



Vietnam Performance Monitor

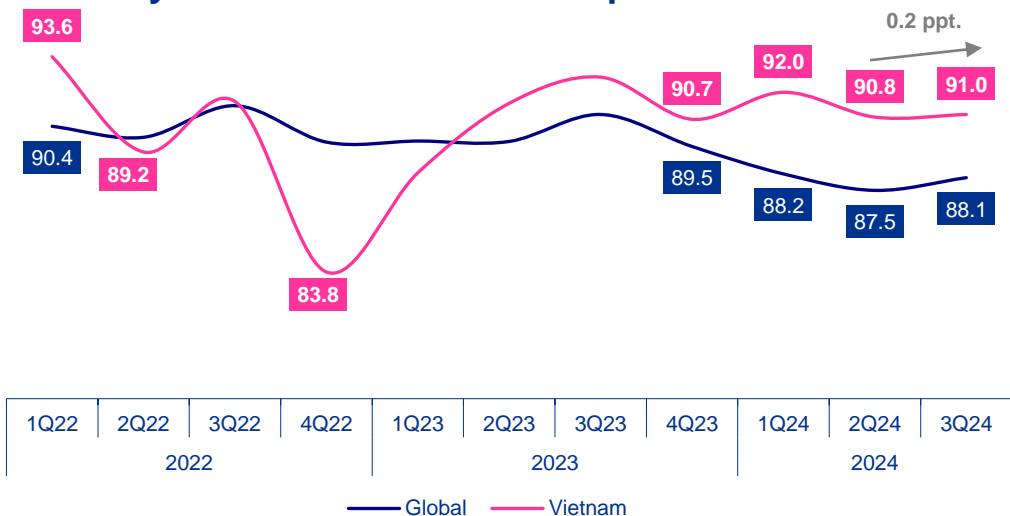
Trends, challenges and opportunities

3Q24



Clear economic improvements spark optimism for growth

Quarterly FPI for the 1Q22 – 3Q24 period



Recovery signal

0.2 ppt. uplift

KPMG’s Financial Performance Index (“FPI”) observed signs of slight recovery in Vietnam’s corporate financial health for Quarter 3 of 2024, with the score increasing from 90.8 in 2Q24 to 91.0 in 3Q24 (+0.2 ppt, i.e. 0.2% improvement), surpassing the 3Q24 Global score.

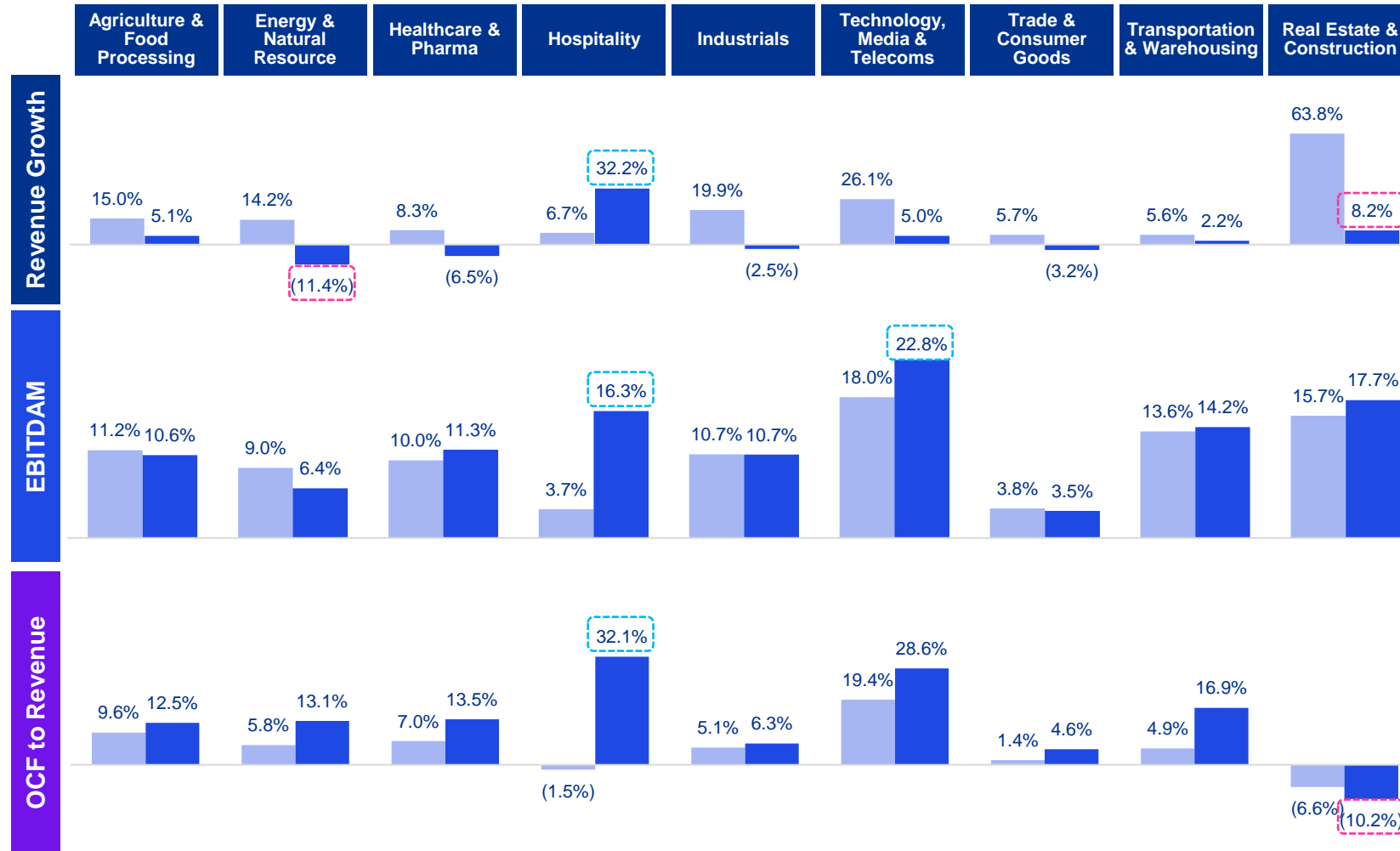
Note: KPMG FPI scores range from 0 to 100. Lower scores indicate higher distress
 Source: KPMG FPI; General Statistics Office of Vietnam; Ministry of Finance
 Reference: ^[1] Vietnam General Statistics Office - “Socio-economic situation report in the third quarter and the first 9 months of 2024”
^[2] Vietnam Investment Review - “Q3 FDI results improve on expectations”
^[3] Ministry of Planning and Investment - GPD 3Q2024

KEY HIGHLIGHTS

- The Vietnam’s economy recorded stronger-than-expected growth in the third quarter of 2024, with estimated Q3 GDP increasing by 7.4% y.o.y
 - Majority contribution to the GDP are the industry and construction sector and the service sector with 46.22% and 48.41%, respectively ^[1]
 - In Q3 2024, Vietnam’s exports and imports of goods totaled USD 108.6 billion and USD 99.74 billion, respectively. Over the first nine months of 2024, the United States emerged as Vietnam’s largest export market, with a turnover of USD 84.9 billion, while China remained Vietnam’s largest import market, with a turnover of USD 105 billion ^[1]
 - Total FDI registered in the first 9 months of 2024 reached USD 24.78 billion which increased 11.6% y-o-y, driven mainly by the manufacturing. Numerous giant technology corporations in semiconducts, AI and innovation are interested in Vietnam such as Nvidia, Qualcomm, Intel, AMD, Samsung, and Meta ^[2]
- Although the falls out of typhoon Yagi are short-lived, negative impacts are still reported in some sectors
 - Agriculture, forestry, and fisheries sectors experienced the lower growth rate compared to the same period of last year ^[1]
 - Vietnam’s CPI increased by 3.48% in 3Q24, driven primarily by rising food prices in areas hit by Typhoon Yagi, along with higher housing and education service costs ^[3]
- Despite global uncertainties and fluctuations, Vietnam continues to uphold a stable macroeconomic environment, with inflation remaining at a manageable and appropriate level



Profitability and cash flow



Positive signs in Operating cash flow across industries

Majority of industries saw a notable rise in Operating Cash Flow as a percentage of Revenue, with **Hospitality** witnessing the most pronounced growth. However, **Real Estate & Construction** was the only sector to see a decline in its Operating Cash Flow relative to Revenue compared to the previous quarter.

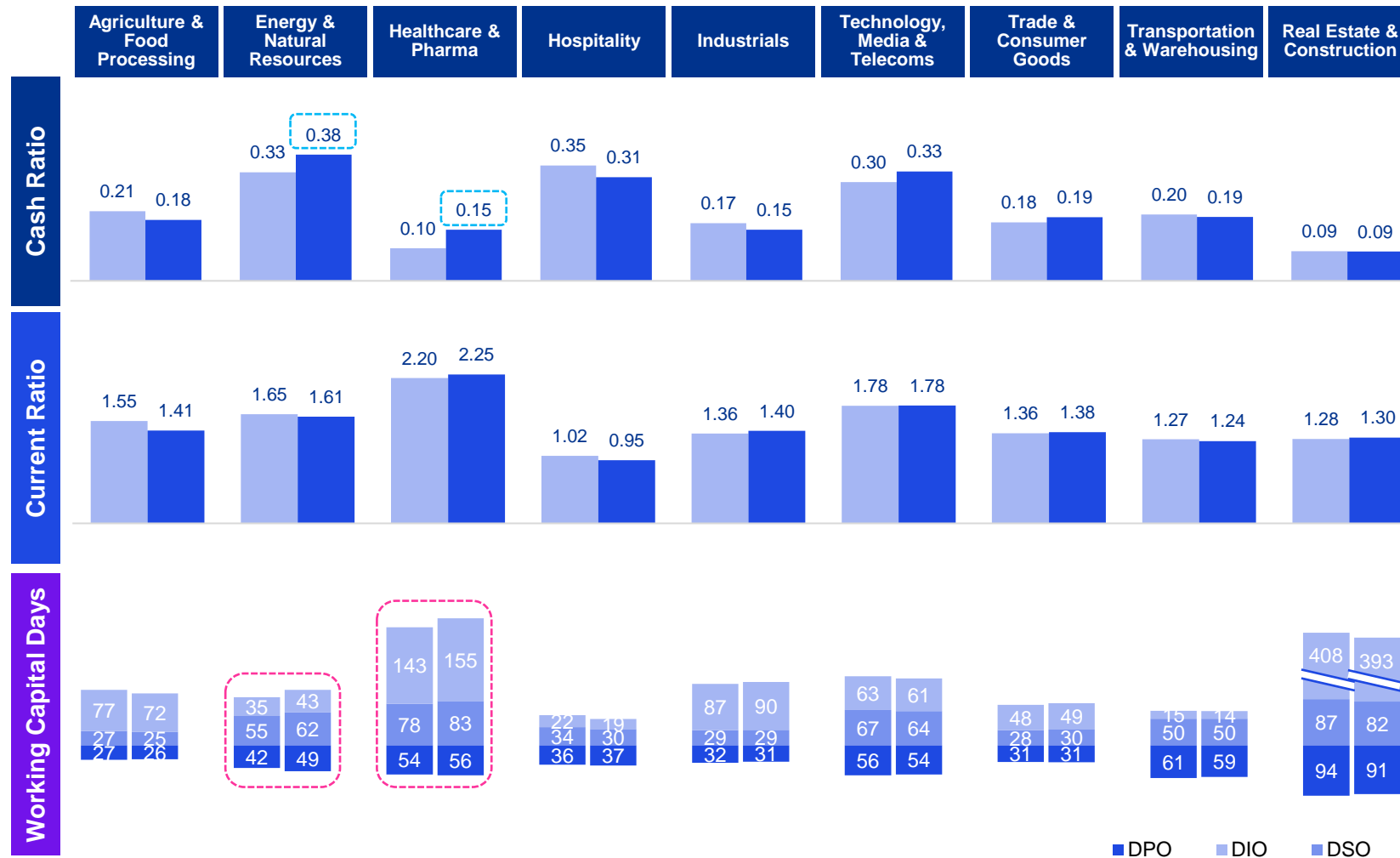
Declined revenue growth and EBITDAM were widely observed

In the third quarter of 2024, most industries faced declining revenue growth, with **Energy & Natural Resource** and **Real Estate & Construction** seeing the most significant impacts. The revenue growth, however, saw the modest increases in **Hospitality**. This sector also recorded notable Earnings Before Interest, Taxes, Depreciation, and Amortization Margin (EBITDAM) growth, alongside **Technology, Media & Telecoms**, while EBITDAM in other sectors remained subdued.

Note: Financial performance data for companies listed on HOSE, HNX and UPCOM, sourced from CapitalIQ & Vietstock. Additional companies may report performance after publishing date, hence the Vietnam Performance Monitor cannot be compared across issues.



Liquidity



Sustainability in Cash ratio and Current ratio across industries

In the third quarter of 2024, most industries saw minor changes in their Cash Ratio and Current Ratio. Notably, **Energy & Natural Resources** and **Healthcare & Pharma** saw a 0.05 increase in its Cash Ratio.

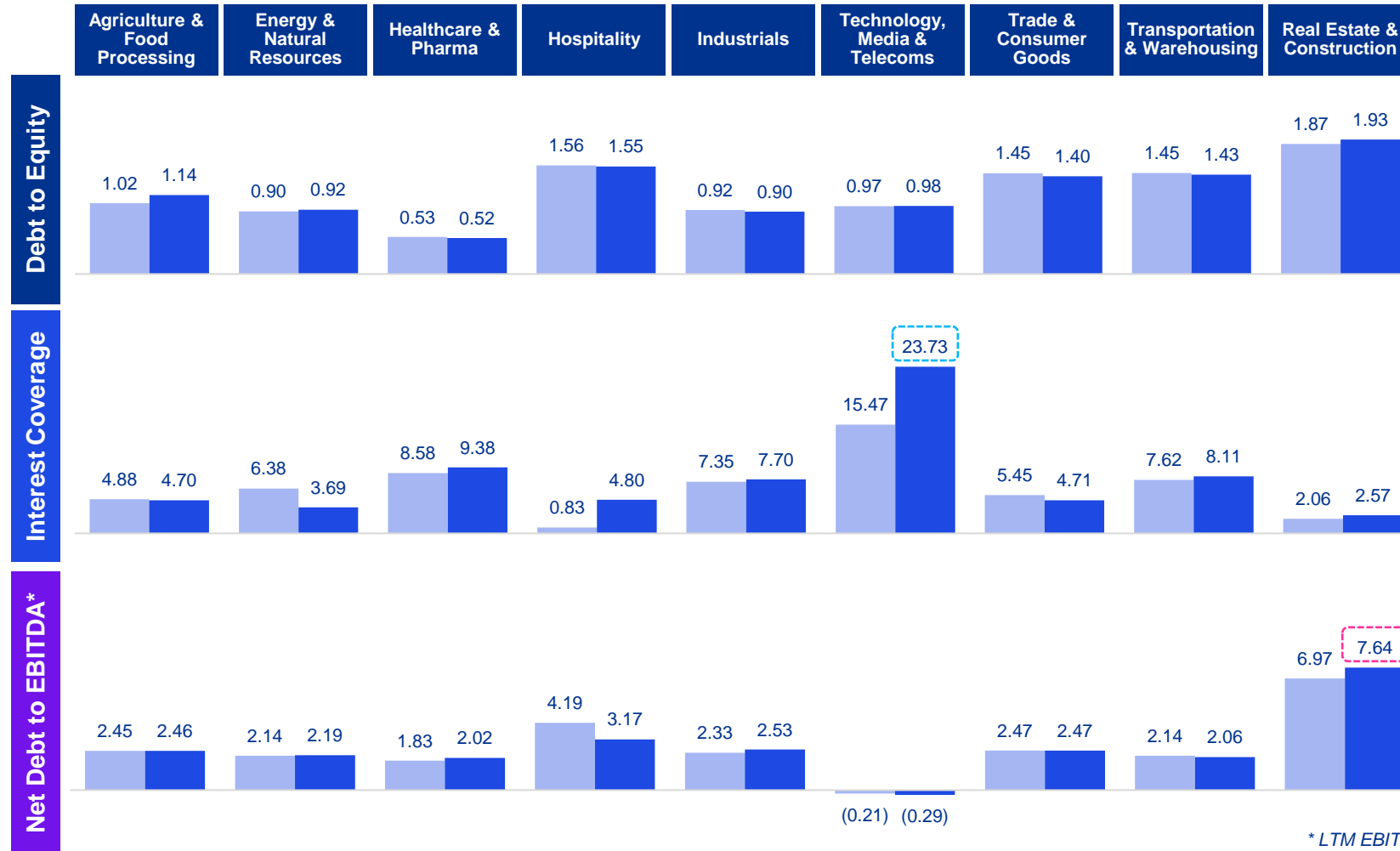
Worsened Working Capital Days in some certain industries

Working Capital Days observed minor changes or slight improvement in most industries, except **Energy & Natural Resources** and **Healthcare & Pharma** experienced a slight downturn in this regard.

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Leverage



Wide occurrence of stable Debt to equity and higher Interest Coverage

Debt-to-equity ratios and interest coverage remained largely stable across most industries between the second and third quarters. However, the **Technology, Media, and Telecoms** sector recorded a substantial increase in interest coverage, demonstrating notable financial resilience.

Widespread stability in Net Debt to EBITDA

In 3Q24, most sectors recorded minimal changes Net Debt to EBITDA, except **Real Estate & Construction** that saw a slight increase

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Contact us



Tran Ngoc Mai

Associate Director,
Head of Turnaround & Restructuring

M +84 (0) 903 206 067
maintran@kpmg.com.vn



Le Hai Ly

Manager,
Turnaround & Restructuring

M +84 (0) 932 635 118
lyhle@kpmg.com.vn



Tran Thi Thu Dung

Manager,
Turnaround & Restructuring

M +84 (0) 919 881 101
dttran1@kpmg.com.vn

Hanoi

46th Floor, Keangnam Landmark 72,
E6 Pham Hung, Me Tri, Nam Tu Liem,
Hanoi, Vietnam

T +84 (24) 3946 1600

Ho Chi Minh City

10th Floor, Sun Wah Tower,
115 Nguyen Hue, Ben Nghe, District 1,
Ho Chi Minh City, Vietnam

T +84 (28) 3821 9266

Da Nang

Unit D3, 5th Floor, Indochina Riverside Towers,
74 Bach Dang, Hai Chau I, Hai Chau,
Da Nang, Vietnam

T +84 (236) 351 9051



Scan to visit our website: kpmg.com.vn

Email: kpmghcmc@kpmg.com.vn

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