



# Vietnam Performance Monitor

Trends, challenges and opportunities

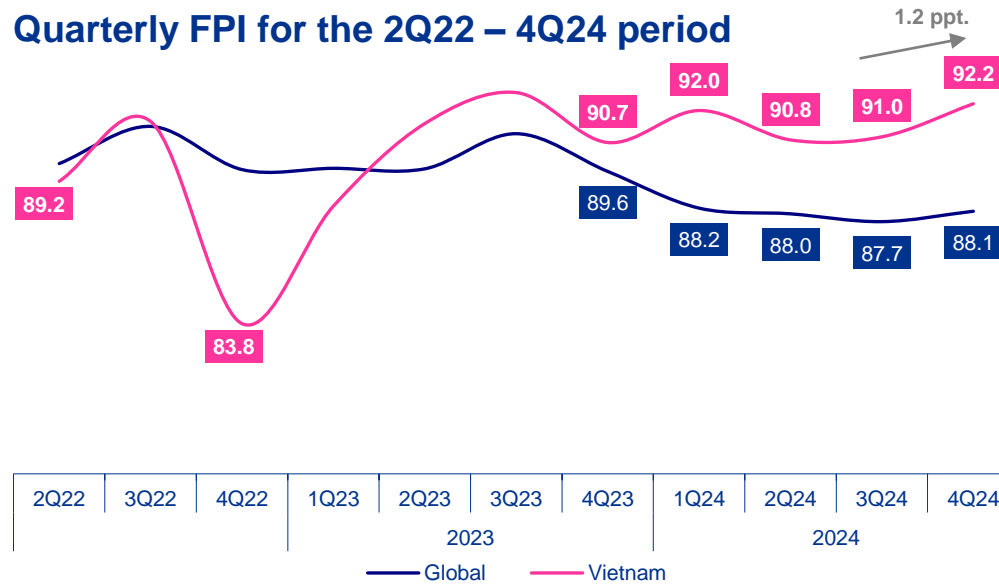
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Full year 2024 and 4Q24



# Clear economic improvements spark optimism for growth

Quarterly FPI for the 2Q22 – 4Q24 period



## Growing signal

1.2 ppt. uplift

KPMG’s Financial Performance Index (“FPI”) observed signs of growing in Vietnam’s corporate financial health for Quarter 4 of 2024, with the score increasing from 91.0 in 3Q24 to 92.2 in 4Q24 (+1.2 ppt, i.e. 1.4% improvement), surpassing the 4Q24 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: <sup>[1]</sup> Vietnam General Statistics Office - “Socio-economic situation report in the fourth quarter and 2024”  
<sup>[2]</sup> The Investor – “Vietnam’s real estate landscape in Q4/2024”  
<sup>[3]</sup> Tuoi Tre News - “Vietnam’s semiconductor sector reaches \$18.7bn revenue, driven by FDI firms”  
<sup>[4]</sup> VnEconomy - “VAT reduction extended till June 30, 2025”

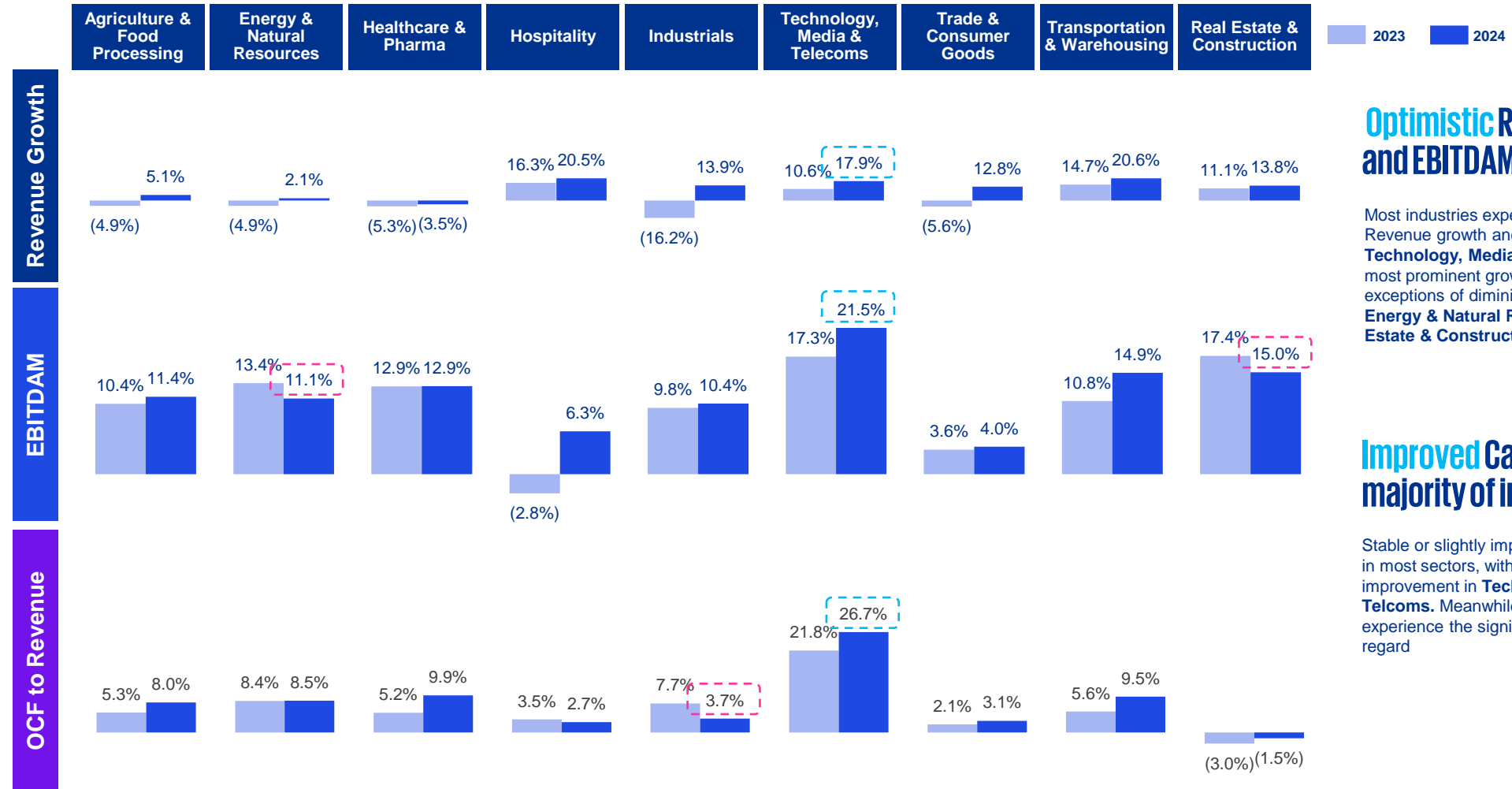
## KEY HIGHLIGHTS

- Despite the global economic difficulties in 2024, the Vietnam’s economy continued to show remarkable resilience and highlight its robust recovery and adaptability:
  - National GDP expanded by 7.6% in Q4 2024 compared to the same period last year and grew by 7.1% for the full year—one of the highest rates in the 2011–2024 period, trailing only 2018, 2019, and 2022 <sup>[1]</sup>
  - Easing global interest rates and favorable FDI inflows provided crucial support, driving growth in the real estate and construction sectors in the final quarter of 2024.<sup>[2]</sup>
  - Along with the government incentives and the attractiveness of Vietnam’s emerging technology sector, FDI surged and contributed greatly to the growth of technology sector in 2024, specifically achieving USD 18.7 billion in semiconductor manufacturing.<sup>[3]</sup>
  - Blooming export turnover and travel services have contributed to the increase of transportation & warehousing by 5.2% <sup>[1]</sup>
- Although the economy reported strong growth, the natural disasters in 2024 were devastating, causing an estimated economic losses nearly USD 3.5 billion <sup>[1]</sup>
- The Ministry of Finance continued to extend 2% VAT reduction until June 30, 2025 in certain goods and services to support the recovery of the economy <sup>[4]</sup>

**01**

**Full year 2024**

# Profitability and cash flow



## Optimistic Revenue Growth and EBITDAM across industries

Most industries experienced increase in Revenue growth and EBITDAM with **Technology, Media & Telecoms** as the most prominent growing sector. The only exceptions of diminishing EBITDAM were **Energy & Natural Resources** and **Real Estate & Construction**

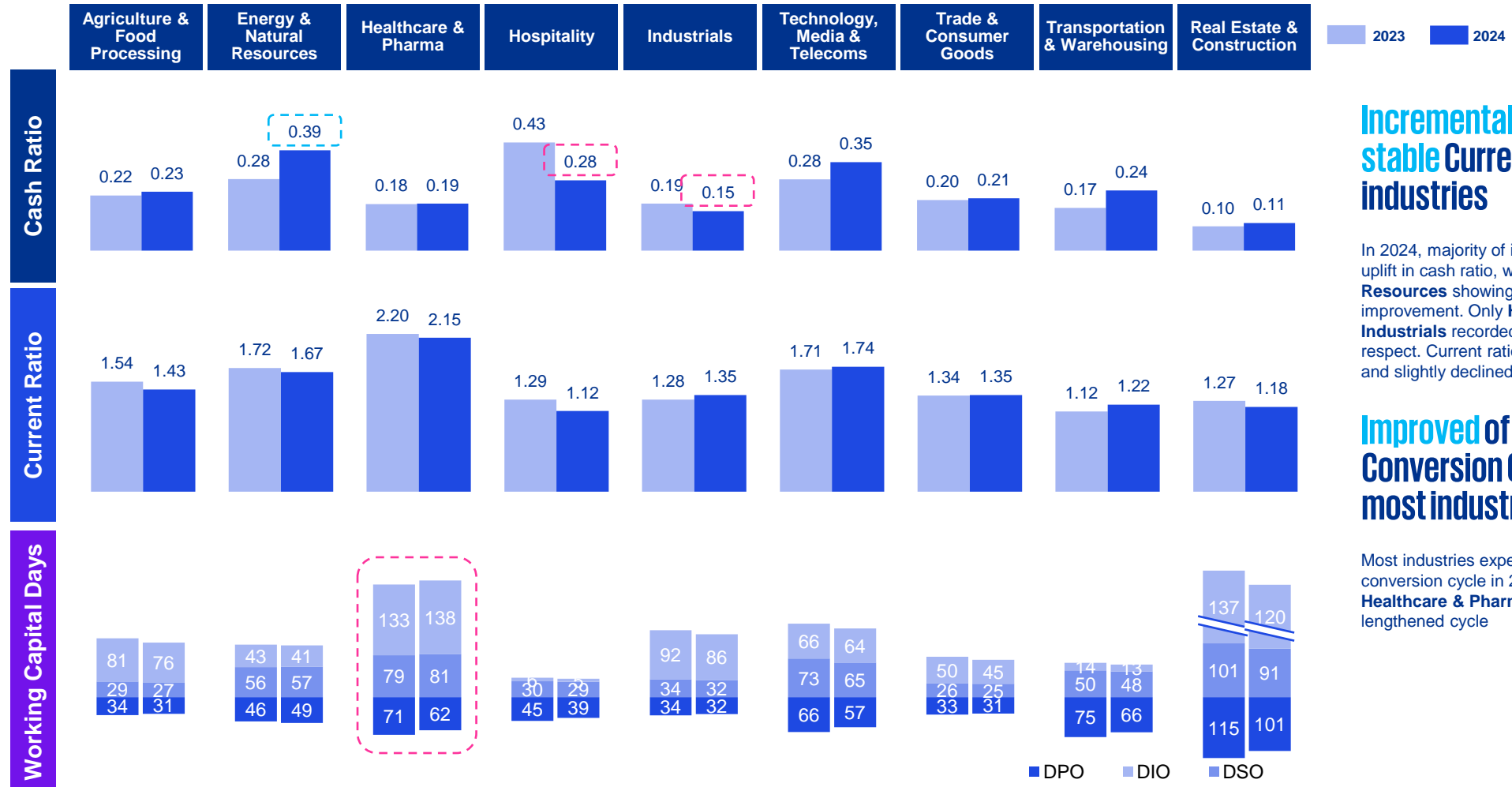
## Improved Cash flow in majority of industries

Stable or slightly improved cash flow margin in most sectors, with the most significant improvement in **Technology, Media & Telecoms**. Meanwhile, **Industrials** experience the significant downturn in this regard

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



## Incremental Cash ratio and stable Current ratio across industries

In 2024, majority of industries observed an uplift in cash ratio, with **Energy & Natural Resources** showing the strongest improvement. Only **Hospitality** and **Industrials** recorded downtrend in this respect. Current ratio observed a stable and slightly declined trend

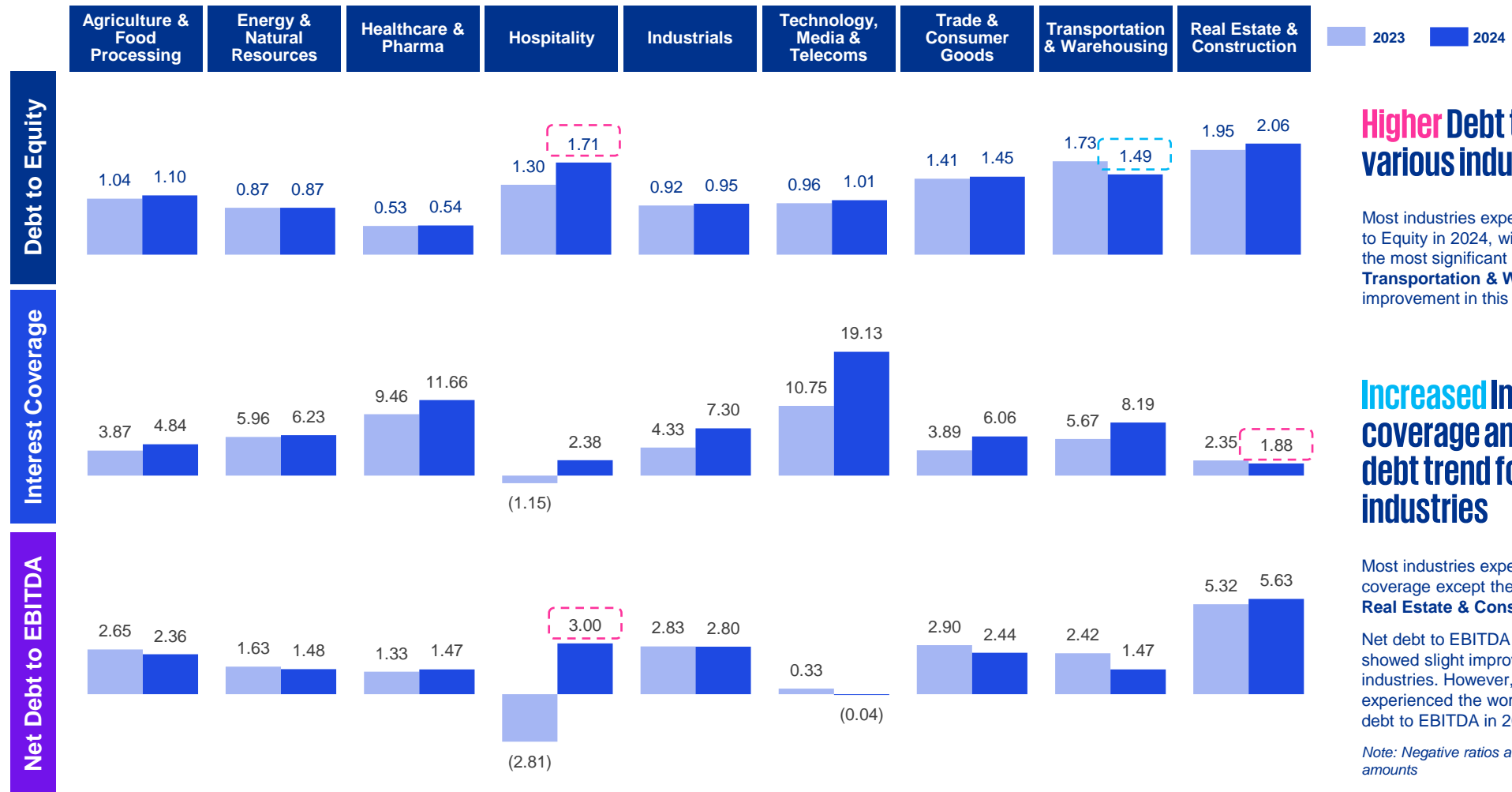
## Improved of Cash Conversion Cycle across most industries

Most industries experienced a shorter Cash conversion cycle in 2024, with only **Healthcare & Pharma** seeing a more lengthened cycle

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# Leverage



## Higher Debt to Equity in various industries

Most industries experienced the higher debt to Equity in 2024, with **Hospitality** observing the most significant increase. Only **Transportation & Warehousing** shows the improvement in this matter

## Increased Interest coverage and lower Net debt trend for most industries

Most industries experienced higher Interest coverage except the slight decrease from **Real Estate & Construction**

Net debt to EBITDA remained stable or showed slight improvement across most industries. However, the **Hospitality** sector experienced the worst deterioration in net debt to EBITDA in 2024

*Note: Negative ratios are due to negative Net debt amounts*

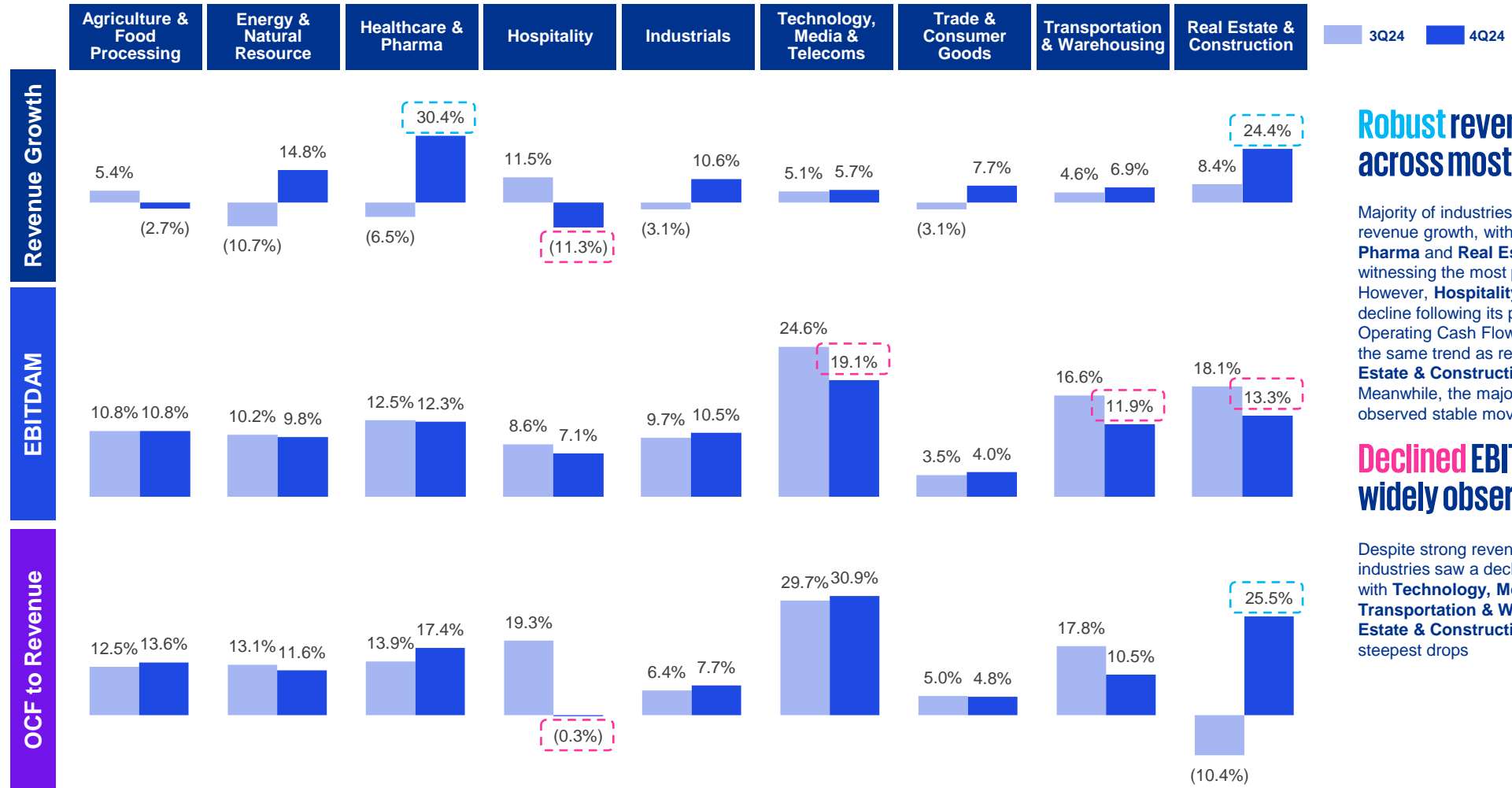
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02

4Q24

# Profitability and cash flow



## Robust revenue growth across most industries

Majority of industries saw a notable rise in revenue growth, with **Healthcare & Pharma** and **Real Estate & Construction** witnessing the most pronounced growth. However, **Hospitality** experienced a sharp decline following its previous peak. Operating Cash Flow to Revenue displayed the same trend as revenue growth for **Real Estate & Construction** and **Hospitality**. Meanwhile, the majority of other sectors observed stable moves

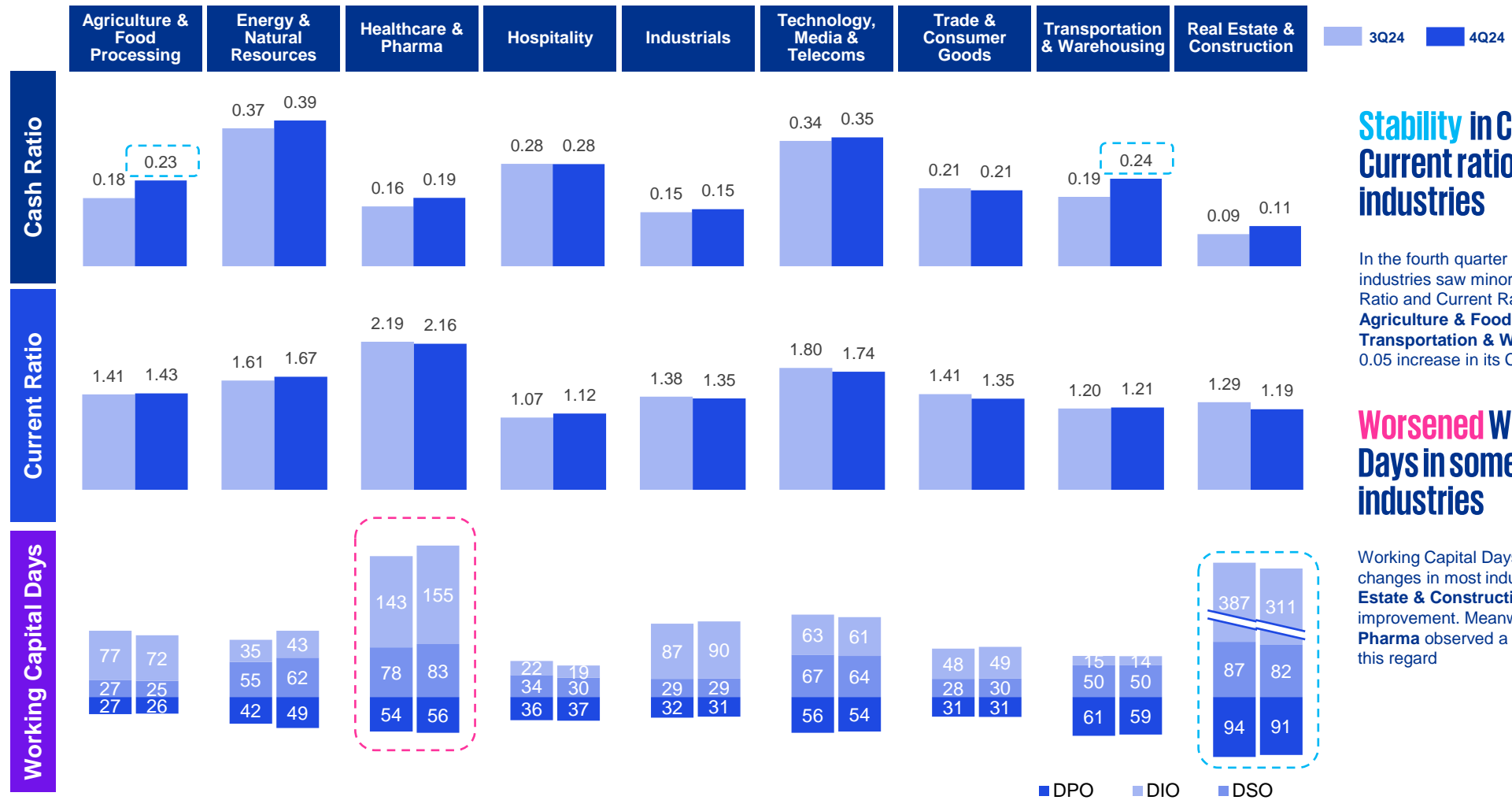
## Declined EBITDAM were widely observed

Despite strong revenue growth, most industries saw a decline in EBITDA margins, with **Technology, Media & Telecoms**, **Transportation & Warehousing**, and **Real Estate & Construction** experiencing the steepest drops

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# Liquidity



## Stability in Cashratio and Current ratio across industries

In the fourth quarter of 2024, most industries saw minor changes in their Cash Ratio and Current Ratio. Notably, **Agriculture & Food Processing** and **Transportation & Warehousing** saw a 0.05 increase in its Cash Ratio.

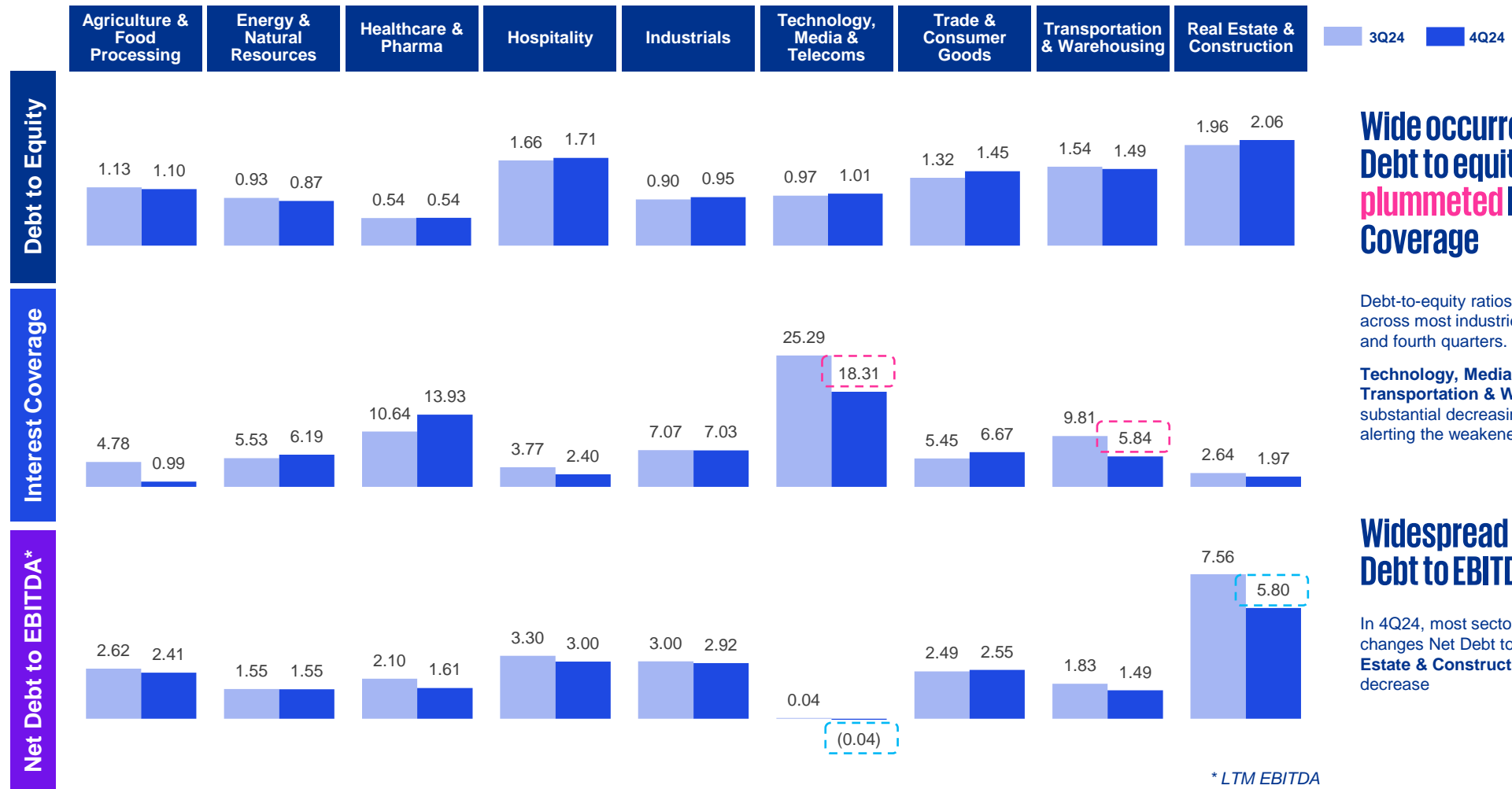
## Worsened Working Capital Days in some certain industries

Working Capital Days observed minor changes in most industries, except **Real Estate & Construction** saw an overall improvement. Meanwhile, **Healthcare & Pharma** observed a remarkable downturn in this regard

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# Leverage



## Wide occurrence of stable Debt to equity and plummeted Interest Coverage

Debt-to-equity ratios remain largely stable across most industries between the third and fourth quarters.

**Technology, Media & Telecoms** and **Transportation & Warehousing** recorded a substantial decreasing in interest coverage, alerting the weakened financial health.

## Widespread stability in Net Debt to EBITDA

In 4Q24, most sectors recorded minimal changes Net Debt to EBITDA, except **Real Estate & Construction** that saw a slight decrease

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