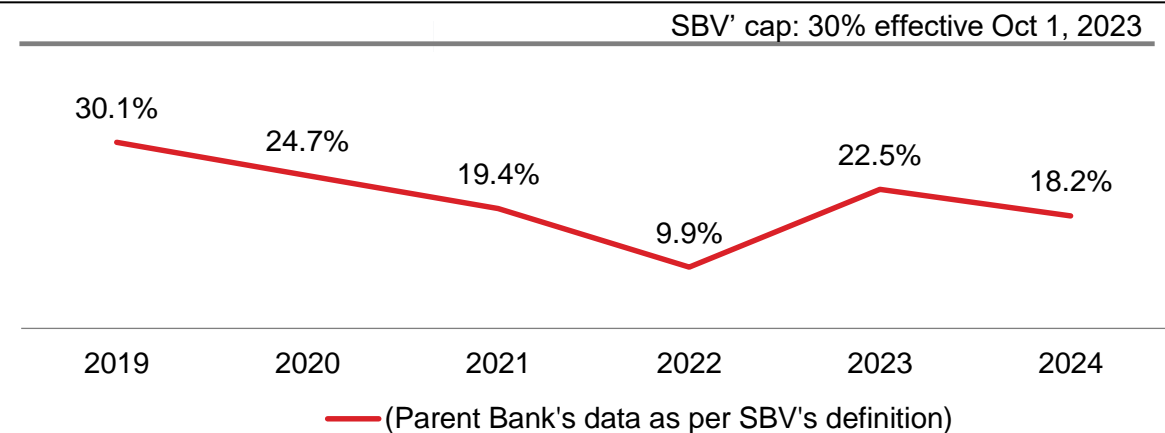
## Credit Cost Is Well-Controlled



## Loan To Deposit Ratio Is Much Better Than Regulatory Requirement\*



## The Ratio Of Mid-to-long Term Loans Financed With Short-term Funds\*

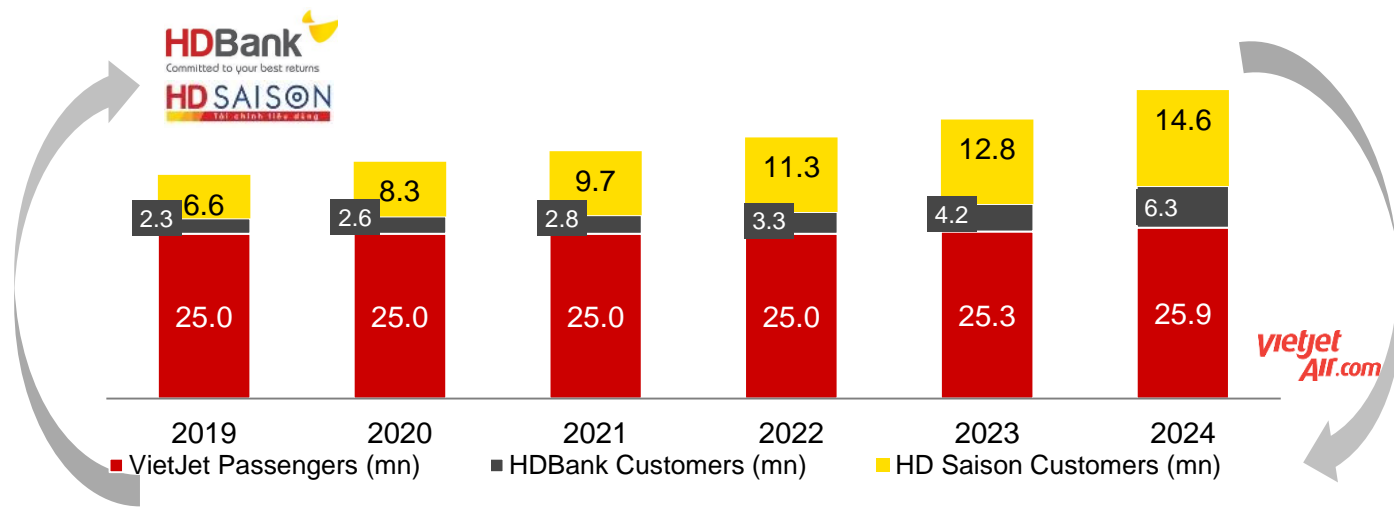


**HDBank** Source: Company data  
 NPL excluded purchased debts. The industry average NPL ratios are announced by the SBV  
 (\*) Data of the Parent Bank

5

# Well-Established Operating Base to Drive Strong and Sustainable Growth

With a unique ecosystem for cross-selling of products



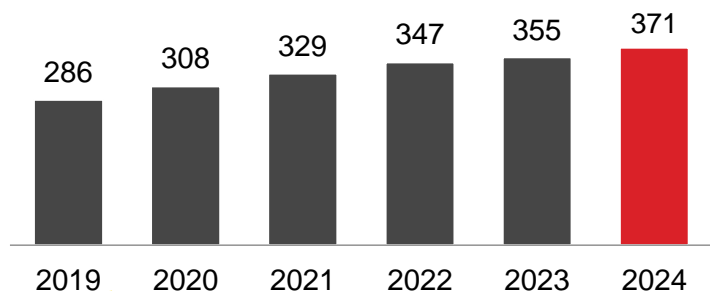
**COMBINED TOTAL OF >50,000 PHYSICAL TOUCH POINTS**

Building an ecosystem from our captive customer base which will allow HDBank to enhance our digital banking reach, provide payments infrastructure and develop a unique e-wallet service

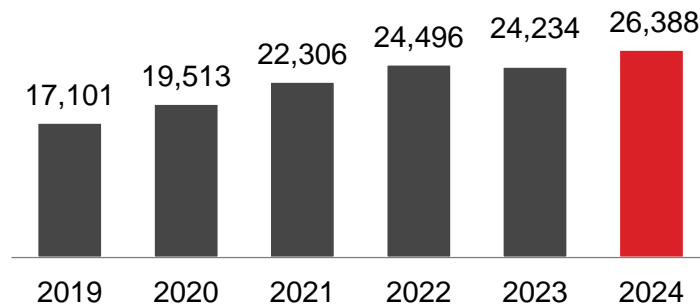
## DISTRIBUTION NETWORK



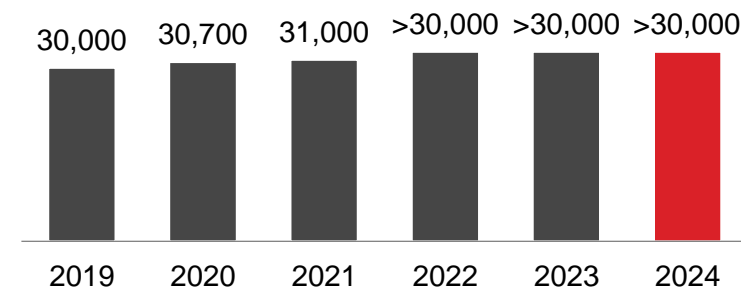
### HDBANK BRANCH GROWTH



### HD SAISON POINTS OF SALE GROWTH



### VIETJET MARKETING POINTS GROWTH



# Reputable and Highly Experienced Board of Directors (HDBank)

Committed to investors' best returns



**Kim Byoungcho**  
**Chairman, Independent member**

- He has over 30 years of experience in the finance and banking industry and used to hold Chairman and CEO positions at Hana Bank and Vice Chairman of the BOD – Hana Financial Group,
- Master in Business Administration (California University, Berkeley, USA)
- Experience (yrs): Industry: 37



**Nguyen Thi Phuong Thao**  
**Permanent Vice Chairwoman**

- Key and representative shareholder, Chairwoman of Vietjet, Vietnam's largest airline,
- Nearly 30 years of experience in banking-finance sector, Founded and managed many banks including VIB, TCB,
- PhD in Economics, Bachelor in Finance, Credit, and Banking
- Experience (yrs): Industry: 29; HDBank: 22



**Luu Duc Khanh**  
**Vice Chairman**

- Expert in the Finance and Banking industry, Previously held prominent positions at banks in Vietnam
- Master in Business Administration
- Experience (yrs): Industry:31 HDBank:16



**Nguyen Thanh Do**  
**Vice Chairman**

- More than 30 years of experience in banking-finance sector,
- Former Director of the Department of Debt Management and External Finance - MoF
- PhD in Banking and Finance
- Experience (yrs): Industry:39; HDBank: 10



**Pham Quoc Thanh**  
**CEO, Board Member**

- CEO of HDBank since 2020, held executive positions in various banks,
- Bachelor of Banking Credit and Bachelor of Foreign Languages
- Experience (yrs): Industry: 34; HDBank: 12



**Le Manh Dung**  
**Independent Member**

- He has nearly 30 years of experience in the banking and finance industry and currently the chief representative of DEG – a member of KfW in Vietnam
- Master in Business Administration
- Experience (yrs): Industry: 29

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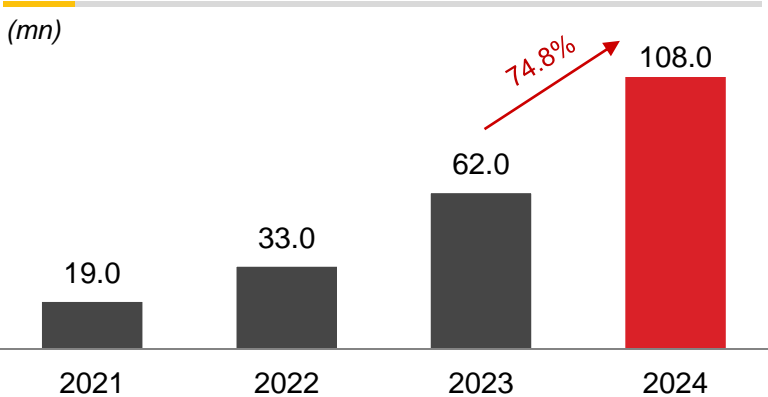
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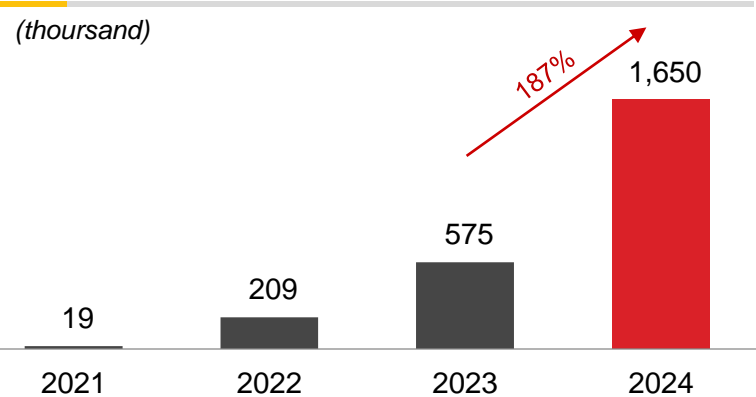
# Strategic Initiatives

Focusing on exceptional digital customer experience

## Financial transactions rose robustly



## Growth of new digital customers



## Contribution of digital channels to customer acquisition and transactions

**80%** of new customers acquired from digital channels

**94%** of retail transactions conducted via digital platforms



- ✓ Cross-platform account opening
- ✓ Co-branded credit cards



- ✓ Fly now, Pay later airplane ticket financing
- ✓ Travel insurance



...connected by SkyJoy – an integrated loyalty / rewards platform with **>14 million members** across the ecosystem



# Strategic Initiatives

## ESG Risk Management Strategy and Sustainable Development

*"We are fully aware of our role and responsibility in creating value for society, protecting the environment, and contributing to the development of a green economy, promoting human rights, and creating sustainable values for the future. We are committed to building HDBank into a model that effectively integrates sustainable development goals into its business strategy, bringing maximum benefits to customers, shareholders, the community and society"...."*

– Chairman Kim Byoung-ho

### Governance

#### Committed to strong corporate governance and maximizing value for shareholders and stakeholders

- ✓ **Achieved & exceeded AGM business targets** over many consecutive years
- ✓ Pioneered implementing **Basel III standards** in governance
- ✓ **Experienced and diverse Board**, with one-third of its members being independent, contributing to effective governance.



One of the first few banks in Vietnam with a dedicated ESG committee



Awarded Best Corporate Governance listed company in 2024 and Best AGM for shareholders in both 2023 and 2024



Honored in the Top 50 Enterprises for Corporate Governance (VNCG50)

### Environmental & Sustainable

#### Committed to integrating E&S risk management into credit practices while promoting sustainable finance initiatives

- ✓ Fully adopted the Regulations on **Environmental and Social Management System (ESMS)** in credit extension
- ✓ **Successfully issued USD 118 million in green bonds for eco-friendly projects**, aligned with its "Sustainable Finance Framework."
- ✓ More than **60% of branch network are located in tier-2 cities and rural provinces** serving millions of clients

HDBank's key partnerships established thus far



Best bank for Sustainable Finance in 2024



Vietnam top sustainable businesses for 6 years



Sustainable Finance Framework rated "very good" by Moody's.

### Social

#### Committed to bring long-term value to customers and stakeholders

- ✓ **People-centric approach:** Prioritize employee growth and well-being.
- ✓ **Social responsibility:** Actively contribute to the community, fostering social values and driving impactful development.
- ✓ **Customer-focused:** Develop products that meet customer needs and continuously improve their experience.



Best Company to work for in Asia from 2018 to 2024



2024 Best Commercial Bank in Vietnam



Top 25 leading listed brands in 2024



Vietnam's best bank for CSR in 2023

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# Key Highlights Of Corporate And CSR Activities

**HDBank officially receives the mandatory transfer of DongA Bank, marking the beginning of a period of stable development**



On January 17, 2025, the State Bank of Vietnam (SBV) announced the Decision to transfer DongA Bank to HDBank under a scheme approved by the Government. HDBank, with 35 years of experience, a solid financial foundation, and prestige, has been entrusted by the SBV and the Government.

After the mandatory transfer to HDBank, DongA Bank will operate as a one-member limited liability bank under the management of HDBank, as entrusted by the SBV, ensuring all legitimate rights and interests of depositors and customers. DongA Bank remains a separate legal entity and will not consolidate its financial statements with HDBank.

This measure also provides an opportunity for HDBank to expand its operations, develop new business models, and enhance its network.

**HDBank Launches Northern Galaxy Innovation Hub at National Innovation Center**



In October 2024, HDBank expanded its commitment to fostering innovation with the inauguration of the Northern Galaxy Innovation Hub at the National Innovation Center (NIC) following the successful launch of its first Galaxy Innovation Hub in Ho Chi Minh City.

This Hub serves as a vital bridge connecting businesses, researchers, and experts, facilitating collaboration and providing access to financial, technological, and training resources.

# Key Highlights Of Corporate And CSR Activities

## HDBank and Proparco promote climate finance projects, supporting women-led businesses



In September 2024, HDBank and Proparco, the French Development Finance Institution, formalized a significant credit agreement valued at USD 50 million bringing the total funding to USD 100 million, underscoring Proparco's confidence in HDBank's steadfast dedication to sustainable development.

The funds will support climate finance projects and women-led businesses, aligning with the 2X Challenge Program standards for gender equality and sustainable development.

Proparco has actively participated in the establishment and ongoing refinement of HDBank's Environmental and Social Risk Management System.

## HDBank Triumphs at the Prestigious Vietnam Listed Company Awards 2024



In November 2024, HDBank continued its winning streak at the Vietnam Listed Company Awards (VLCA) 2024, securing three prestigious awards.

HDBank's commitment to transparency and good governance was honored with the Excellent Annual Report Award in the Financial sector for the sixth consecutive year, showcasing its dedication to high-quality information disclosure.

Furthermore, HDBank's commitment in corporate governance was acknowledged with the Excellence in Corporate Governance Award (Large Cap) and the Best Annual General Meeting of Shareholders Award (AGM), which it received for the second consecutive year.



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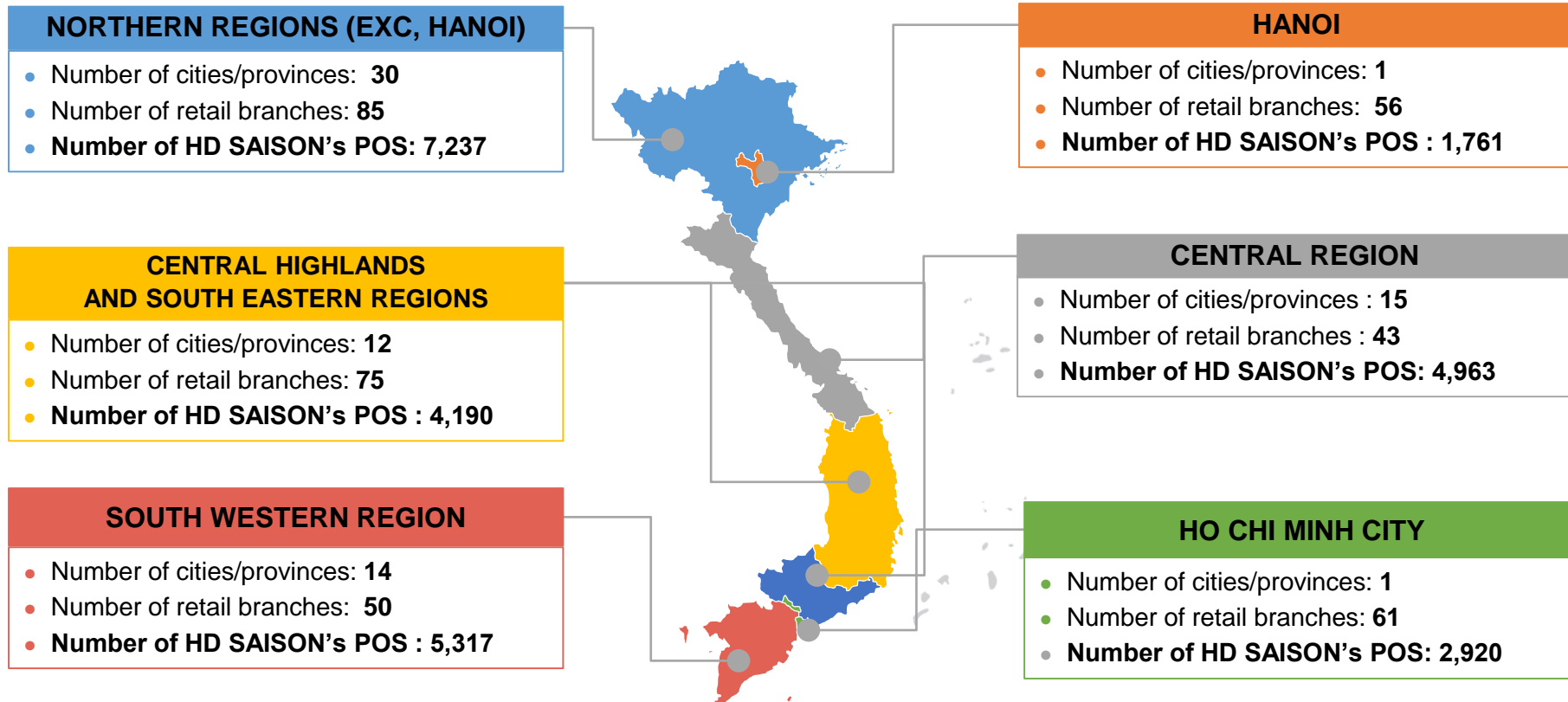
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# Distribution Network

HDBank and HD SAISON are forming the largest retail banking and consumer finance distribution networks in Vietnam



- As of 31/12/2024, HDBank had 371 banking units in domestic and overseas markets
- HD Saison had 26,388 points of sales (POS) covering 63/63 cities and provinces.

Source: Company data



# Typical Design of A Transaction Center







Committed to your best returns

## Contacts:

### Investor Relations Department

Ms. My Tran – IR Associate Director

[IR@hdbank.com.vn](mailto:IR@hdbank.com.vn)

**ANNUAL  
REPORT**



**SUSTAINABILITY  
REPORT**



**XANH TƯ DUY - VỮNG BỀN TĂNG TRƯỞNG**  
**GREEN MINDSET - SUSTAINABLE GROWTH**

