

PERFORMANCE ANNOUNCEMENT Q1/2024

HCMC, 17th May 2024

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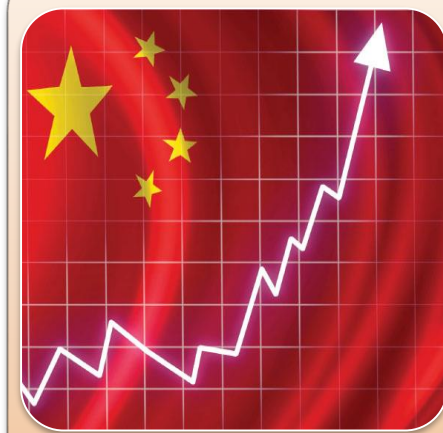


MACRO UPDATE

01



- The US GDP grew by 1.6% in Q1 2024, marking the weakest GDP growth for the US since mid-2022.
 - Meanwhile, inflation has accelerated, reaching 3.4% YoY (Q4 2023: 1.8% YoY).
- => This indicates that the Fed's "battle" to curb inflation may last longer than expected, increasing the likelihood of continued monetary tightening.



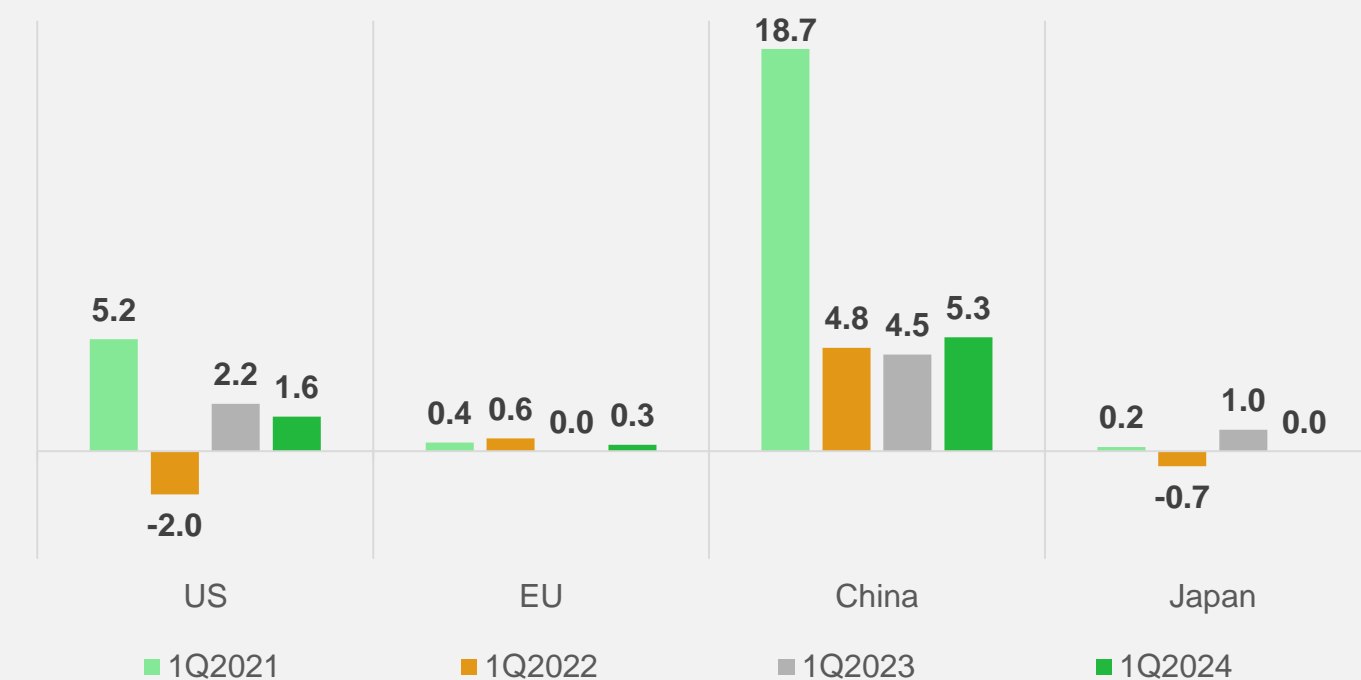
- China has continuously introduced policies to support the world's second-largest economy in overcoming difficulties amid low inflation (0.1% YoY in Q1 2024).
- China's GDP in Q1 2024 reached 5.3%, and the government announced that it would continue implementing measures to boost GDP growth to meet the 5% target for 2024.



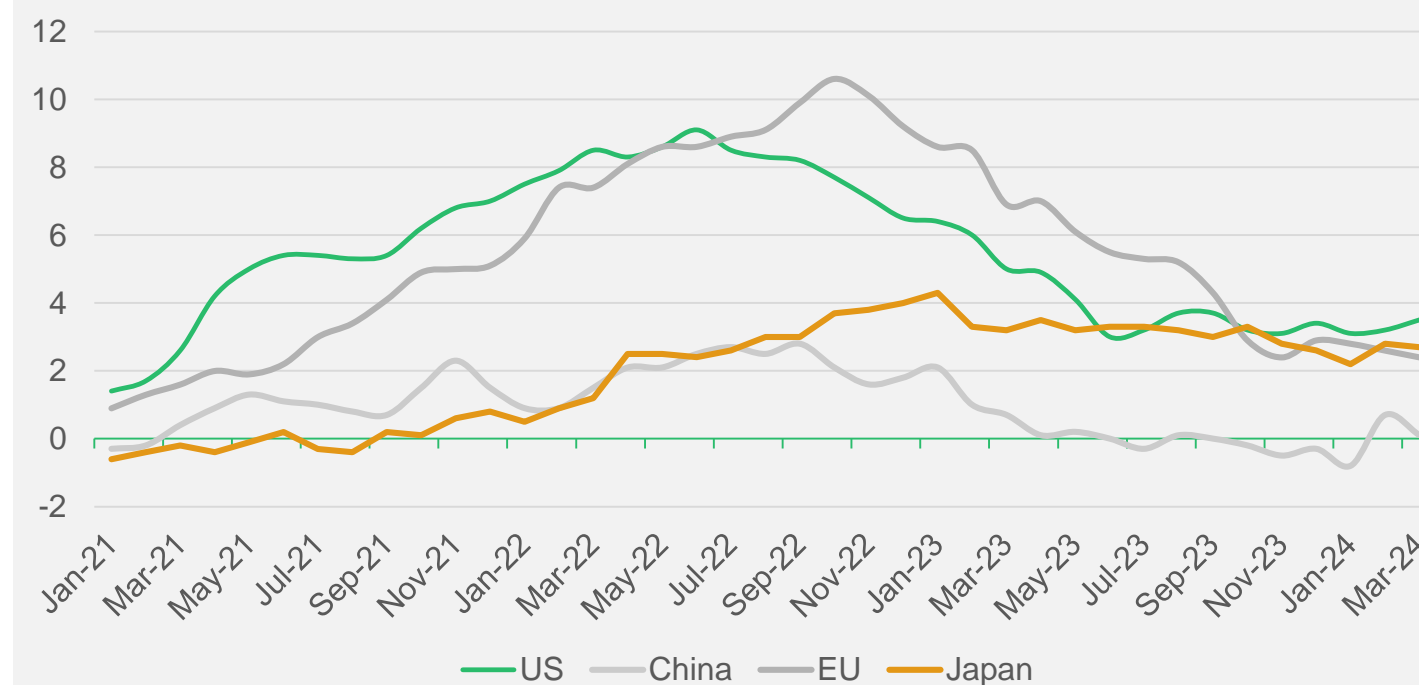
- Geopolitical tensions in the Middle East in 2024 continue to be a major concern, directly affecting economic and political stability worldwide.
- The escalating conflict, with no signs of de-escalation, has caused severe instability in energy markets, supply chains, financial markets, and has also driven up food prices, accelerating food insecurity.

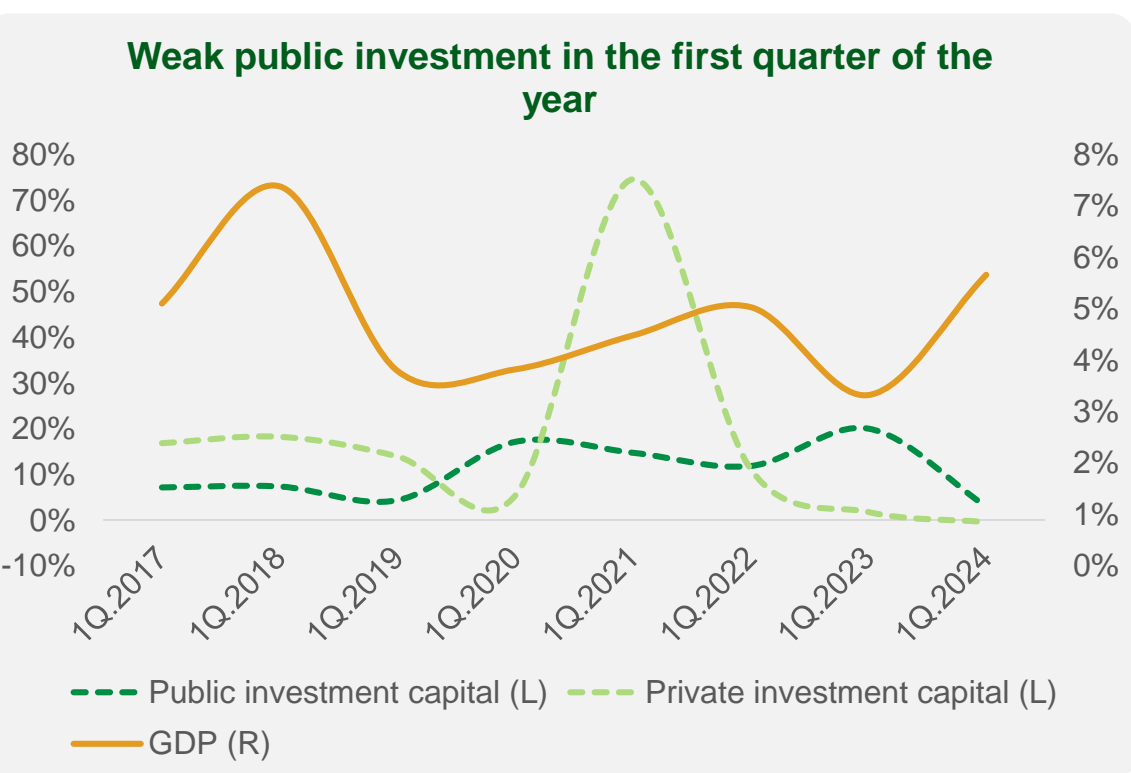
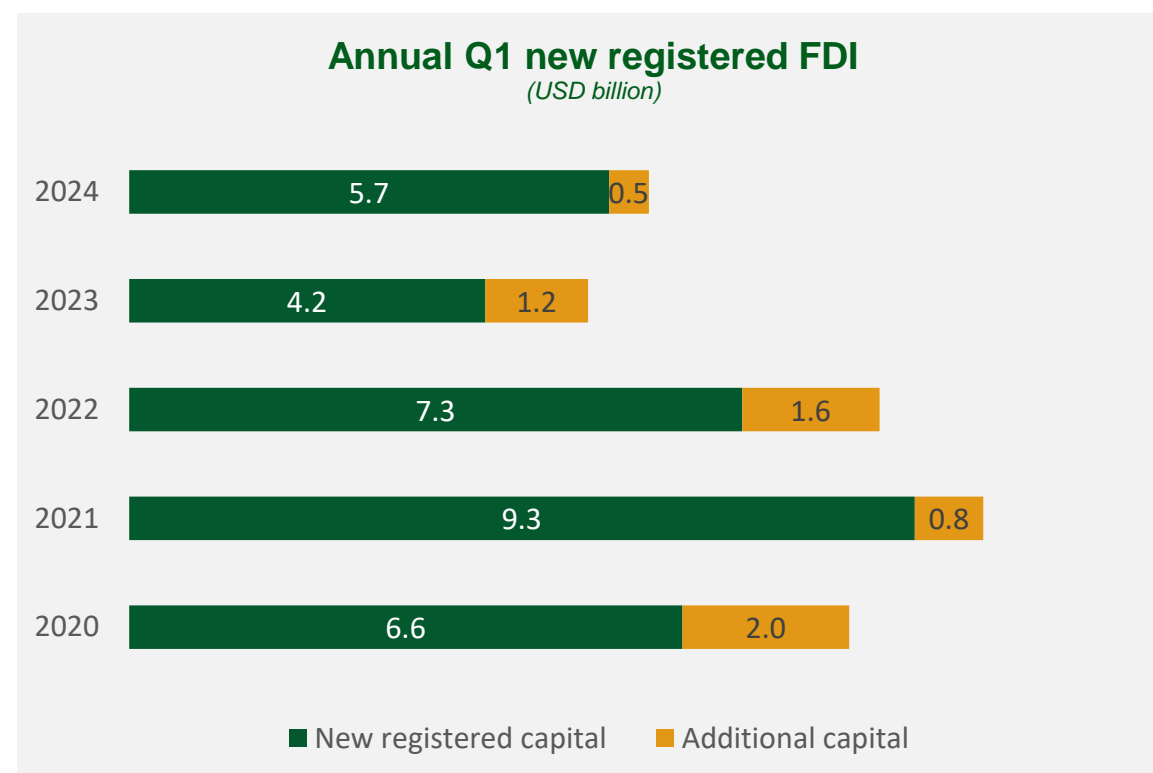
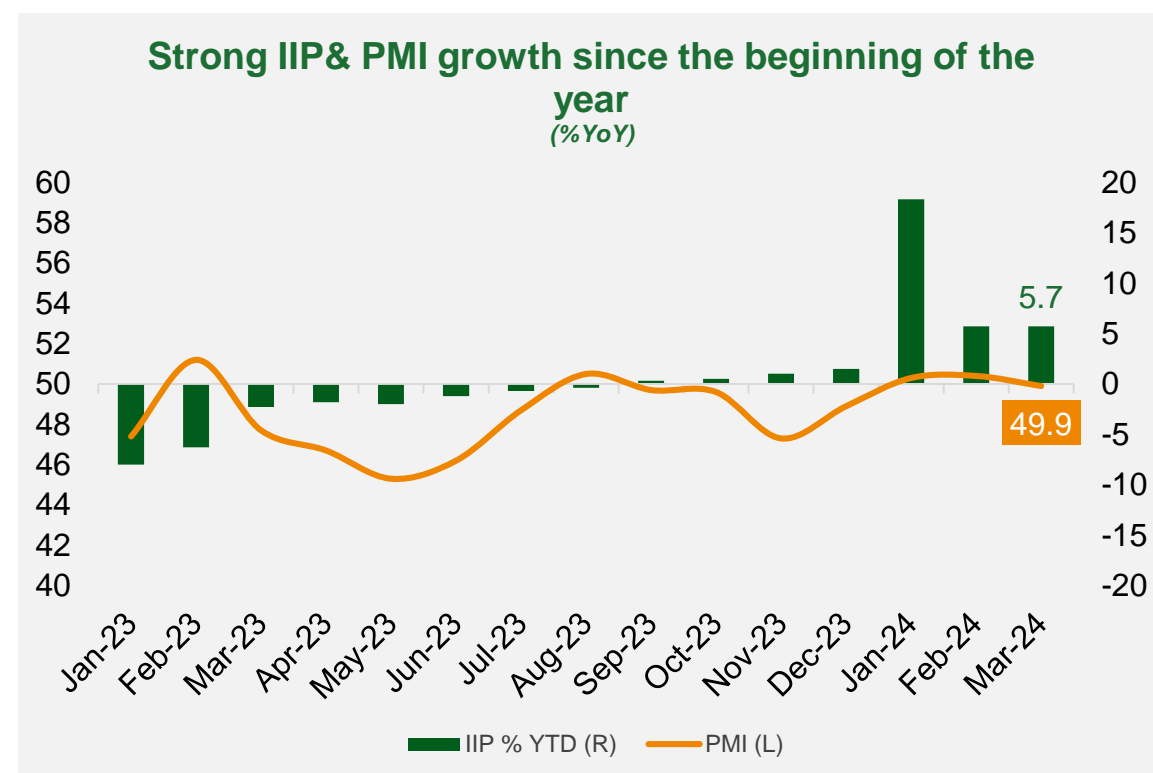
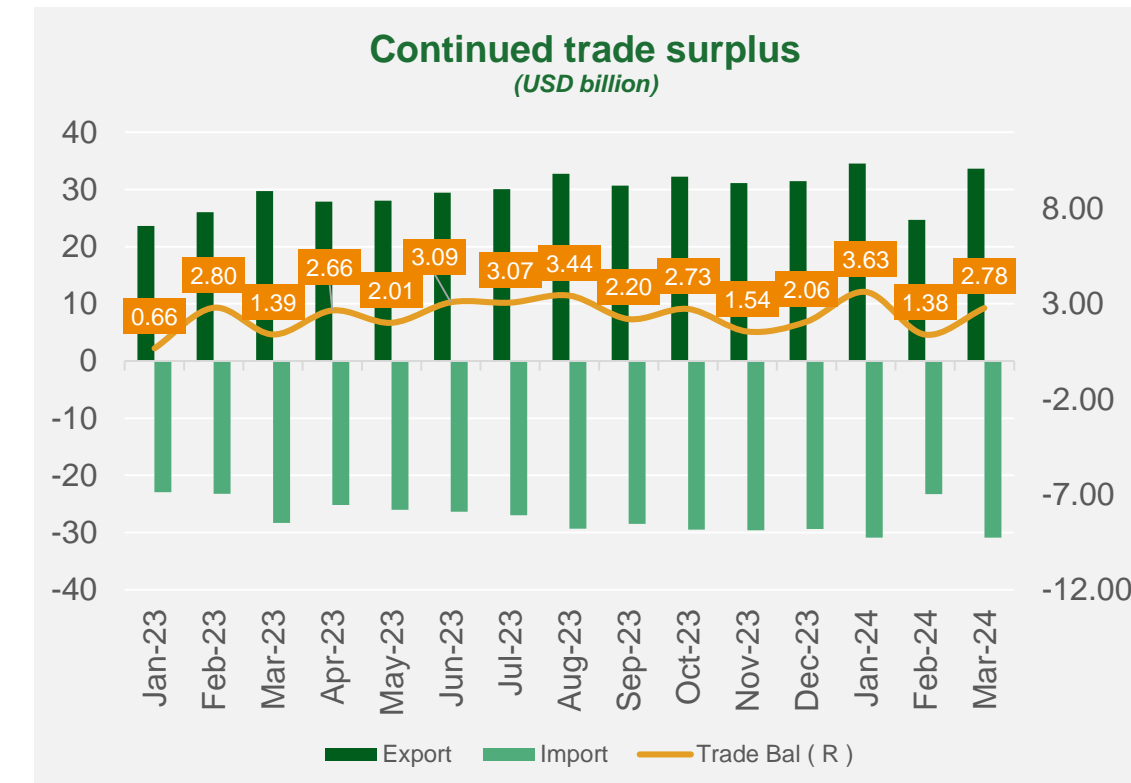
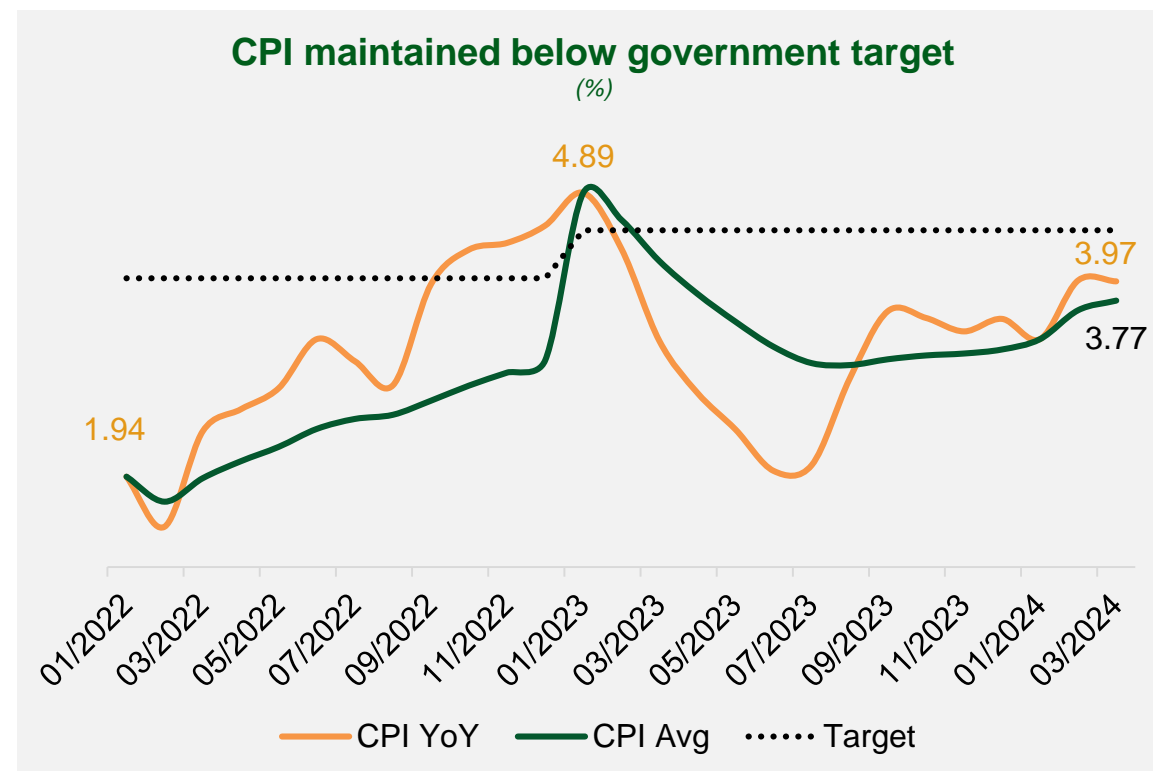
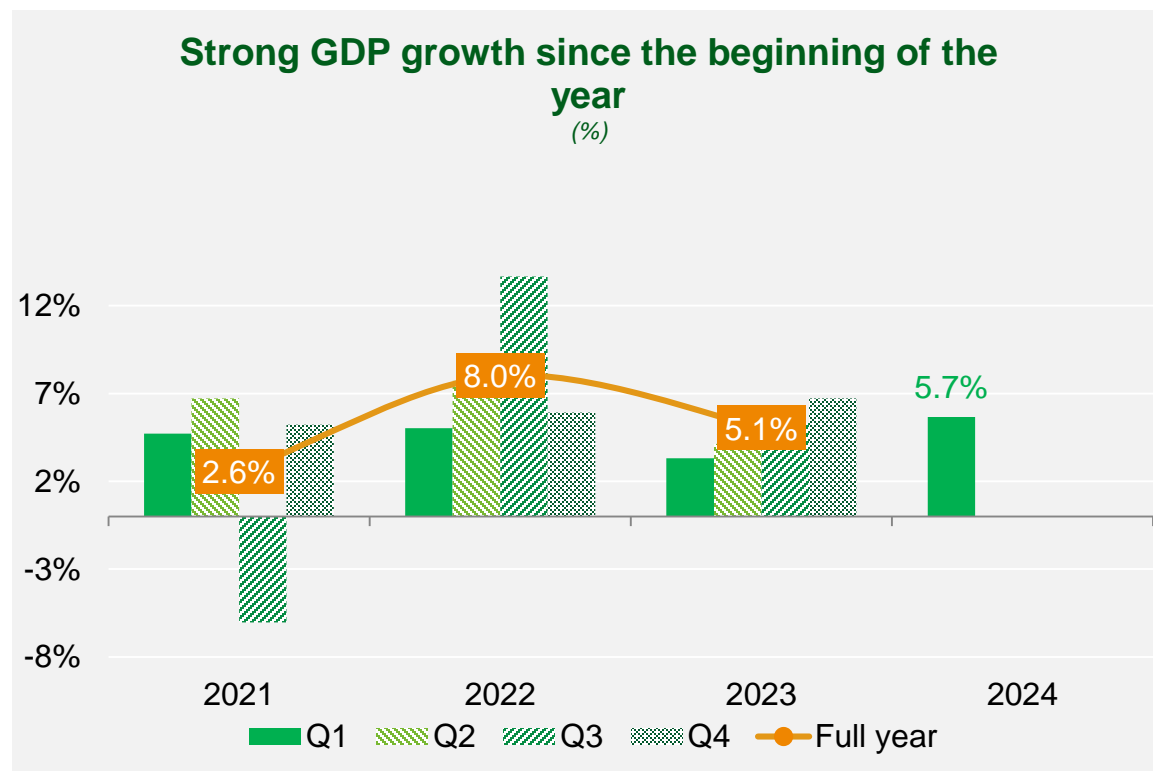
Source: Refinitiv

The first quarter GDP growth rates of major economies (%)



CPI of major economies (%)





FINANCIAL PERFORMANCE

Q1/2024

02

TOI
2,287 bn
 ▲ 9.4% yoy

PBT
1,214 bn
 ▲ 23.5% yoy

Total Assets
236,980 bn
 ▼ -1.3% ytd

Total M1 Credit
153,270 bn
 ▲ 3.6% ytd

Total M1 Mobilization
163,401 bn
 ▼ -2.8% ytd

NPL ratio (SBV)
2.17%
 Compliance

NIM
3.25%
 ▼ -0.6% yoy

CIR
37.98%
 ▲ 1.4% yoy

LDR (SBV)
75.82%
 Compliance

ROAE
12.21%
 ▼ -2.5% yoy

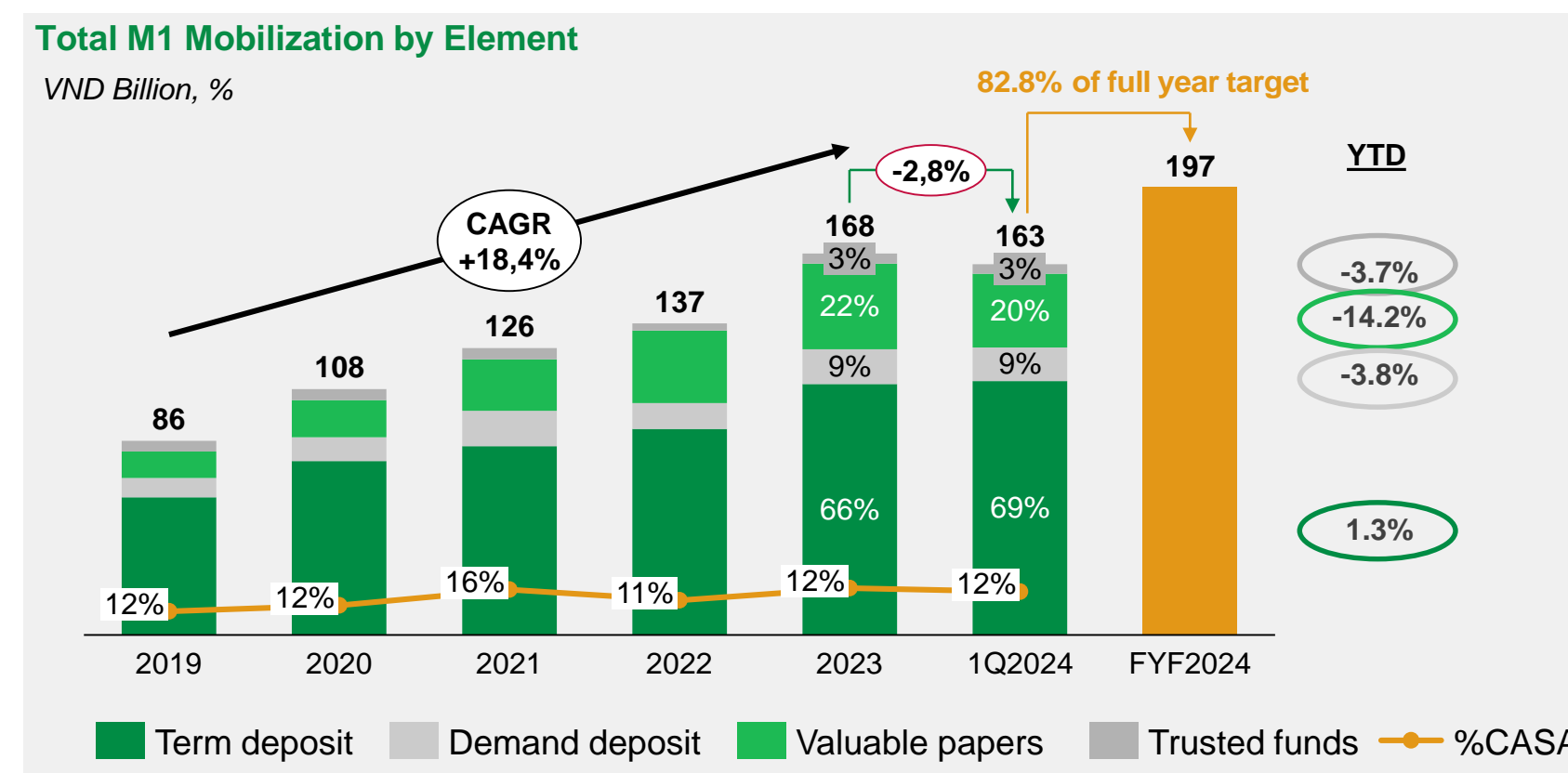
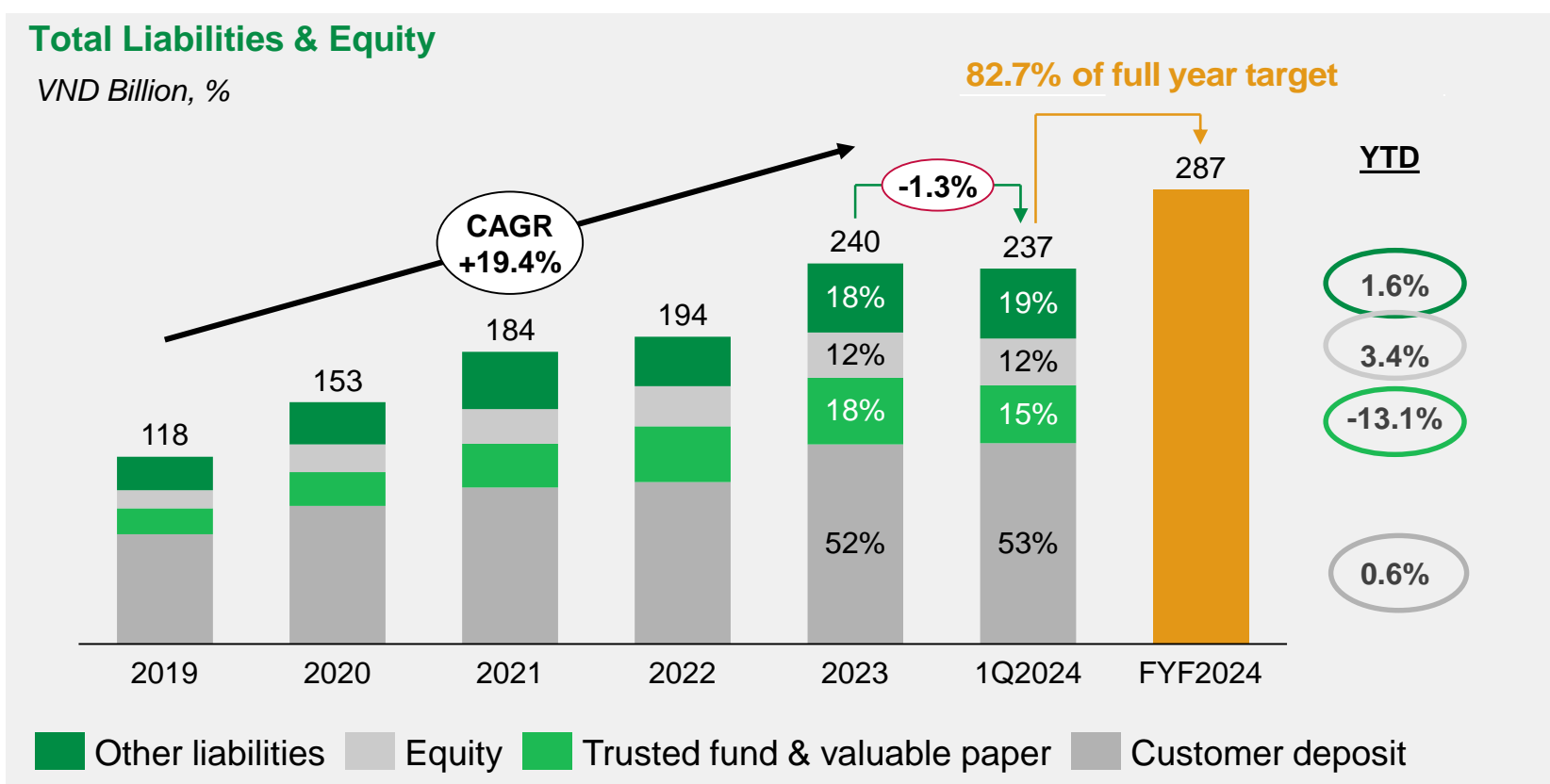
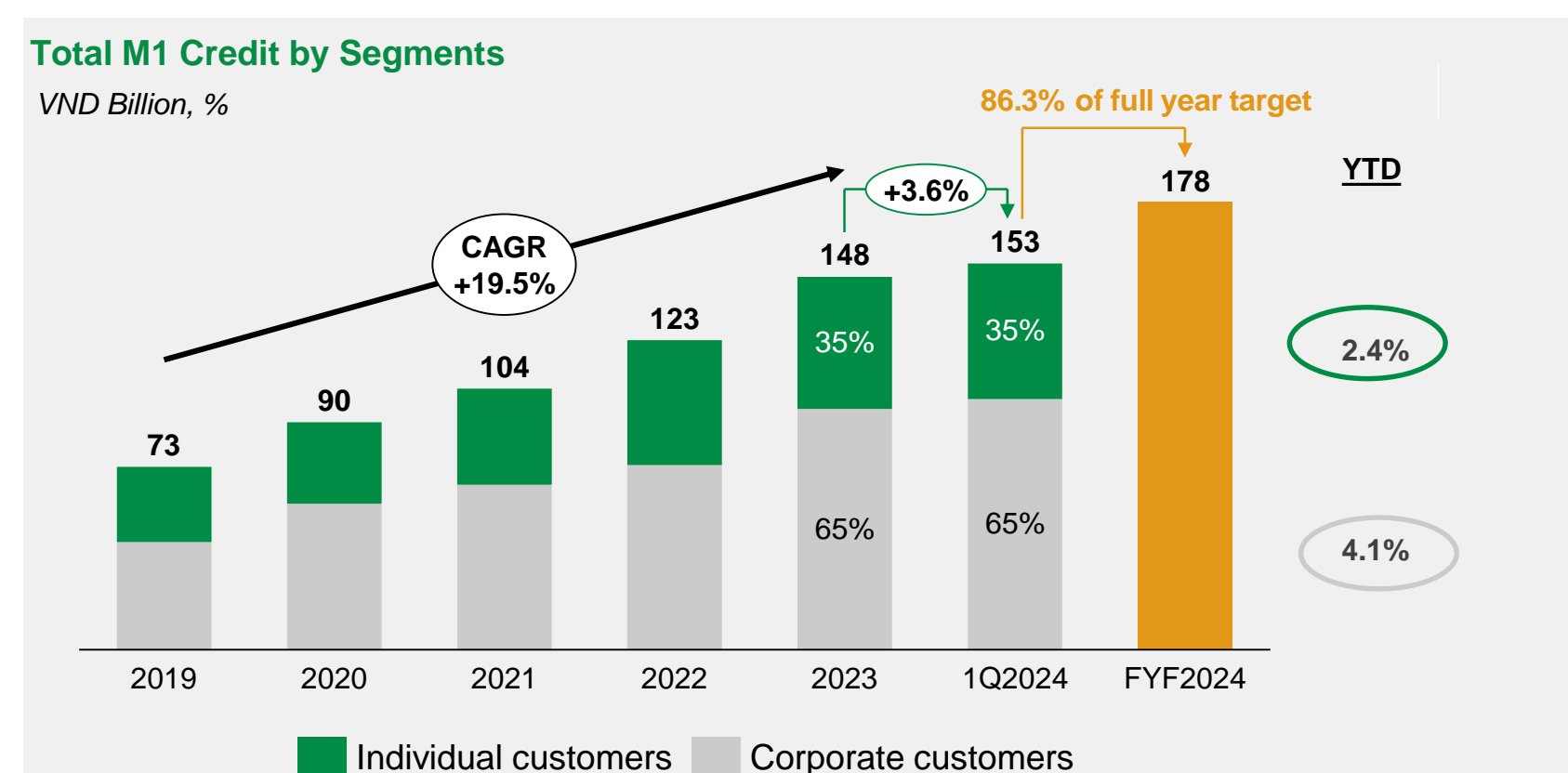
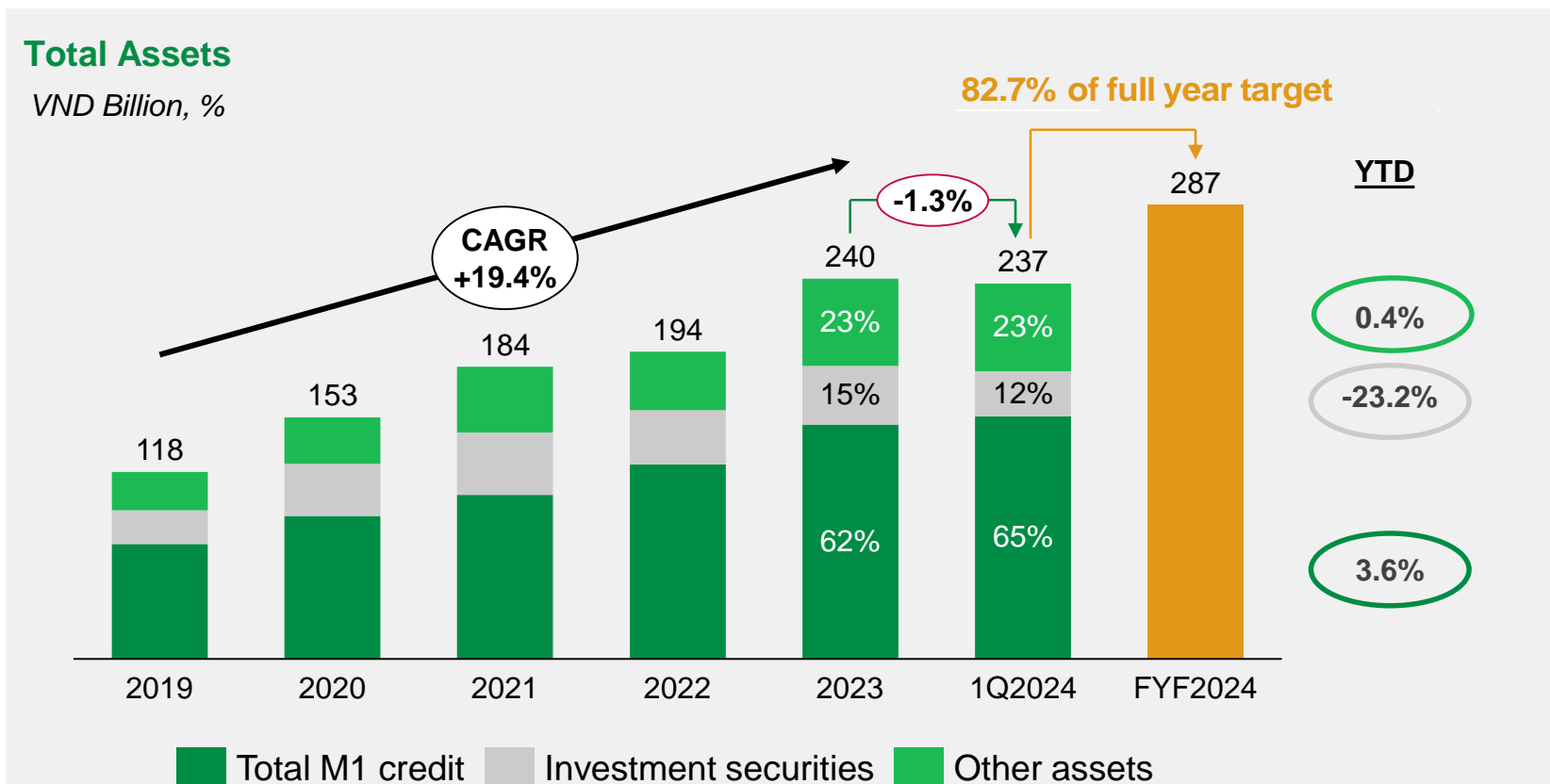
ROAA
1.53%
 ▼ -0.3% yoy

Unit: VND billion, %

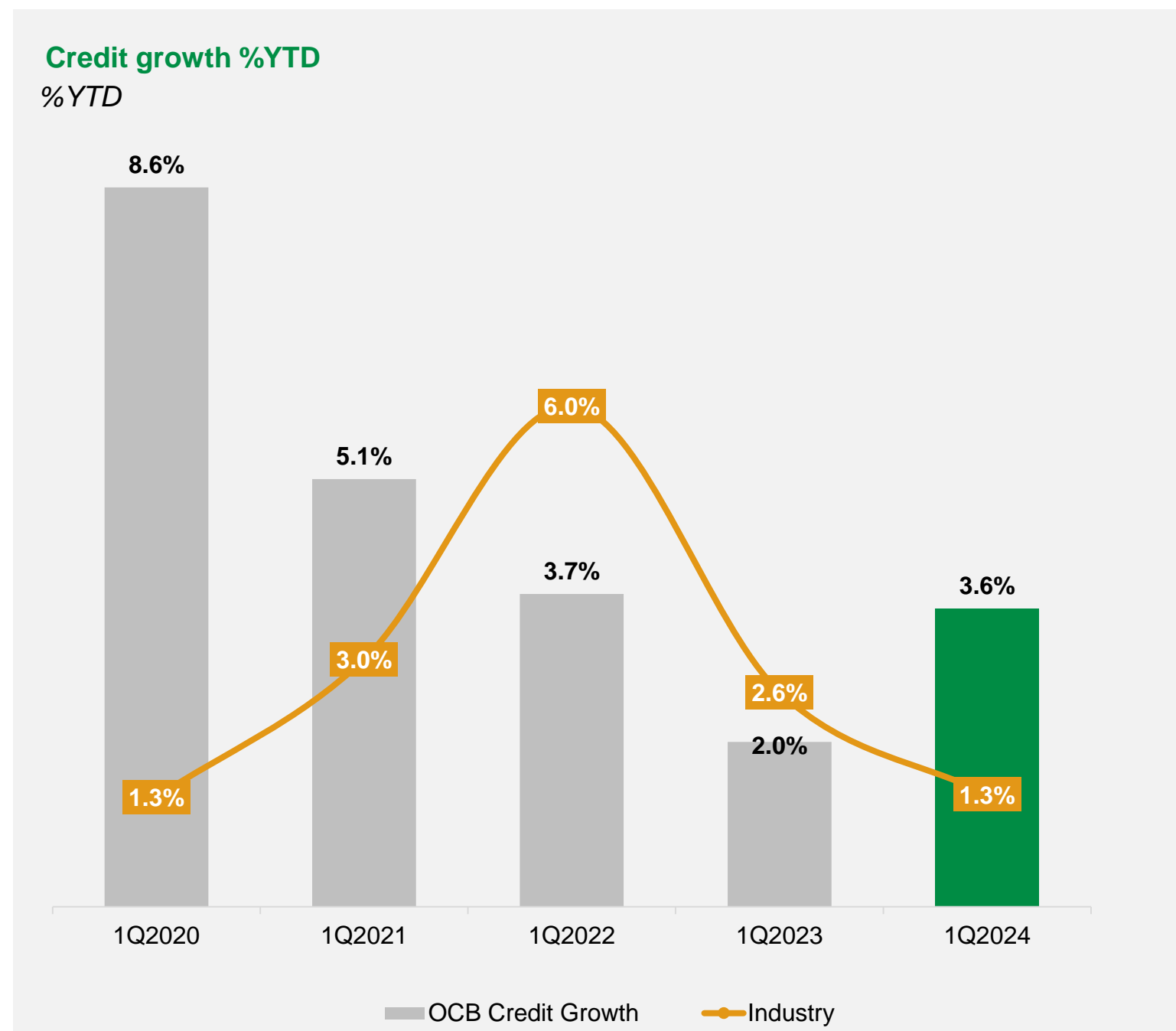
		1Q2024	2023	YTD
Assets & Liabilities	Total Assets	236,980	240,114	-1.3%
	Total M1 Credit	153,270	148,005	3.6%
	Total M1 Mobilization	163,401	168,112	-2.8%
	Total Equity	29,496	28,536	3.4%
		1Q2024	2023	YTD
Risk Ratios	NPL ratio (SBV)	2.17%	2.02%	Compliance
	LDR (SBV)	75.82%	73.66%	Compliance
	ST-funding for MLT lending	28.26%	23.94%	Compliance
	LRR	19.84%	20.35%	Compliance
	CAR	14.25%	13.30%	Compliance
		1Q2024	1Q2023	YoY
Profit & Loss	TOI	2,287	2,090	9.4%
	NII	1,901	1,751	8.6%
	NFI	120	123	-3.1%
	Other Non-NII	267	216	23.4%
	Operating expenses	869	764	13.7%
	Credit provision	204	343	-40.5%
	PBT	1,214	983	23.5%
		1Q2024	1Q2023	YoY
Efficiency Ratios	NIM	3.25%	3.88%	▼
	CIR	37.98%	36.54%	▲
	ROAE	12.21%	14.75%	▼
	ROAA	1.53%	1.87%	▼

Source: OCB's Q1/2024 consolidated financial statements

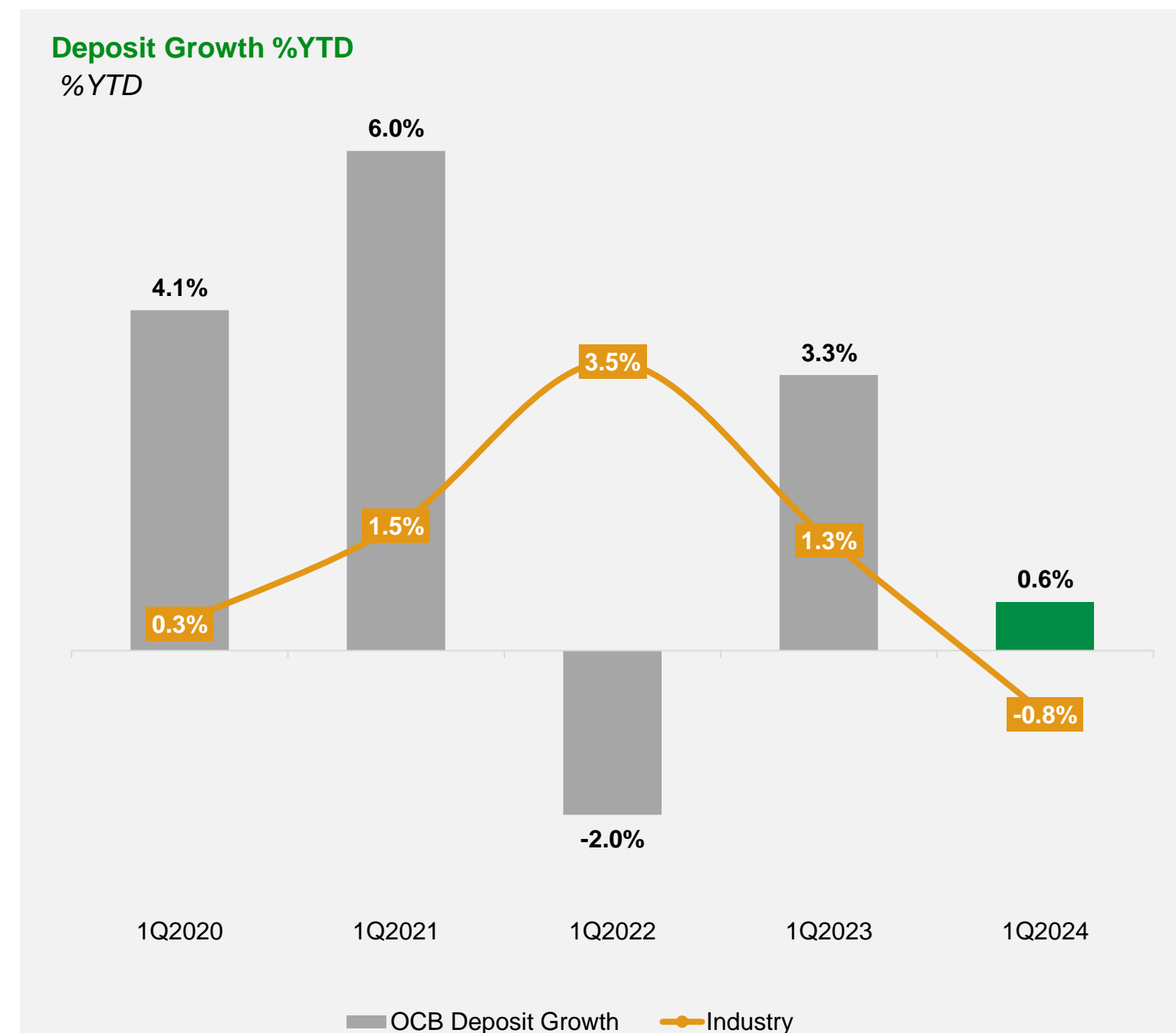
- OCB optimized its Balance Sheet toward high-yield assets with a credit growth of 3.6% ytd and scaled down its Investment Securities outstanding given unfavorable condition for Government Bond trading.



- OCB has maintained outstanding credit and deposit growths compared to the whole banking industry, thanks to its focus on appropriate segments.



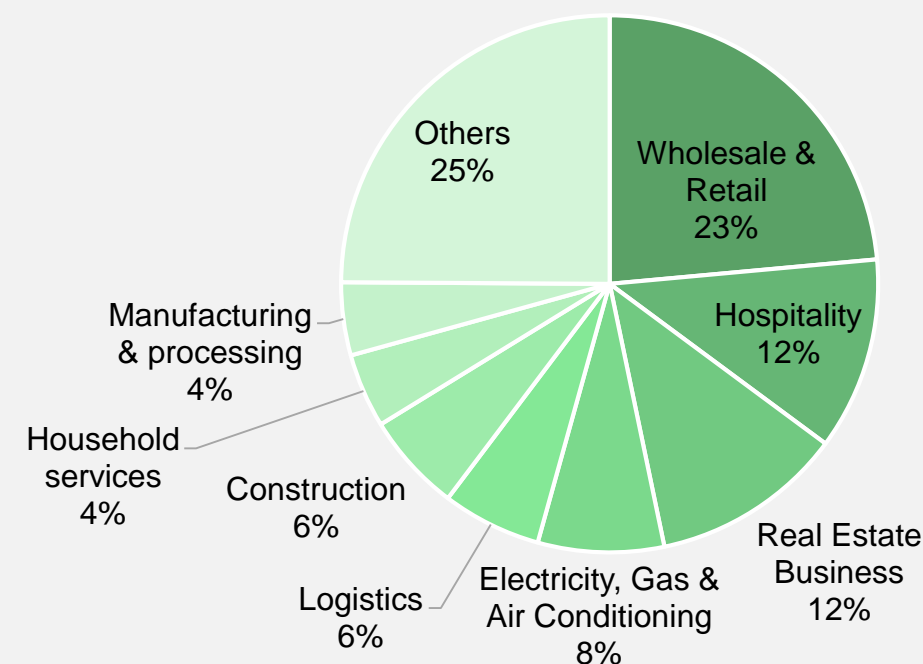
Note: Industry's credit growth as at 29 March 2024



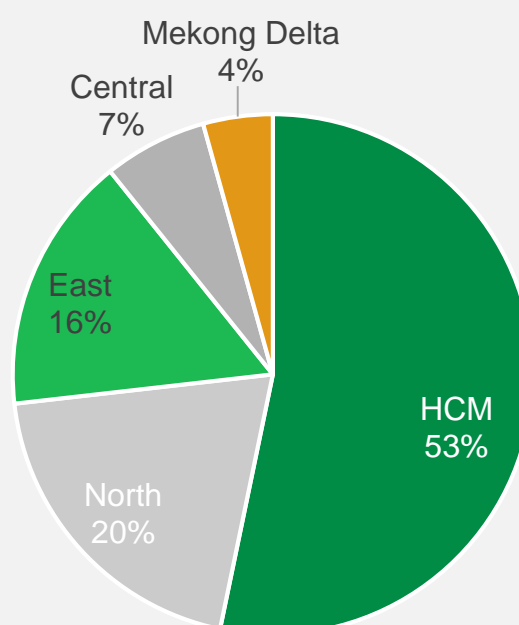
Note: Industry's deposit growth as at 25 March 2024

- Asset risk is well-controlled by proactively managing problematic loans and diversifying borrower profiles, in which supports to mitigate downside risks from adverse economic condition.
- NPL ratio was slightly up QoQ, in line with the whole industry.

LOAN BY SECTORS

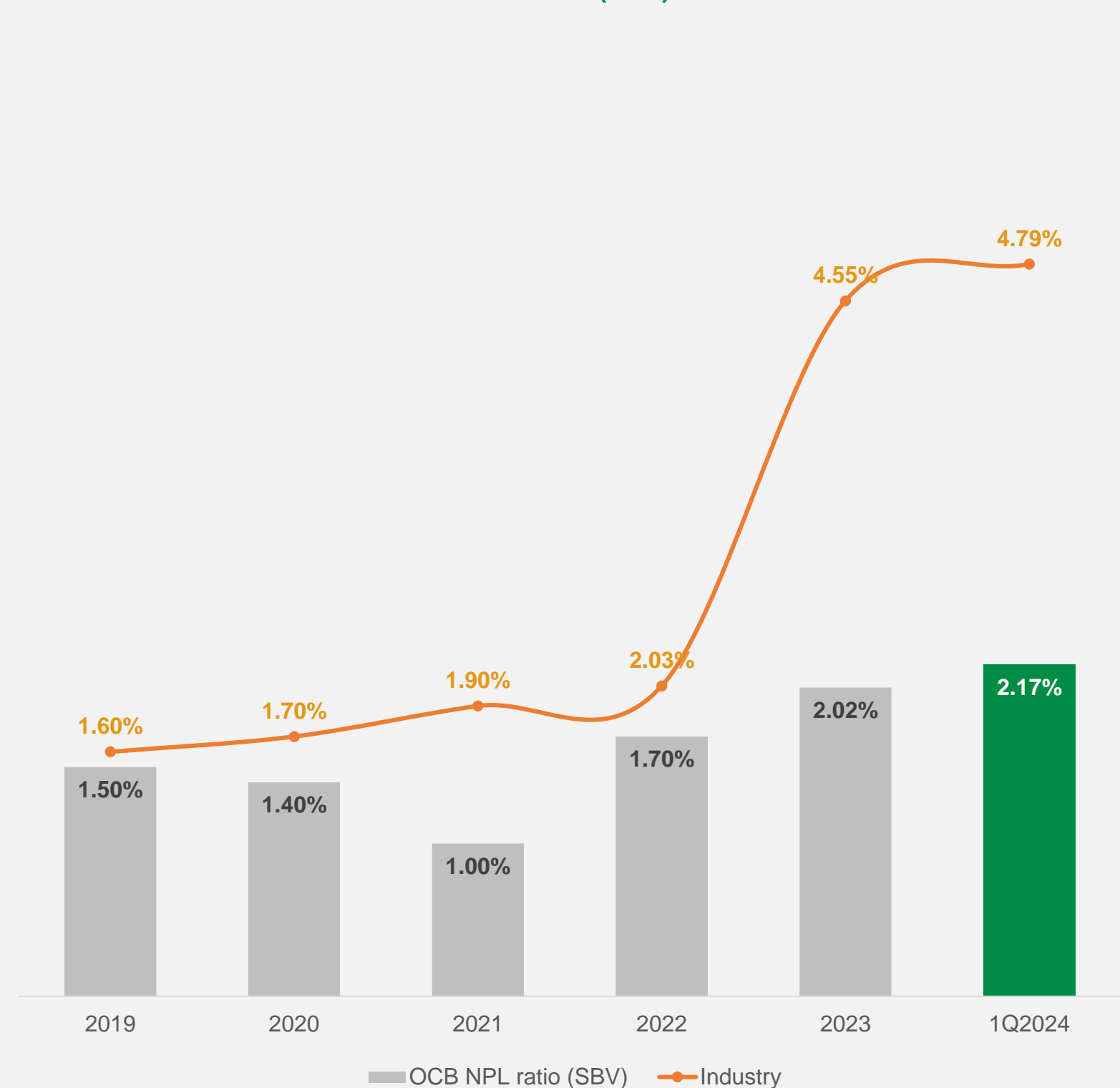


LOAN BY REGIONS



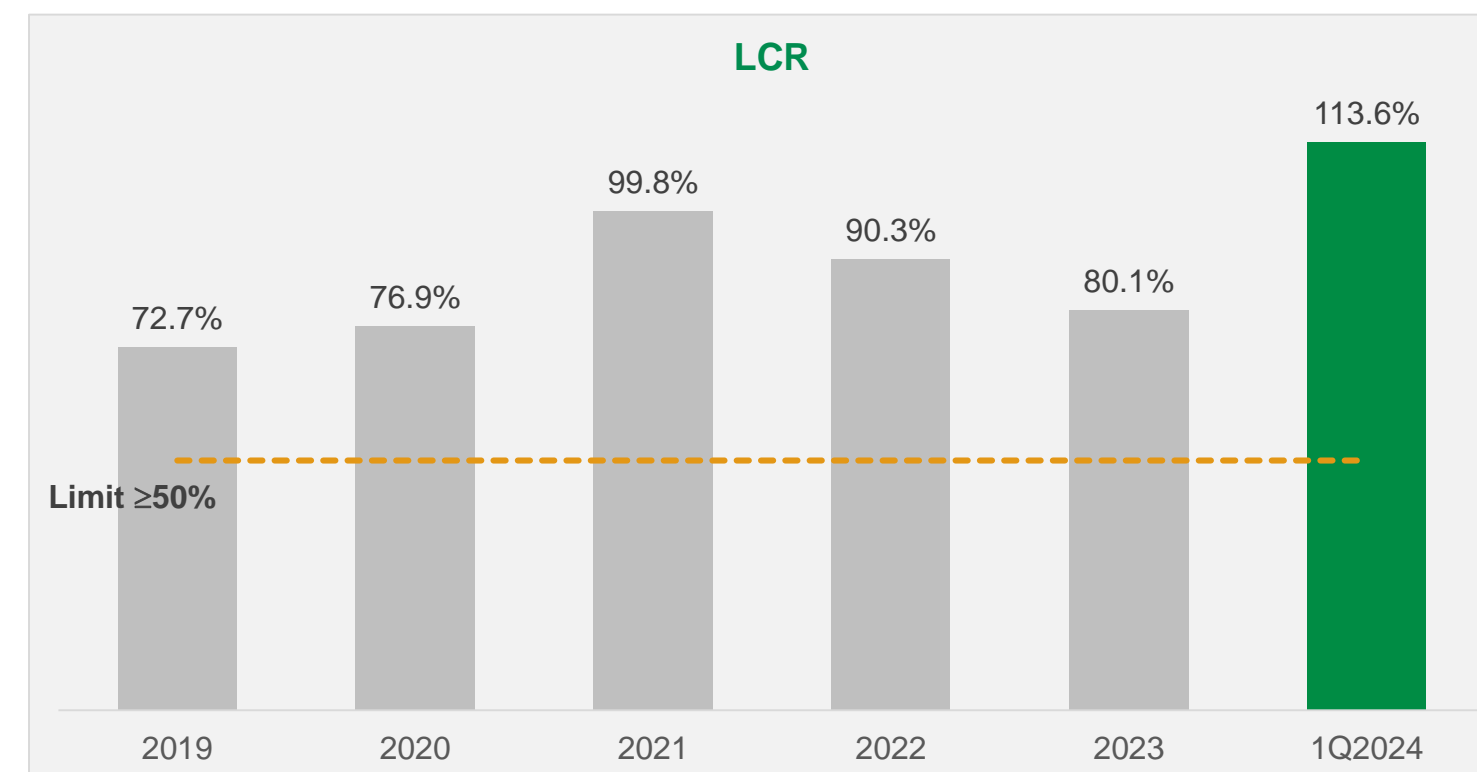
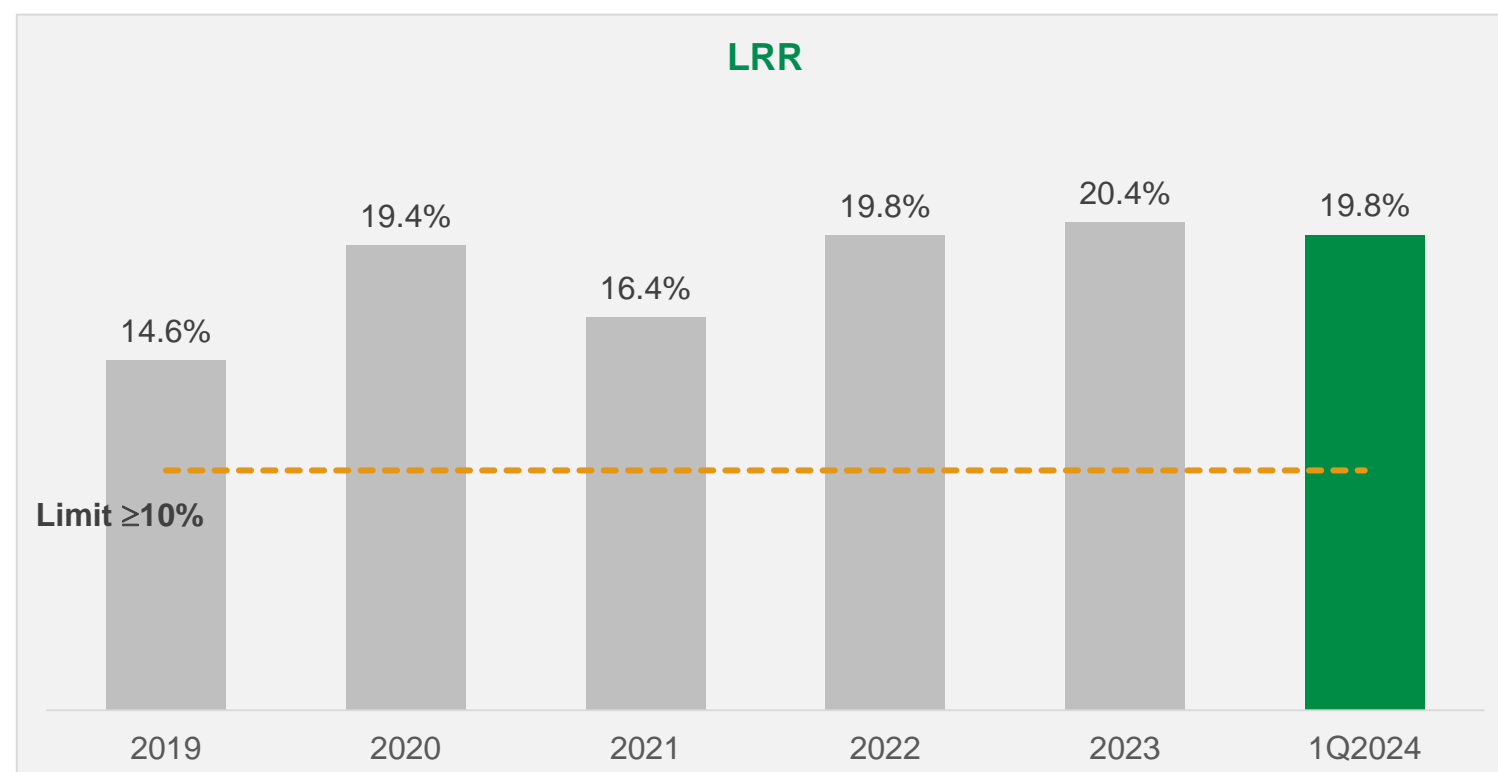
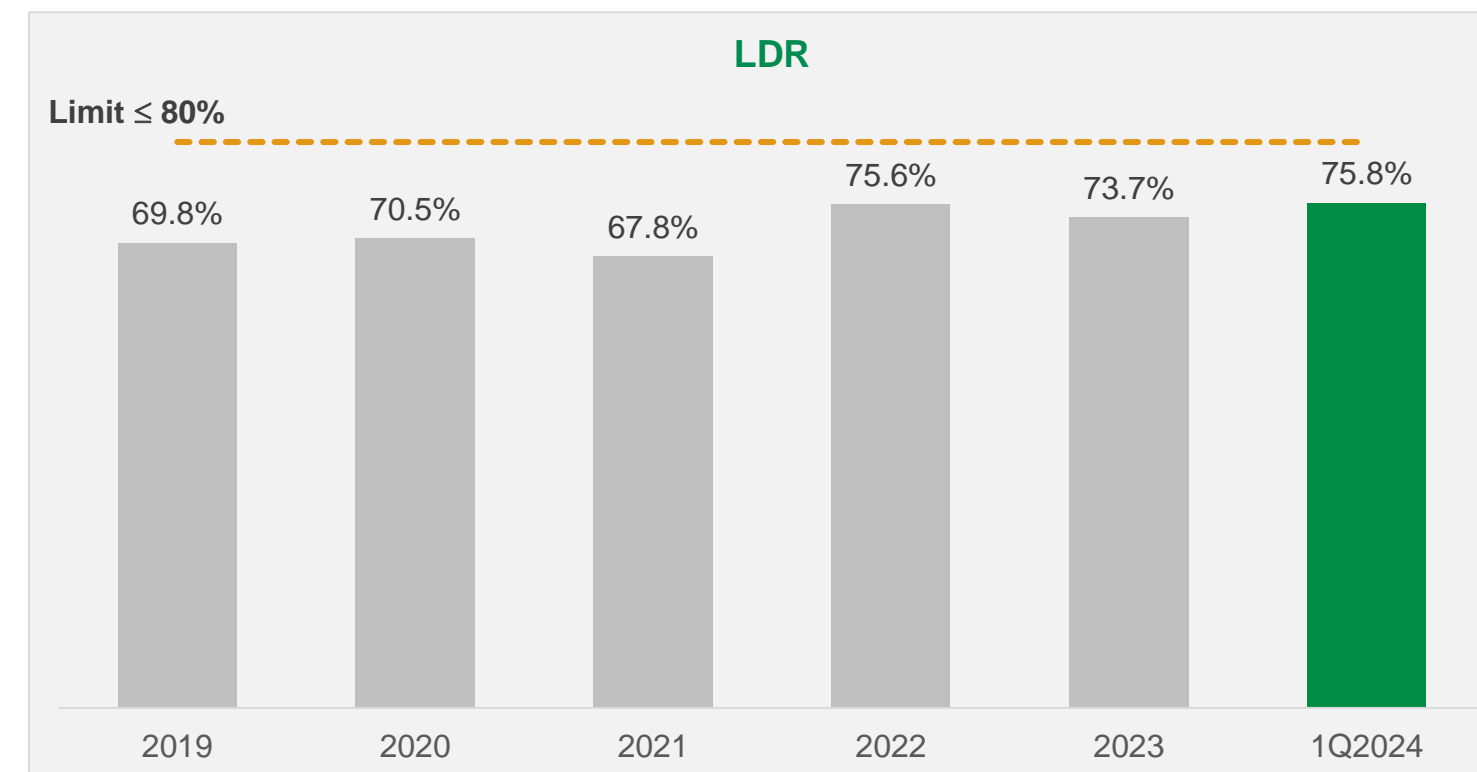
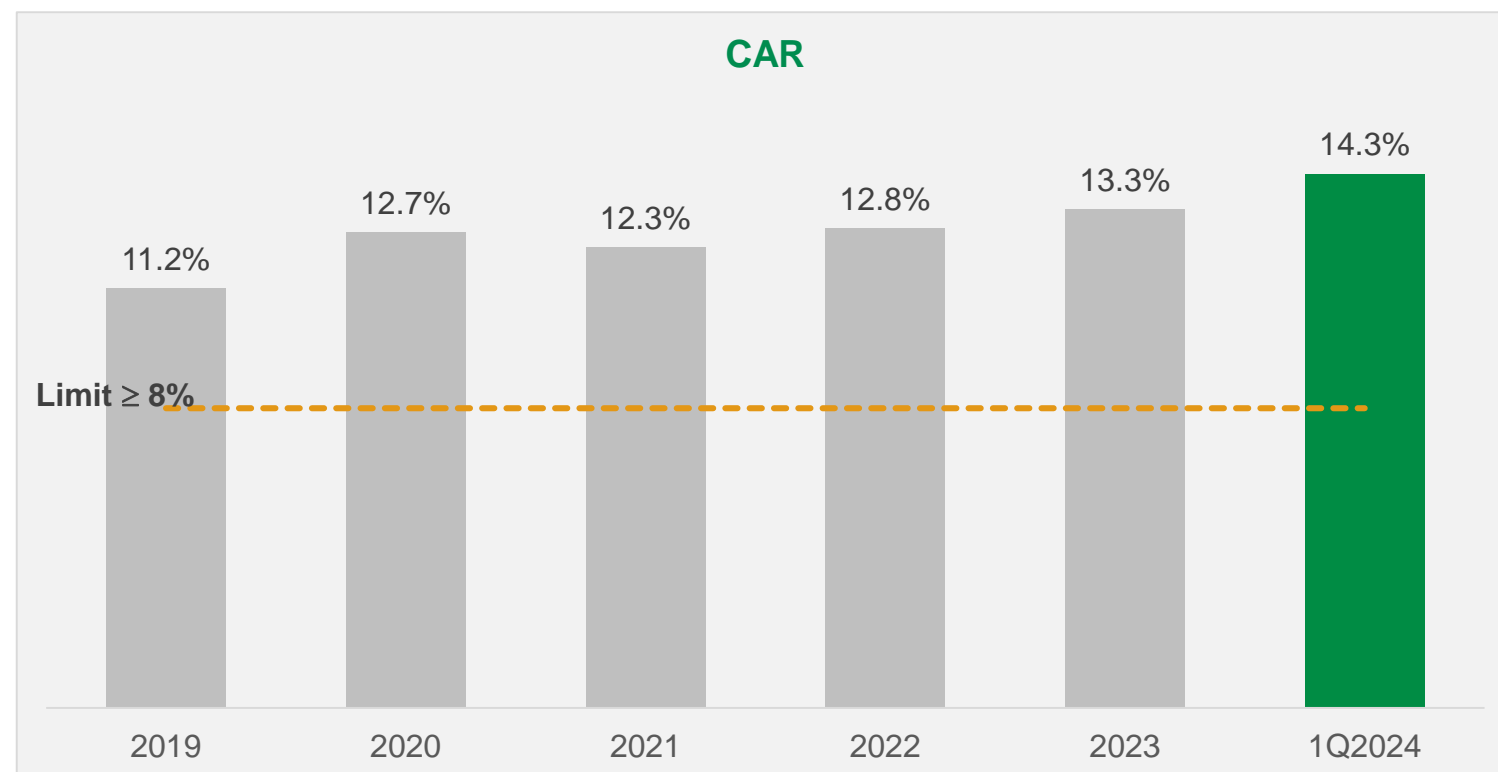
Source: OCB's Q1/2024 consolidated financial statements

NPL ratio (SBV)



Note: Industry's NPL as at 31 January 2024

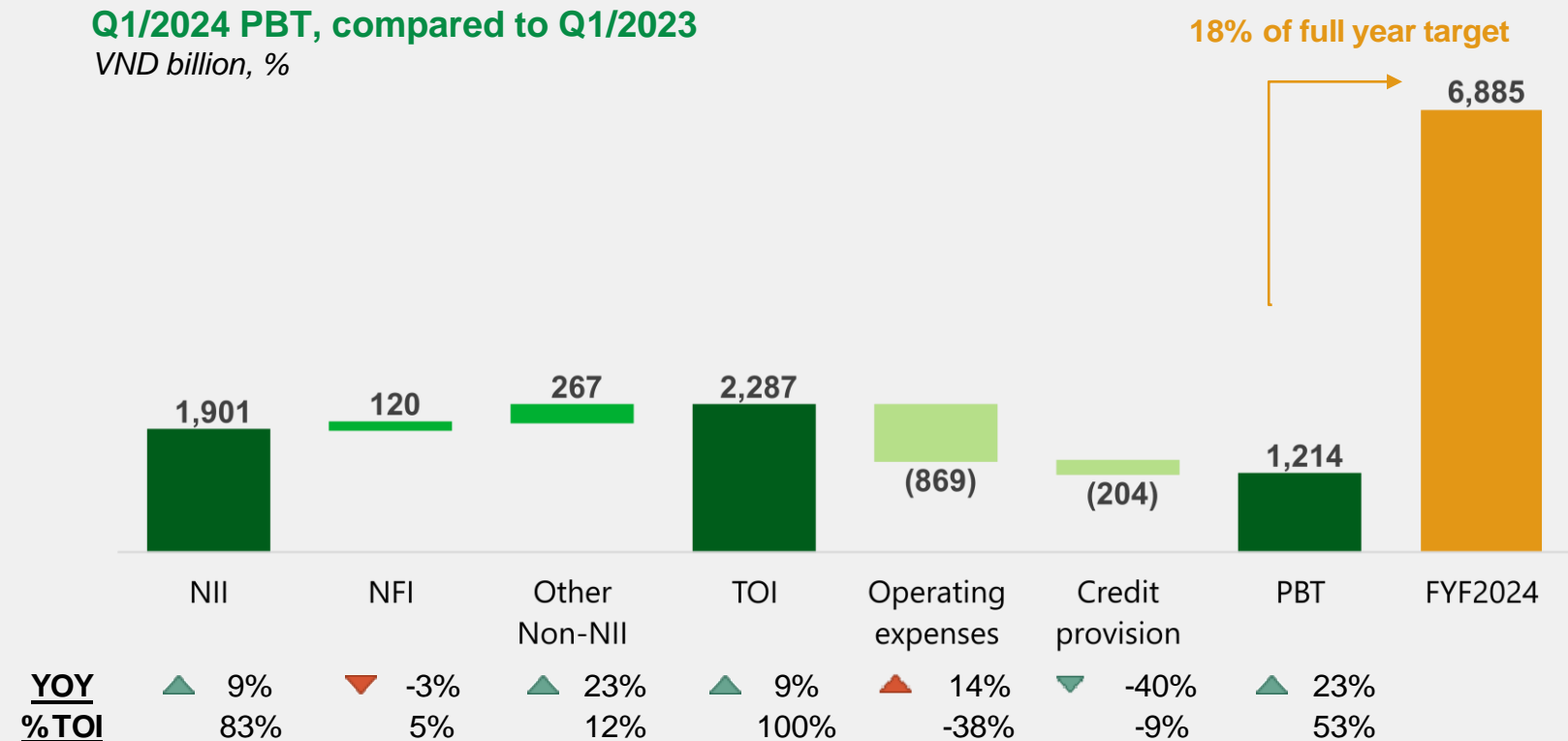
- Stably strong capital adequacy and steadily high liquidity ratios, which are supported by sufficient liquid assets.



- TOI increased by 9% yoy, mostly driven by growth in both NII and Non-NII, respectively up 9% yoy and 14% yoy.
- PBT grew by 23.5% yoy thanks to resilient TOI improvement and significant retreat of credit provision expenses.

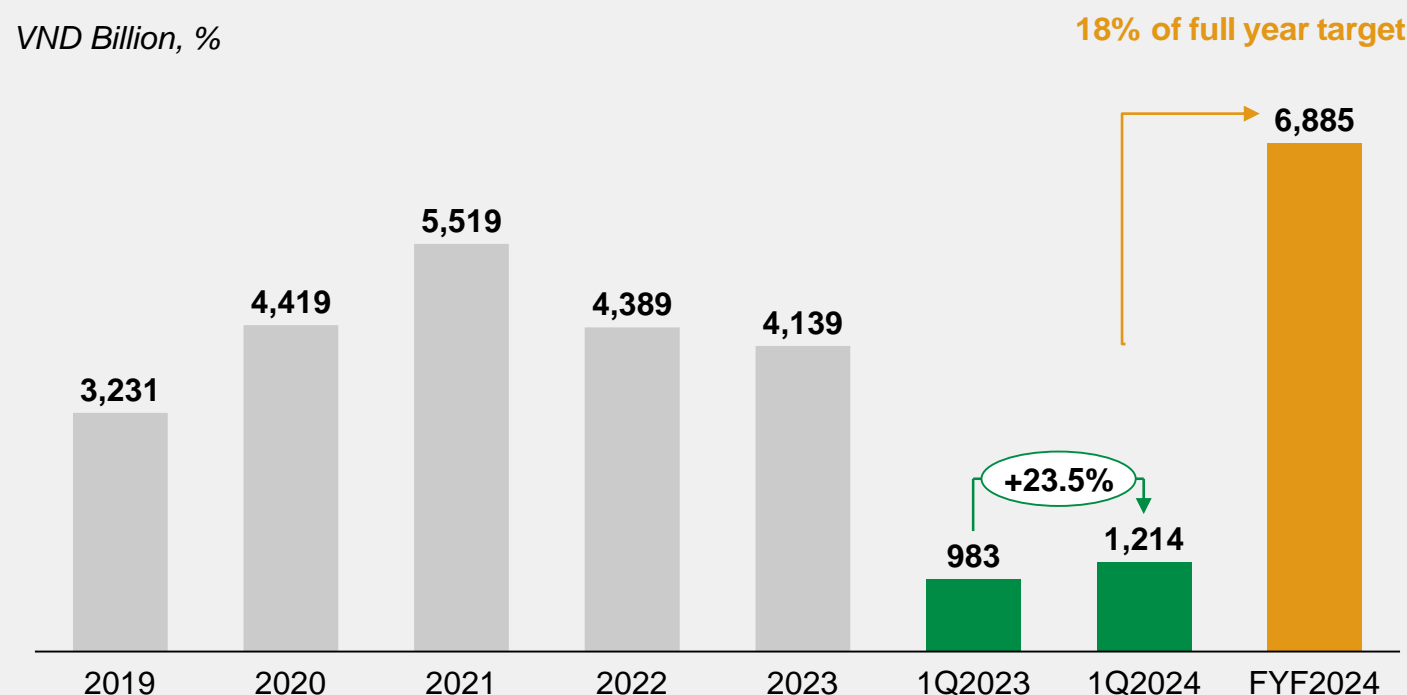
Q1/2024 PBT, compared to Q1/2023

VND billion, %



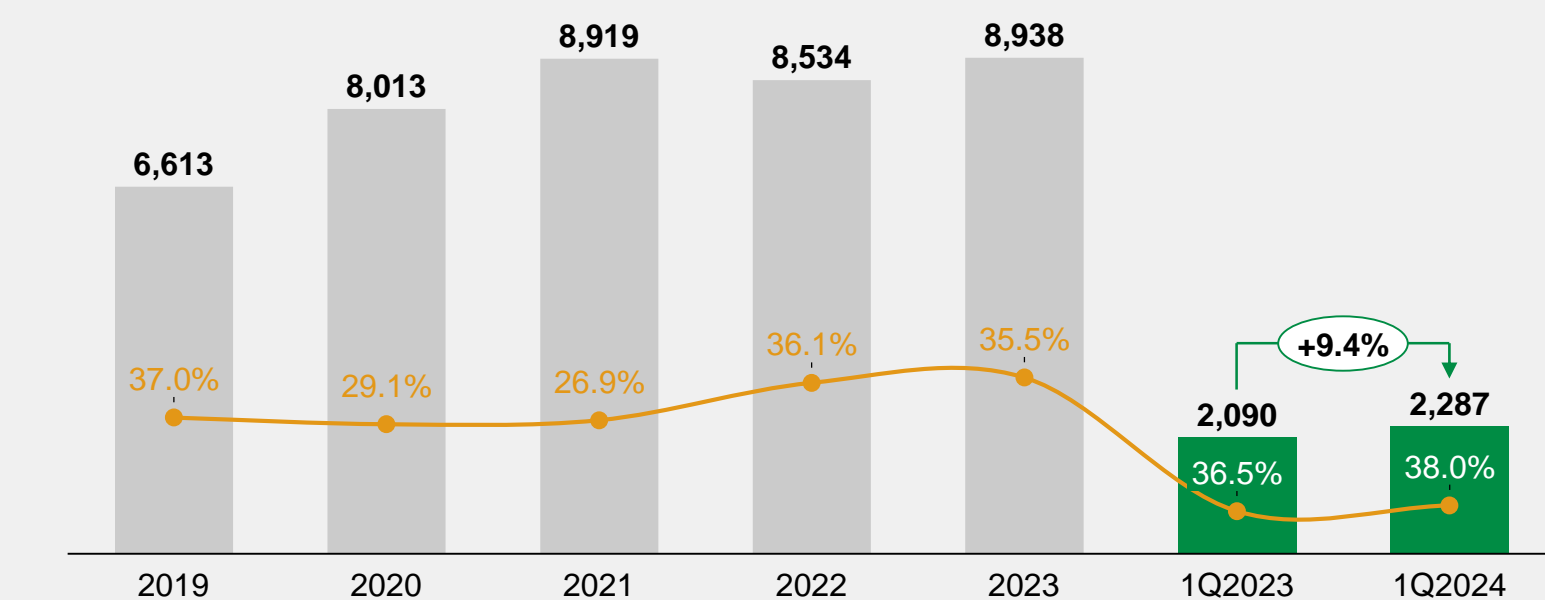
PBT in Q1/2024

VND Billion, %



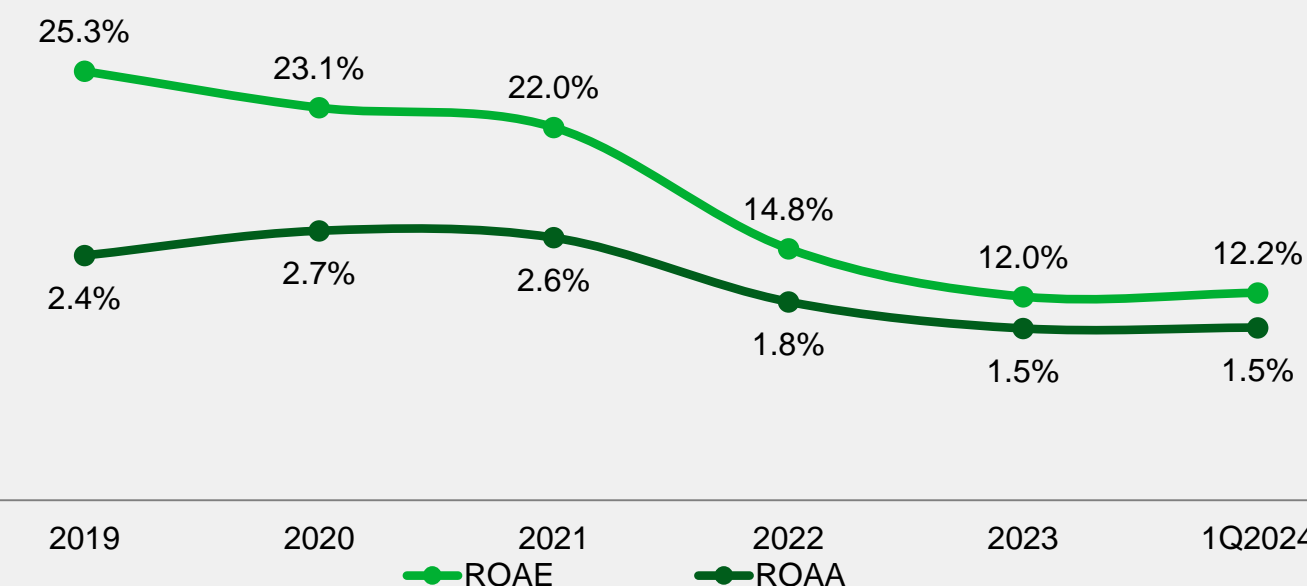
TOI and CIR

VND Billion, %



Efficiency (LTM)

%

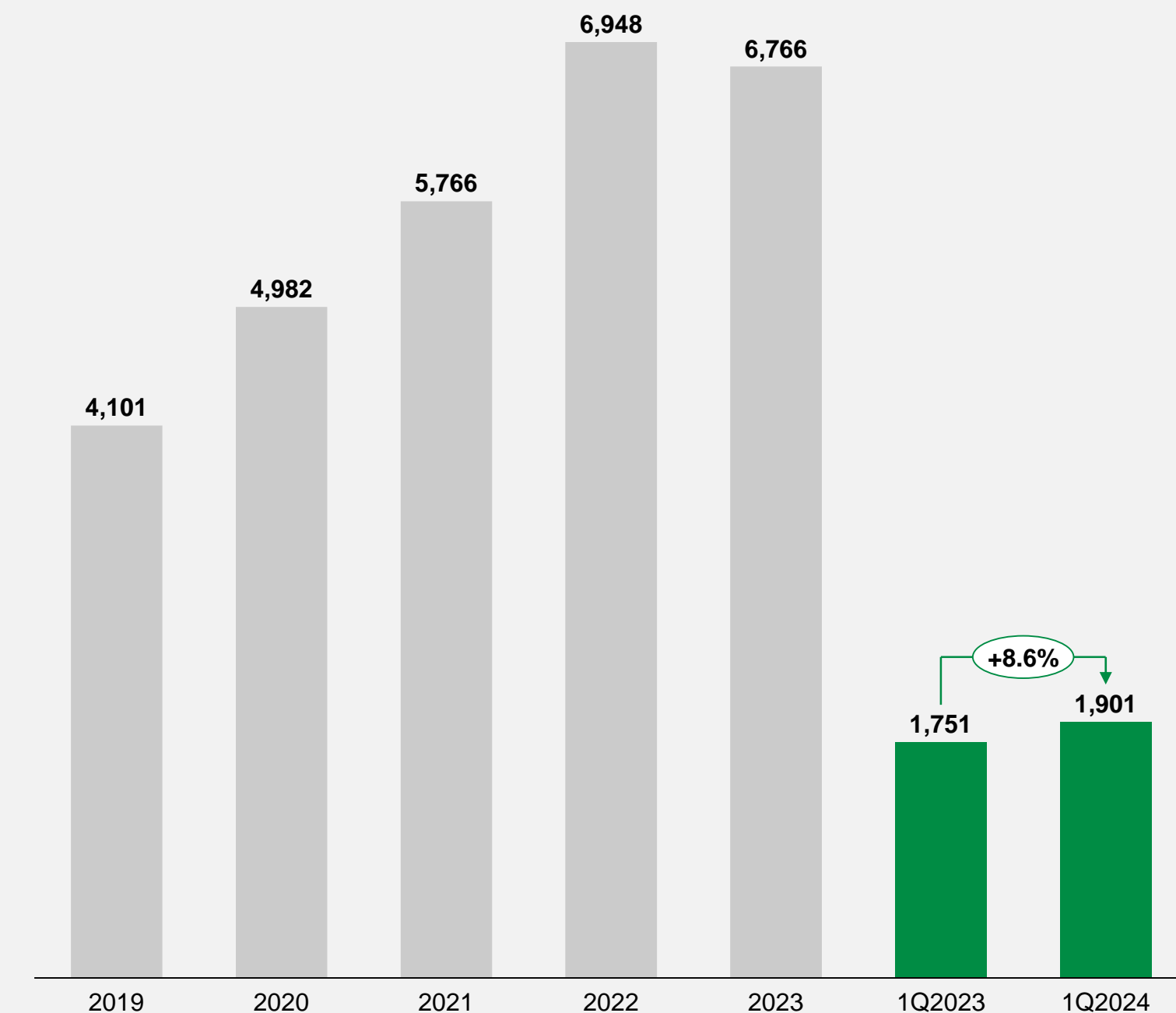


Source: OCB's Q1/2024 consolidated financial statements

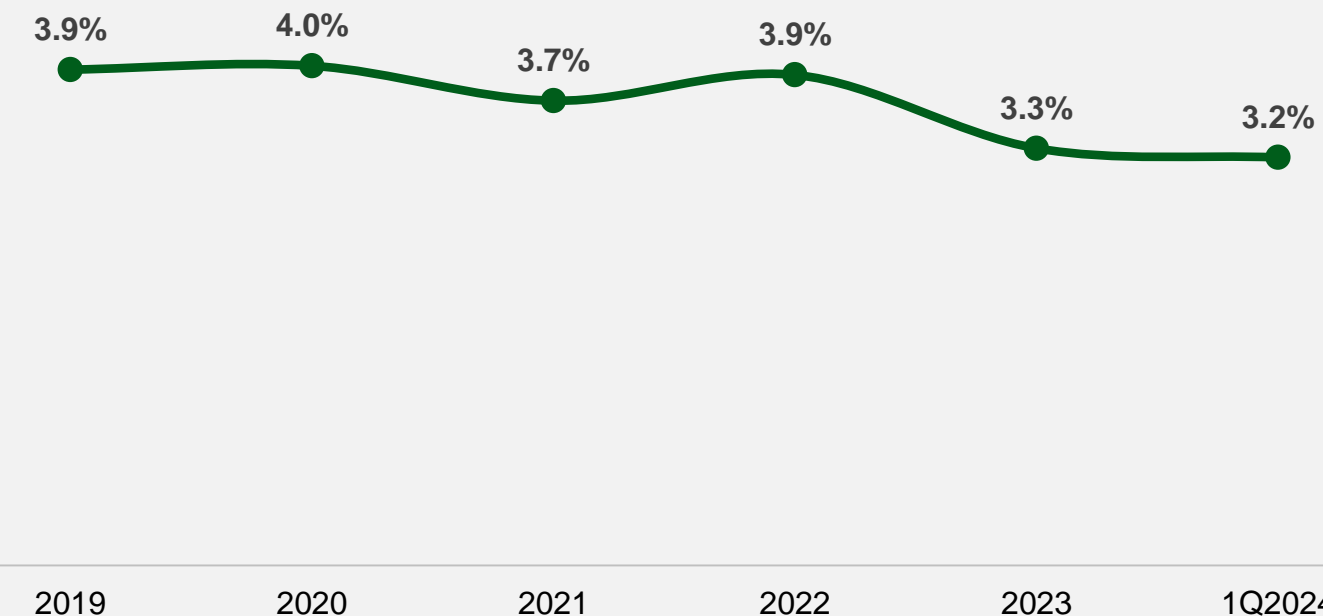
➤ Net interest income advanced by 8.6%yoy, reaching VND 1,901 billion with a flat NIM as compared to 2023-end.

NII

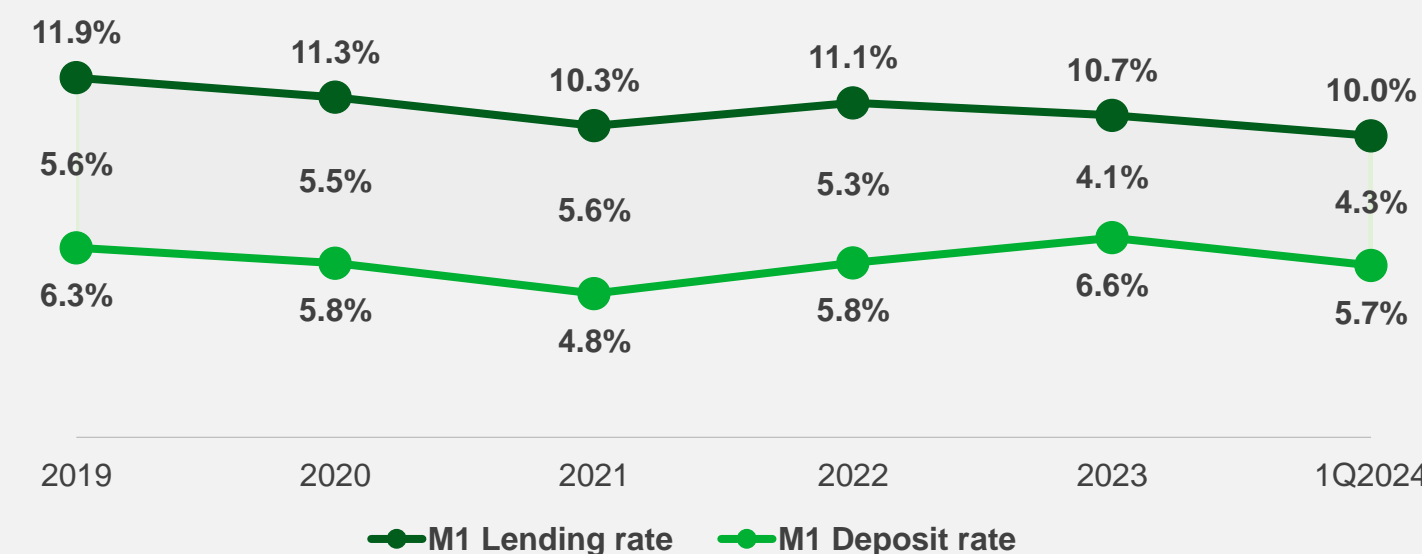
VND Billion, %



NIM (LTM)



M1 lending and deposit spread (YTD)

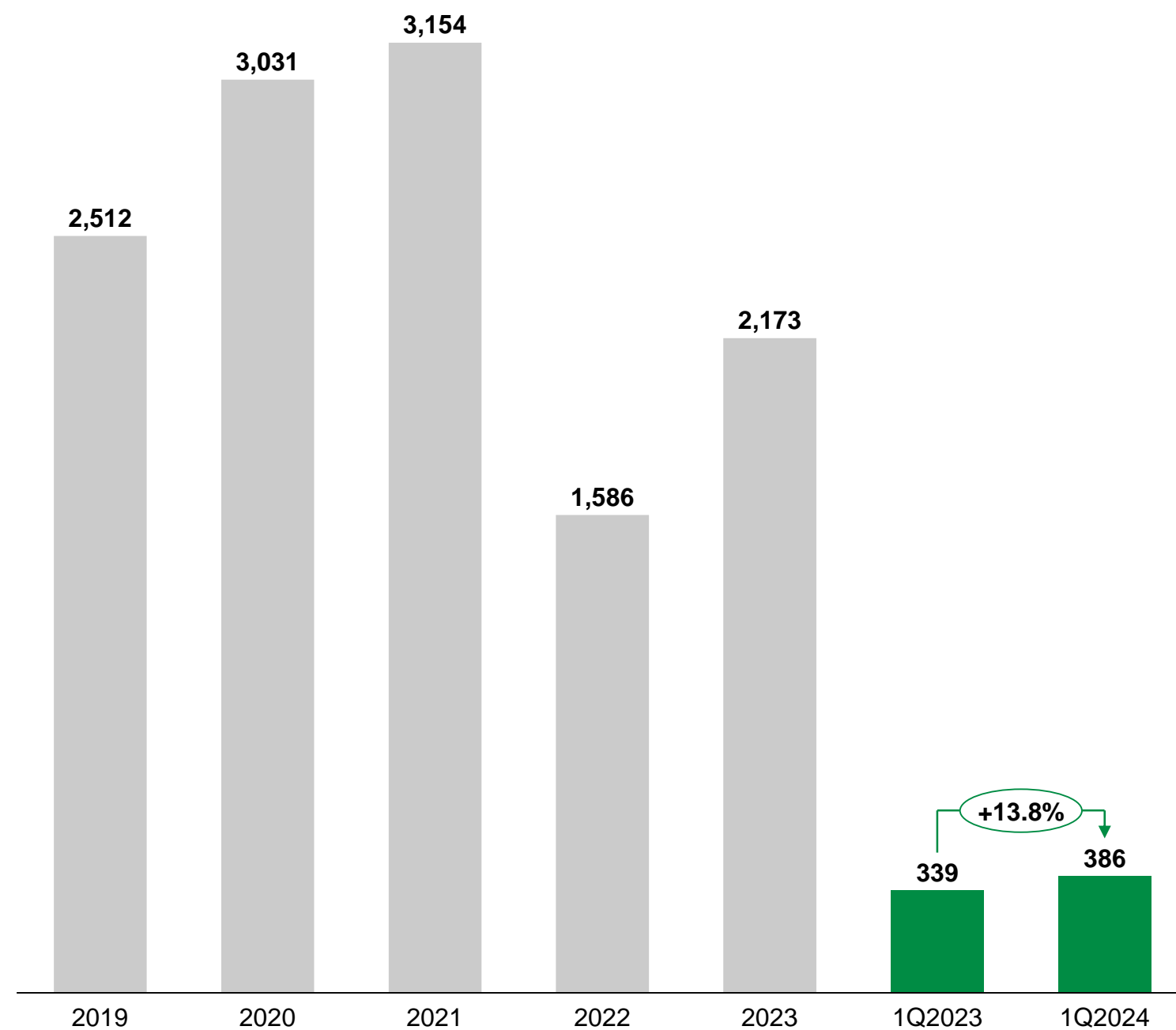


Source: OCB's Q1/2024 consolidated financial statements

- Healthy Non Interest Incomes from card services (+31%), FX gains (+140%) offset the weak results of Gain from securities investment.

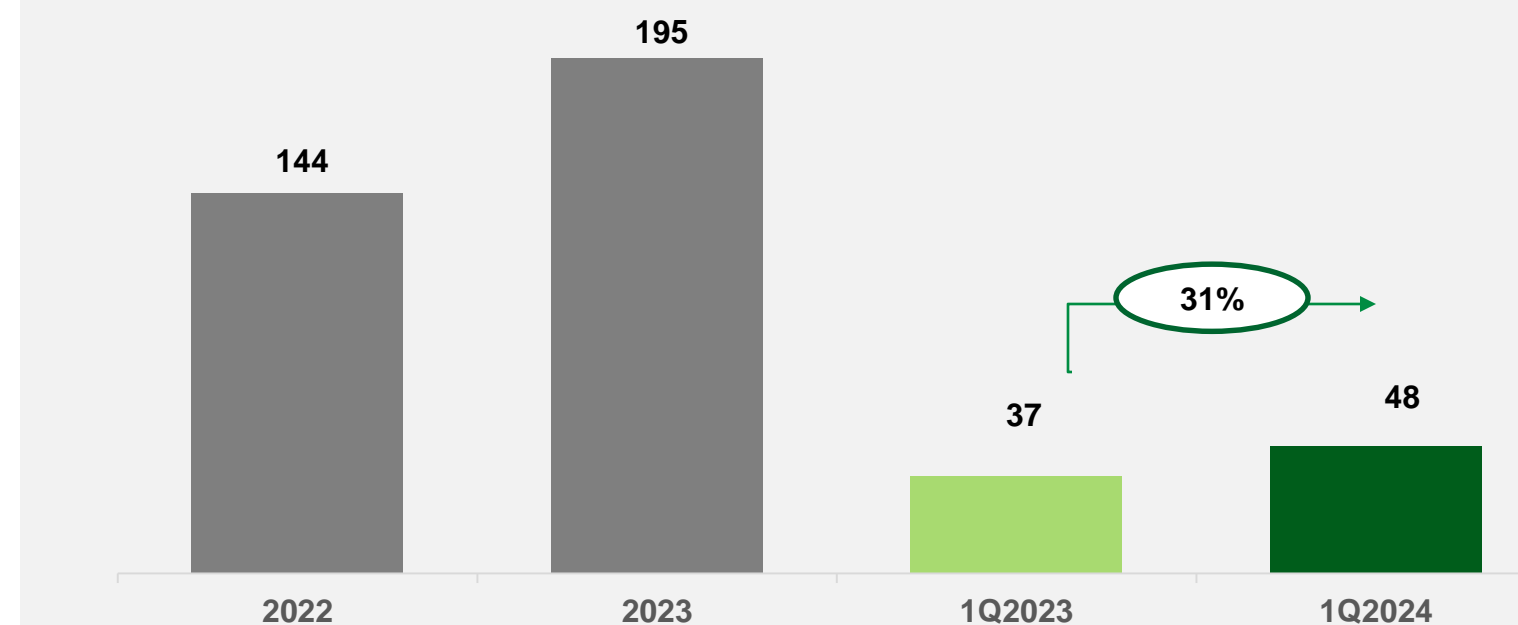
Non-NII

VND Billion, %



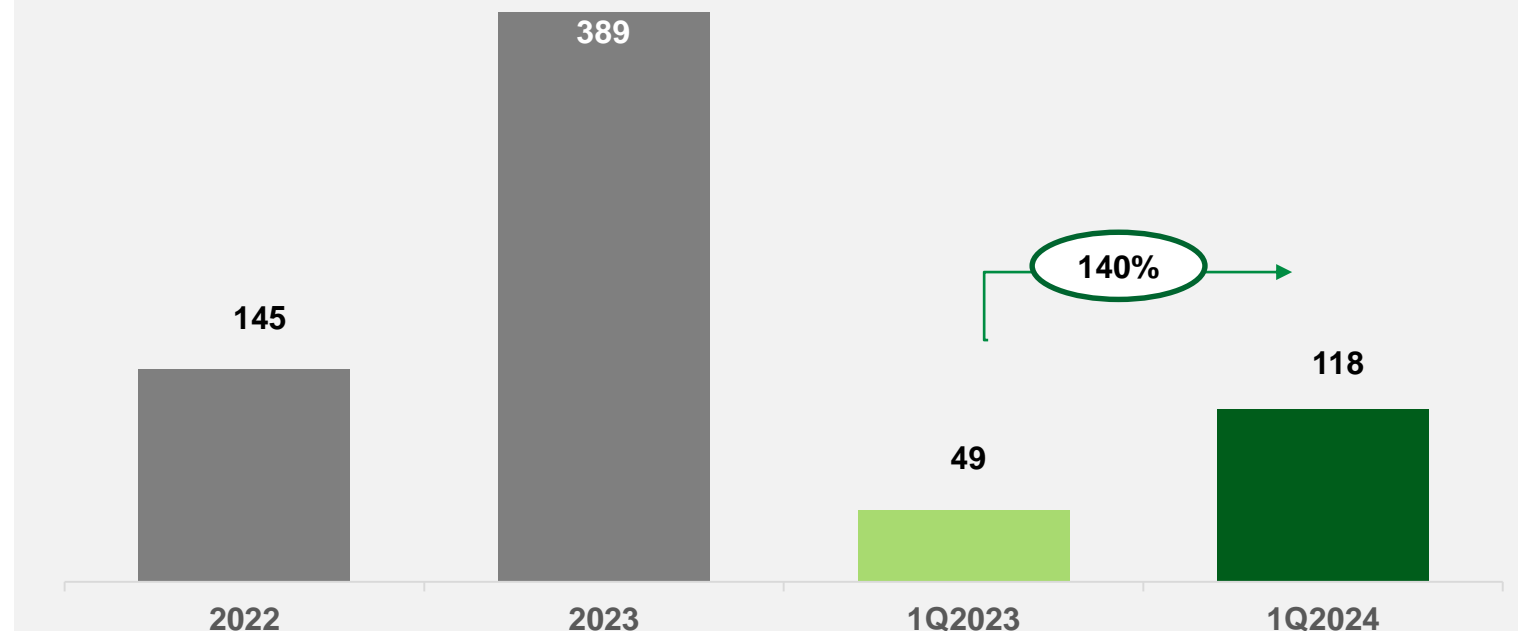
Card Services

VND Billion



FX Trading

VND Billion



2024 OUTLOOK AND STRATEGY

03

OPPORTUNITIES

2024F GDP 6% – 6.5%

In the first quarter of 2024, Vietnam's GDP reached 5.7%, marking the highest quarterly growth rate in the past four years. This marked a solid foundation for the whole year target achieved by:

- Well-controlled inflation rate, which sets the stage for a more solid economic growth
- Boosting public investment is the main objective to achieve GDP growth in 2024

Economic Development Focus

2024F Credit +15%

- The Prime Minister has directed commercial banks to continue cutting costs and strive to reduce interest rates for easy capital access to boost credit growth toward production, business, priority sectors, and growth drivers.
- Global economic recovery will boost consumer demand positively, thereby facilitating the development of production and exports in Vietnam.

Monetary Policy for Economic Growth Facilitation

Well-Controlled Inflation

2024F CPI 4%-4.5%

Despite the pressure on prices, as reflected in the Consumer Price Index (CPI) during the first four months of the year, the pressure is not yet cause for serious concern. The average inflation rate for the first four months increased by 3.93%, remaining within a manageable range. It is anticipated that inflation can still be kept within the target range of 4% to 4.5%, as set by the National Assembly.

CHALLENGES

Global Macroeconomics

- The geopolitical situation continues to be complicated, causing obstacles in the transportation of goods for export-import activities, thereby increasing the risk of inflation resurgence.
- Energy and food security remain concerned; climate change-induced disasters affect production and business.
- Monetary policy may not meet previous expectations, with the possibility of the Fed extending the period of monetary tightening.

Exchange Rate and NPL Pressure

- The prolonged delay of Fed interest rate cuts keeps the DXY index anchored at high levels. As a result, the exchange rate continues to face significant pressure while the USD demand for imports continues to rise to serve local production and business needs.
- Besides, Non-performing loans continue to impede the banking industry's growth.

Weak Real Estate Recovery

Despite the government's efforts to alleviate property developers' sufferings, the real estate market may not be bounced back. The process of resolving legal issues related to projects is ongoing, and challenges persist in real estate business activities.



Total Assets
~ ↑ **19%**



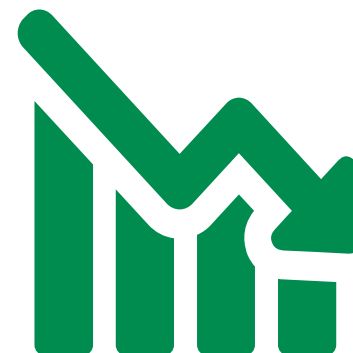
Total M1 Credit
~ ↑ **20%**



Total M1 Mobilization
~ ↑ **17%**



Profit Before Tax
~ ↑ **65%**

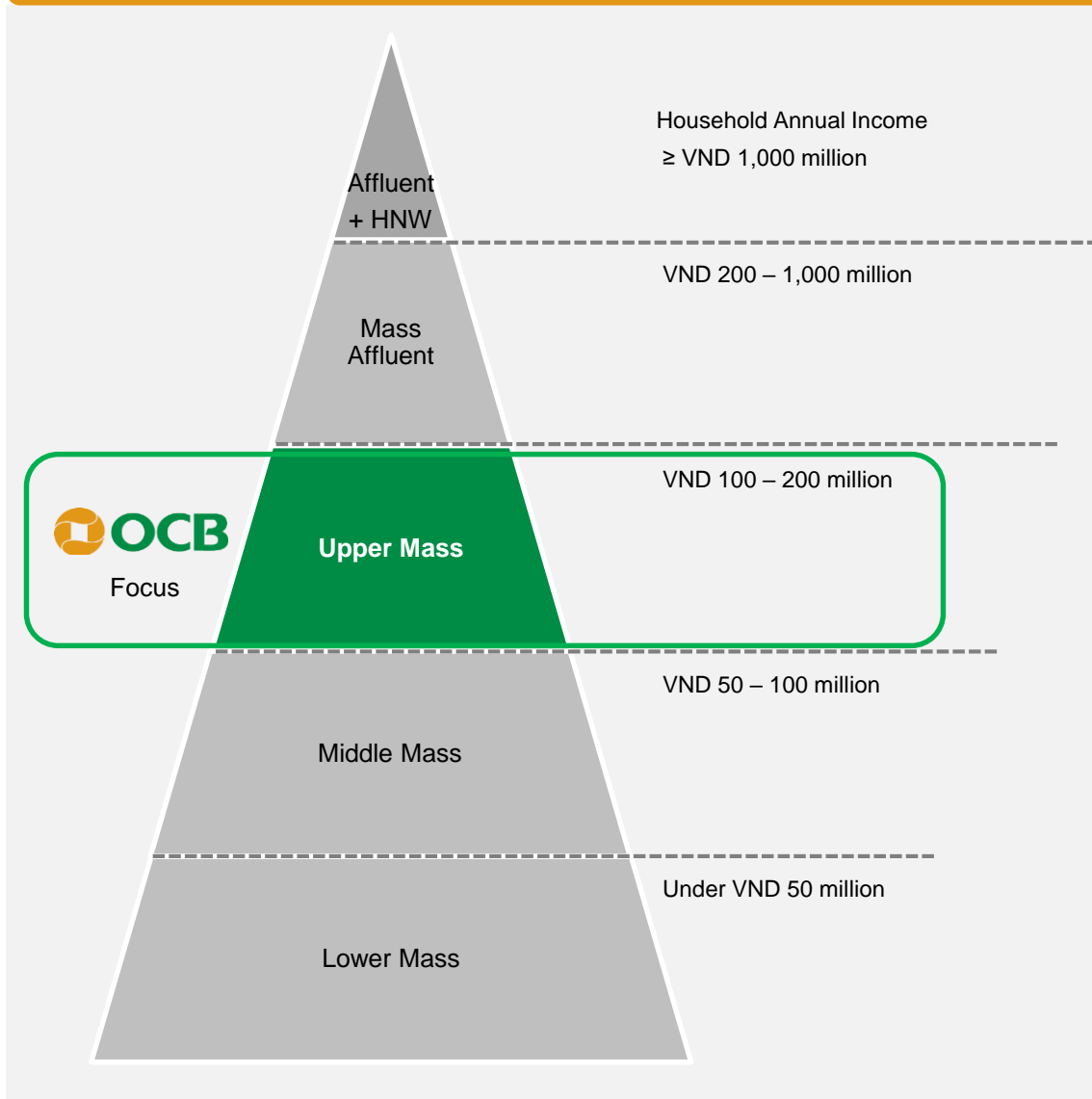


NPL ratio (SBV)
< **3%**

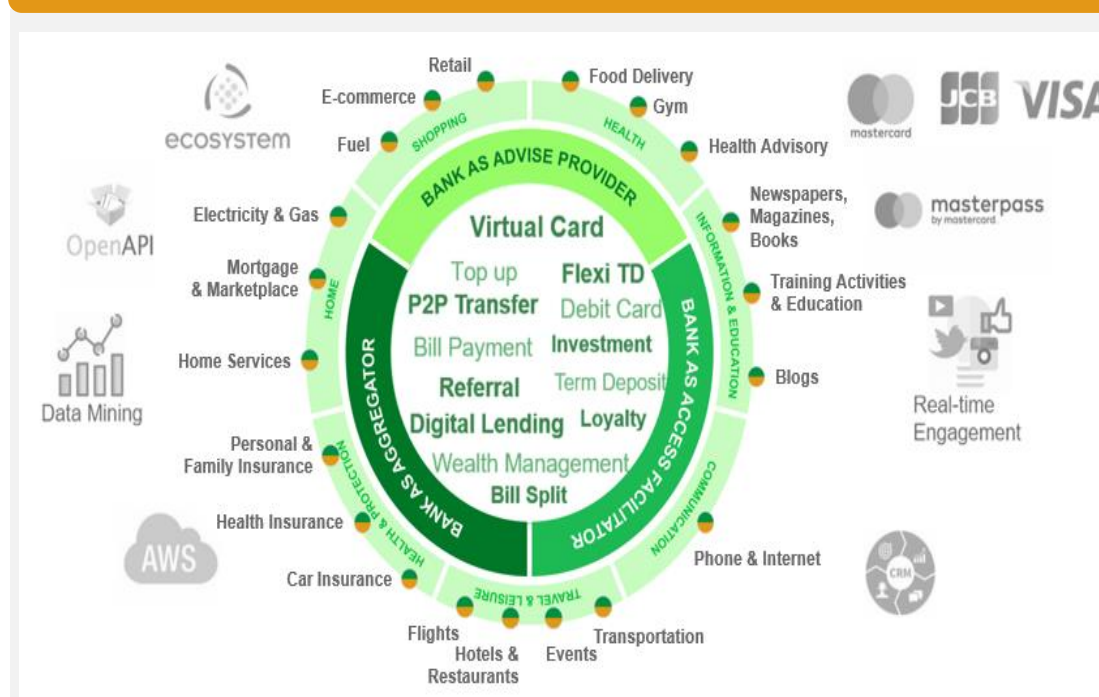


CIR
< **35%**

RETAIL BANKING



DIGITALIZATION



OCB's Digital Banking Model

- Customer-centric experience
- Digitalize to become Omni Present in Vietnam, reduce number of physical Branches
- Product and service offerings are tailored to the customer's delivery preferences
- All channels access the same customer data, which provides a consistent customer experience anytime anywhere

THE LEADING GREEN BANK IN VIETNAM (ESG)



ENVIRONMENTAL

- E1** Save resources, energy & reduce emissions
- E2** Create green areas, plant more new trees
- E3** Increasing the scale of Green Financing



SOCIAL

- S1** Effective, positive and happy working environment
- S2** Accelerate digitalization of operating processes and products and services
- S3** Strengthen info security measures
- S4** Prioritize the development of internal resources



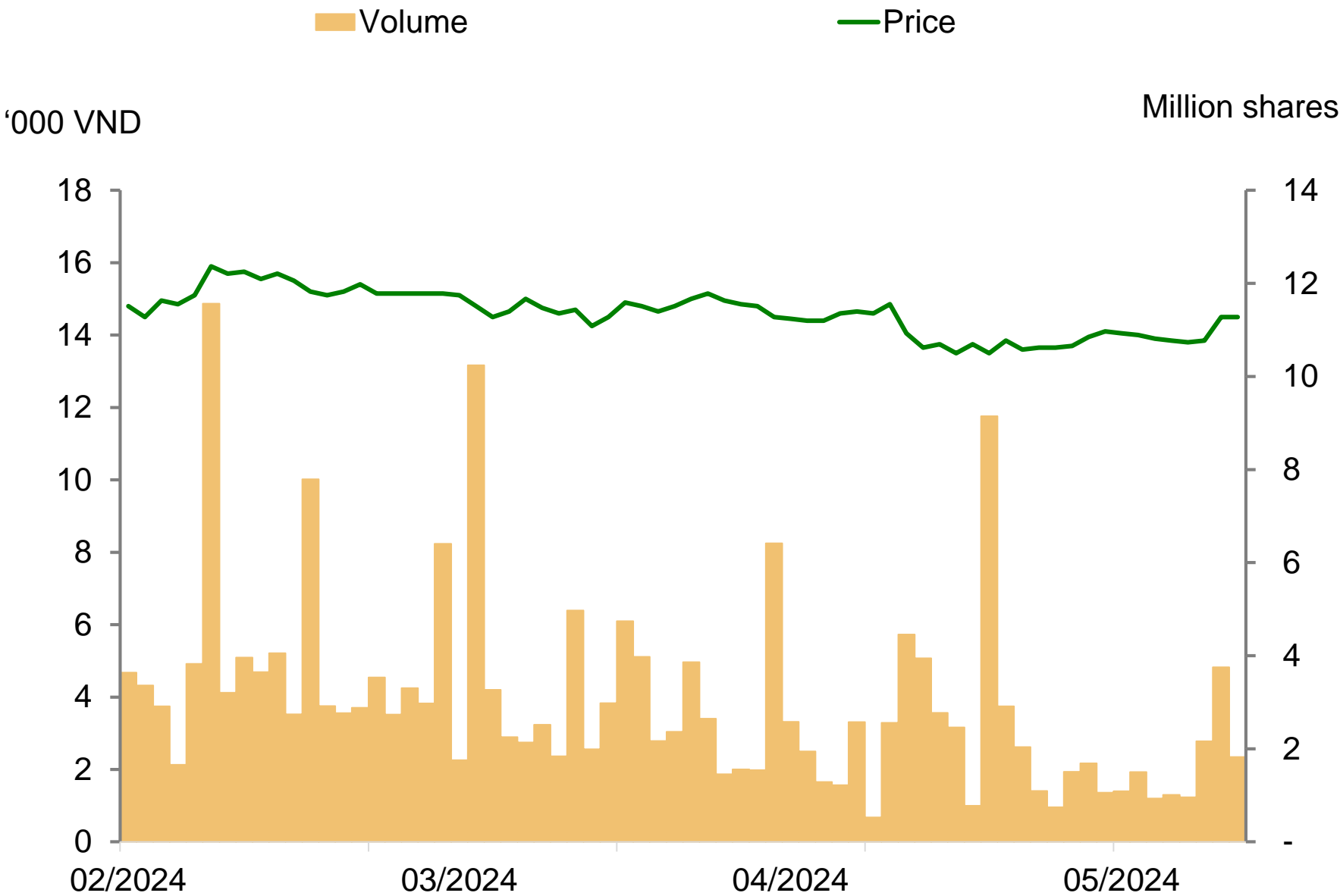
GOVERNANCE

- G1** Standardize the code of professional ethics
- G2** Improving and implementing the risk management framework
- G3** Spreading a culture of openness and transparency in management, business and reporting

APPENDIX

04

PRICE PERFORMANCE IN THE LAST 3 MONTHS



TRADING STATISTICS	17/05/2024
Closing price (VND)	14.500
3M. Highest price (VND)	15,900
3M. Lowest price (VND)	13,500
Outstanding shares (million shares)	2,055
3M.Average trading volume (million shares)	2.7
Market cap (VND billion)	29,795
EPS (TTM) (VND)	1,689
Book value per share (VND)	14,354
P/E	8.58
P/B	1.01

CAGR	: Compounded Annual Growth Rate	NFI	: Net fee income
CAR	: Capital Adequacy Ratio	NII	: Net Interest Income
CASA	: Current Accounts and Saving Accounts	NIM	: Net Interest Margin
CB	: Corporate Banking	NoII	: Non-interest income
CIR	: Cost-to-income ratio	NPL	: Non-performing Loan
PBT	: Earnings Before Tax	OCB	: Orient Commercial Bank
ESOP	: Employee Stock Option Plan	OPEX	: Operating expenses
FDI	: Foreign direct investment	RB	: Retail Banking
GDP	: Gross Domestic Product	ROAA	: Return on Average Assets
LCR	: Liquidity coverage ratio	ROAE	: Return on Average Equity
LDR	: Loan-to-deposit ratio	SBV	: The State Bank of Vietnam
LLR	: Loan-loss-reserve ratio	SME	: Small and Medium Enterprise
LTM	: Last 12 Months	TOI	: Total Operating Income
MLT	: Medium and long-term	VAMC	: Vietnam Asset Management Company
MSME	: Micro Small and Medium Enterprise	VND	: Vietnam Dong

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