# **FLASH NEWS**

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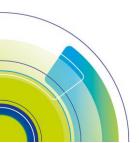


## TCB: Q1/22 business results maintained good growth momentum

Vietnam Technological and Commercial Joint Stock Bank (HSX: TCB) announced Q1/22's PBT of VND6,785 billion, +23% YoY. Of which:

- Credit (including corporate bonds) grew by 7.9% YTD and 28.5% YoY, while NIM also improved. CASA ratio maintained at a high level of 50.4%.
- Total operating income reached VND10,112 billion, +13.2% YoY. Of which, net interest income grew by 32.5% YoY, while non-interest income decreased by 28.8% YoY. The reason was that securities trading activities suffered a loss of VND314 billion compared to a profit of VND746 billion in the same period last year. Government bond yields rose sharply in Q1/22 causing TCB to make provisions for these government bond investments.
- Operating expenses increased by 21.3% YoY, while provision expenses decreased by 74.3% YoY, only at VND218 billion, the lowest level in the last 11 quarters.
- Asset quality was stable in Q1/22. NPL ratio at the end of Q1/22 was at 0.67%, equivalent to the beginning of the year. NPL coverage ratio was kept at 161%. COVID-19 restructured loans continued to decrease, only about VND1,600 billion, accounting for 0.44% of total outstanding loans.
- Liquidity also remained stable. LDR ratio was 71.9%. Short-term funding for medium and long-term loan ratio was 32.2%. CAR ratio (Basel 2) was 15.1%.
- 4Q trailing ROA and ROE reached 3.6% and 21.8%, respectively.

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BUY: where we believe prospective 12 month VND total return (including dividends) will be 15% or more.

HOLD: where we believe it will be -15% to 15%.

**SELL:** where we believe it will be lower than -15%.

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