

INVESTOR NEWSLETTER

NEW PRODUCTS, TECHNOLOGY

VIETINBANK REPOSITIONING RETAIL BANKING WITH THE NEW MESSAGE "STRONG FULCRUM"



With the reposition of Retail Banking service, VietinBank conveys a new message to customers: "No matter who you are, no matter what specific goals you have, it is certain that the journey to freedom is guaranteed. Your financial resources are always accompanied by VietinBank, becoming a sustainable fulcrum to help you continue to grow faster and further".

For each customer segment, VietinBank flexibly deploys different financial solutions to fully meet the financial needs to fulfil the goals you set out in each period.

- **For affluent and mass affluent customers:** VietinBank helps customers speed up quickly through convenient and optimal solutions such as: 0 VND account package, easier money transfer with Alias - nickname for the account, VietinBank iPay - the all-in-one digital bank with convenient features and flexible savings and loan packages... VietinBank will enable you to have an effective personal financial plan with flexible solutions and leading technology applications.

- **For premium banking customers:** VietinBank provides a comprehensive financial products system with useful advice, accompanying customers for a long time, helping foresight soon become reality. In particular, the exclusive service for Priority Customers - VietinBank Premium will bring you special privileges with perfect financial services, a wide partner ecosystem and high-class incentives from which helping clients achieve great goals in life.

The newly launched message for retail banking is an affirmation of the commitment to always accompanying, being a "strong fulcrum" in finance to **improve the value of life** for all customers.

NEW EVENTS

LAUNCHING CEREMONY OF VIETINBANK PREMIUM - NEW BRAND IDENTIFICATION FOR PRIORITY CUSTOMERS

Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank) has officially launched the brand identity of priority customer service - **VietinBank Premium** in the evening of October 22 in Hanoi.

Originating from the mission of "Improving the value of life", VietinBank conveys a new retail message "Strong fulcrum": No matter who you are, no matter what specific goals you have, it is certain that the journey to freedom is guaranteed. Your financial resources are always accompanied by VietinBank, becoming a sustainable fulcrum to help you continue to grow faster and further. VietinBank will act as a solid fulcrum for customers to move forward, reaching the pinnacle of success in their career and life.

On the occasion of the launch of the new brand identity, VietinBank organized a special art night "VietinBank Premium Show" to show gratitude to priority customers with the name "Shining Journey", bringing a space of impressive art and experience, showing the class of priority customers with Broadway style (musical), combining contemporary dance, circus, music, highlighted in a performance of light and emotion.

Highlight of the program was the launching ceremony of the

Brand Identity Kit for Priority Customer Service - **VietinBank Premium** and the ecosystem of products, services, and high-class partners for VietinBank's elite customers. The new brand identity **VietinBank Premium** marked a breakthrough development with the affirmation of constantly improving products and services to bring the best experience to customers. VietinBank hopes that each partner and customer will feel the companionship of VietinBank in the journey of Improving the value of life!



Launching ceremony of the new brand VietinBank Premium

Details of the article can be found at:

<https://www.vietinbank.vn/vn/tin-tuc/VietinBank-ramat-thuong-hieu-moi-danh-cho-khach-hang-uu-tien-20221024110849.html>

IMPORTANT INFORMATION DISCLOSURE IN OCTOBER 2022

Disclosure of 3Q2022 consolidated and non-consolidated FS

Details can be found at the link:

<https://investor.vietinbank.vn/Download.aspx>

Disclosure on the change of Person in charge of corporate governance

Pursuant to Resolution No. 356/NQ-HĐQT-NHCT-VPHĐQT1 dated 18/10/2022 by VietinBank's Board of Directors on "the change of Person in charge of Corporate Governance", VietinBank announced the change in personnel of VietinBank as follows:

Appointment case:

- Mr: **Dong Xuan Hung**
- Former position in the organization: Acting Chief of the Office of the Board of Directors of VietinBank;
- Newly appointed position: Person in charge of Corporate Governance;
- Term: from 18/10/2022 until another Resolution replaces;
- Effective date: 18/10/2022.

Dismissal case:

- Mr: **Duong Van Quan**
- Dismissed position: Person in charge of Corporate Governance;
- Reason: according to the personnel change of VietinBank's Board of Directors;
- Effective date: 18/10/2022.

Details can be found at the link:

<https://investor.vietinbank.vn/Handlers/DownloadAttachedFile.ashx?NewsID=86307>

Disclosure of the appointment of Deputy General Director of VietinBank

Pursuant to Decision No.6666/QĐ-HĐQT-NHCT-NS2 dated 11/10/2022 of VietinBank's Board of Directors on "The appointment of Deputy General Director of VietinBank", we would like to announce the change in personnel of VietinBank as follows:

Appointment case:

- Mr: **Do Thanh Son**

- Former position in the organization: Chairman of the Council Member of Ocean Commercial Bank, Ltd
- Newly appointed position: Deputy General Director of VietinBank
- Term: 05 years
- Effective date: 11/10/2022

Details can be found at the link:

<https://investor.vietinbank.vn/News/2022/10/12/86305.aspx>

Disclosure of premature buy-back of bonds

Pursuant to the provisions of Circular No. 122/2020/TT-BTC dated December 31, 2020 by the Ministry of Finance guiding the regime of information disclosure and reporting, VietinBank disclosed the premature buy-back of bonds as follows:

	Buy-back bonds
Bond code	CTG1727T2/01
Buy-back method	Premature buy-back at the date of right execution
Expected amount of buy-back bonds	2,000,000,000,000 VND (Two thousand billion dong)
Funding to buy-back	Capital from business activities
Timeline to buy-back	14/11/2022

The repurchase plan was approved by the Board of Directors of VietinBank in Resolution No. 210/NQ-HĐQT-NHCT-VPHĐQT1 dated 28/06/2022 regarding the repurchase of Tier 2 capital bonds issued by VietinBank.

Details can be found at the link:

<https://www.vietinbank.vn/vn/tin-tuc/VietinBank-cong-bo-thong-tin-ve-dot-mua-lai-trai-phieu-20221006152421.html>



INTEREST RATES POLICY

HEADLINES ON DEPOSIT AND LENDING INTEREST RATES

Deposit rates of commercial banks

Regarding interest rates of state-owned JSC banks: in October 2022, the State Bank issued Decision No. 1812/QĐ-NHNN dated 24/10/2022 on the maximum interest rate for deposits in Vietnam Dong (VND) of organizations and individuals at credit institutions as prescribed in Circular No. 07/2014/TT-NHNN dated March 17, 2014. Accordingly, the maximum interest rate applicable to demand deposits and deposits with term of less than 1M were from 0.5% per year to 1.0% per year; the maximum interest rate applicable to deposits with a term from 1M to less than 6M were from 5.0% per year to 6.0% per year. The ground level of deposit rates listed at Big 4 state-owned joint stock commercial banks was adjusted equally with the highest deposit rate for 12M term of 7.4% per year. In addition, Banks also implemented proactive mechanisms and deposit interest packages to support branches to maintain and attract deposits.

Regarding the deposit rates level of joint-stock commercial banks: in October 2022, most commercial banks took action to increase their listed deposit rates with the highest listed deposit interest rate up to nearly 9%/year.

In November 2022, VietinBank expects to maintain this current deposit rates level and will make appropriate adjustment if necessary to ensure mark-to-market situation and VietinBank's capital balance.

Preferential deposit rates for individual customers

Preferential policy of bonus interest rate of 0.3%-0.4%/year for individual customers to save online on iPay/ATM VietinBank channel.

VietinBank's credit programs with preferential lending rates

PERFORMANCE OF 2% INTEREST SUBSIDIES PACKAGE FROM STATE BUDGET ACCORDING TO DECREE NO. 31/2022/NĐ-CP

Starting from 28/6/2022, VietinBank launched the interest subsidies package of 2%/year (from the State budget) according to Decree No. 31/2022/NĐ-CP dated 20/5/2022 for loans of enterprises, cooperatives and household businesses signed and disbursed during the period from January 1, 2022 to December 31, 2023. As at 31/10/2022, VietinBank has granted interest rate support to a number of customers in the processing and manufacturing industries, sugarcane industry, paper production and in the near future will continue to consider and approve applications from customers in a number of industries such as textiles and garments, travel, food, medicine...

Details of industries eligible for interest rate support can be found at:

<https://www.vietinbank.vn/vn/Infographic/Goi-ho-tro-lau-suat-2-theo-Nghi-dinh-31-2022-Nd-CP-2022071311118.html>

FOR CORPORATE CUSTOMERS

→ Short-term lending

- Accompanying with Corporate Customers Program: VND lending rate from 8.5% per year, USD lending rate from 5.4% per year (varied from each loan term and the total benefits that customers bring to VietinBank)

→ Medium and long - term lending

- For medium and long-term loan contracts arising before 1/11/2022: continue to apply preferential credit programs under signed agreements such as preferential package for medium and long-term loans in VND with fixed lending rate, preferential program for medium and long-term loans for SMEs, preferential package for corporate customers investing in real estates in industrial zones, preferential package for SMEs who invested in ready-built factories for rent in industrial parks, preferential package for investment loans to build farms/livestock farms under the 3F model (Feed-Farm-Food).
- For medium and long-term loan contracts arising from 1/11/2022: The lending interest rate will be applied according to VietinBank's regulations from time to time, depending on the preferential period, loan term and total benefits brought by customers.

FOR RETAIL CUSTOMERS

→ Preferential lending program with gratitude interest rates: customers choose one of the following two policies:

- Package 1: For customers participating in VBI or Manulife insurance contract and being credit card-holders, lending interest rate starting from 8% per year for short term loans and 9.5% per year for medium and long-term loans (varies from preferential period and loan term);
- Package 2: For customers who maintain the average payment deposit balance or commit the entire disbursement amount to the beneficiary will be paid to an account opened at VietinBank, lending interest rate starting from only 8.5% per year for short term loans and 10% per year for medium and long-term loans (varies from preferential period and loan term);
- Validation until 31/12/2022

→ Supporting policy to cut lending rates applied to customers affected by COVID-19:

- Short-term as well as medium and long-term interest rate support policy with a maximum interest rate reduction of 0.5% p.a.
- Policy to support the withdrawn amount of preferential interest rate and/or prepayment fee in case customers attempt to arrange cash flow for debt repayment before the due date for VietinBank.
- Validation until 31/12/2022.

MACROECONOMIC UPDATES

MACROECONOMIC UPDATES IN OCTOBER 2022

In October 2022, the economy continued to show signs of recovery. According to information from the General Statistics Office, industrial production in October continued to recover, estimated to increase by 3% over the previous month and by 6.3% yoy as businesses were more proactive in labor activities as well as production and business plans, overcoming difficulties to recover and expand production. In 10M2022, the industrial production index was estimated to increase by 9% yoy.

Regarding domestic trade, the total retail sales of consumer goods and services was estimated at VND 4,643.6 trillion, up 20.2% yoy. Meanwhile, import and export activities slowed down, the total export and import turnover reached US\$58.27 billion, up 0.1% over the previous month and up 5.7% yoy. In 10M2022, the total import and export turnover of goods reached USD 616.24 billion, up 14.1% yoy. Trade balance was estimated to have a trade surplus of USD 9.4 billion.

Regarding investment, disbursement of realized FDI capital in Vietnam in 10M2022 was estimated at USD 17.5 billion, up 15.2% yoy. Registered foreign investment capital continued to decline at 5.4% yoy. Meanwhile, disbursement of public

investment capital has not yet made much progress, estimated paid amount since the beginning of the year until 31/10 was VND 297,774.16 billion, reaching 46.44% of the plan.

Regarding the consumer price index, CPI in October 2022 increased by 0.15% compared to the previous month mainly due to the increase in house rent due to high demand of people, some localities increased tuition fees for the new school year 2022 - 2023. On average, in 10M2022, the CPI increased by 2.89% yoy; Core inflation increased by 2.14%.

In the financial market, the strong USD put great pressure on the exchange rate of Vietnam. In order to stabilize the exchange rate, over the past time, the State Bank has committed to always ensure sufficient supply for the market, and at the same time increase the USD/VND exchange rate twice to match the general movements of the USD in the international market. Also, the State Bank also increased the operating interest rate twice, each time by 1% within 1 month. As of October 31, the interbank interest rate for ON-1M term was at 5.23-7.53%. The domestic USD/VND exchange rate still had potential upward pressure, although the VND interest rate in the interbank market has been anchored high. Credit growth by the end of October reached 11.5% compared to the end of 2021 (according to data from the State Bank).

UPDATES ON SEVERAL ECONOMIC SECTORS

RICE

In 9M2022, rice exports reached over 5.37 million tons, equivalent to nearly 2.61 billion USD, up 17.7% in volume and nearly 8% in turnover yoy, the average price achieved 484.9 USD/ton, down 8.4%.

Vietnam's rice export output in 2022 is forecast to reach 6.5 million tons, export turnover can reach 3.3 billion USD. Although enjoying very favorable in terms of the market, the export price of rice in 2022 was not good, while the quality of rice grain has been improved, production and logistics costs have increased, but the selling price of rice has decreased.

According to the latest report of the US Department of Agriculture (USDA), global rice production in the 2022-2023 crop year is forecast to reach 512.4 million tons, down 2.3 million tons from the previous forecast and down 1.2 million tons compared to the previous crop year. The causes are natural disasters, crop failure, decrease in rice production in India, Bangladesh and Europe. Meanwhile, it is forecast that global rice consumption in the 2022-2023 crop year may reach 518.7 million tons, an increase of more than 2 million tons compared to the previous crop year. Vietnam is the world's third largest rice exporter (after India and Thailand) and the largest exporter to China with 25% market share. The price of Indian white rice from the advantage of low prices, now loses its competitive position due to higher tax rates, thereby promoting buyers to rice from Thailand and Vietnam.

Therefore, the export price of Vietnam's rice is expected to continue to increase because the world supply is decreasing due to many countries restricting exports while the demand for food increases.

STEEL

After the 2-year cycle of 2020-2021, in which the steel market experienced a remarkable growth (in the period from 2013-2017, production output grew by 20%) thanks to policies to promote investment and encourage all economic sectors to participate, investment liberalization, private steel corporations invested strongly. Entering 2022, steel prices have dropped sharply since the beginning of April until now, along with increased input costs, leading to low profit margins of steel enterprises, reduced consumption, most factories being in difficult situation, inventory at a high level. The level

of competition among factories is increasing. In 9M2022, finished steel production reached 20,808 million tons, down 5.8% yoy; finished steel consumption reached 19,261 million tons, down 1.6% yoy.

In 4Q2022, iron and steel consumption may prosper because this is the period steel demand often increases when construction works rush to accelerate progress. However, there are not many strong supporting factors for the steel industry. It is forecasted that the steel industry in 2023 will continue to face many difficulties such as the global economic recession is spreading in many countries, high inflation, fluctuating USD exchange rate, unpredictable developments of the input material prices being affected by the Russia-Ukraine war, the vulnerable real estate market.

LIVESTOCK FOOD

In the past 2 years, the price of livestock food ingredients in the world such as corn, wheat, soybean... has continuously increased due to a number of reasons such as supply chain bottlenecks, high sea freight rates and two major sources of agricultural products (accounting for 25% of global grain trade), Russia and Ukraine, were affected by the war that took place from the beginning of 2022. Because Vietnam has to import up to 60% of livestock food materials, livestock food prices in domestic market is heavily dependent on the world price of materials. The price of livestock food continuously increased in 6M2022, causing difficulties for farmers. Livestock food accounts for a large proportion of the cost of livestock, making re-herding and expanding the scale at the end of the year considerable.

Regarding production output, according to statistics, industrial livestock food output in 6M2022 was estimated at 10.5 million tons, equivalent to that of 6M2021. Production output was concentrated in large manufacturing enterprises, in which FDI enterprises account for 70% of output. Due to the advantages of capital, scale and supply chain, FDI enterprises themselves imported materials in large volumes to get better import prices than domestic small enterprises, and at the same time with the 3F chain model, enterprises ensured stable output sources for livestock food production and competitive price of livestock products in the market.



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