

**VNDIRECT announced business results with profit before tax (PBT) reaching VND 646.86 billion in the 2<sup>nd</sup> Quarter of 2022, VND 1.603 billion in the first 06 months of 2022. Profit before tax in the first 06 months increased 41.13% YoY, completing 44.47% of the year plan for 2022**

Hanoi, July 20, 2022 – **VNDIRECT Securities Joint Stock Company** (HOSE: VND, “VNDIRECT” or “The Company”) reports performance highlights as of 2<sup>nd</sup> Quarter 2022 (Q2/2022) and the first half year of 2022.

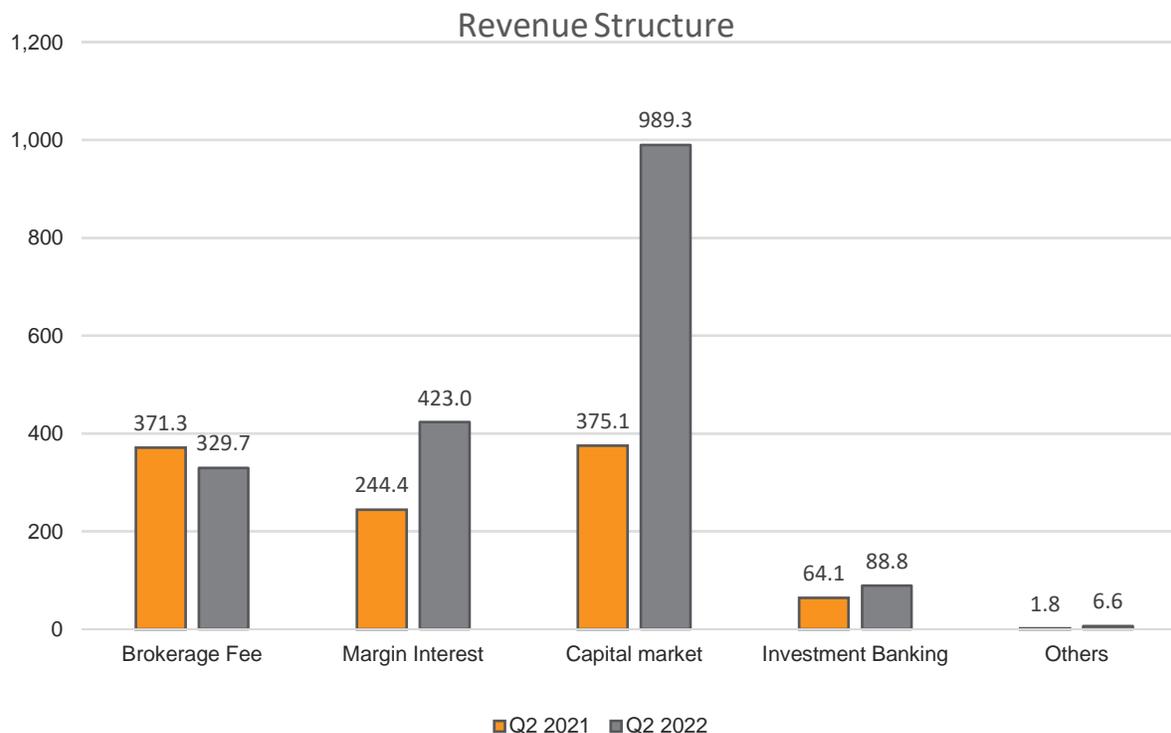
### **Summary of business results and financial position in the 2<sup>nd</sup> Quarter of 2022 and the first 06 months of 2022**

- **Revenue:** VNDIRECT reported net revenue of VND 1,837 billion in Q2/2022, increased 73.89% YoY. VNDIRECT recorded net revenue in the first 6 months of 2022 reaching VND 3,604 billion, increased 67.30% YoY as compared to VND 2,154 billion in 2021. Total revenue in the first 6 months of 2022 accomplished 66.80% of the whole 2022 plan.
- **Profit:** VNDIRECT recorded profit before tax (PBT) increased by 32.03% YoY, reaching VND 646.86 billion; along with that, net profit (EAT) reached VND 524.22 billion, increased 34.67% YoY. In the first 6 months of 2022, VNDIRECT recorded the profit before tax of VND 1,603 billion and net profit of VND 1,286 billion, increased 41.13% and 42.21% respectively YoY. Profit before tax in the first 6 months of 2022 was completed 44.47% of the full year 2022 profit plan.
- **Total Assets:** Total Assets in Q2/2022 reached VND 44,343 billion, marked an increase of 20.33% since Q4/2021.
- **Equity:** VNDIRECT recorded total equity of VND 14,406 billion in Q2/2022, an increase of 50% since Q4/2021.
- **Market Capitalization:** Market capitalization of VNDIRECT had a strong correction along with the general market volatility, causing the capitalization to decrease to over VND 21,000 billion as of June 30, 2022.

Despite difficulties in the first half of 2022, when macro risks in the world begin to affect the Viet Nam economy, combined with pessimistic sentiment of investors caused the liquidity in the market to shrink, VNDIRECT still recorded an increase in business results and asset size compared to the same period in 2021 as well as in Q4/2021.

### **Business results by segments in Q2/2022 and 1H/2022**

- **Securities Services:**
  - **Brokerage Fee:** As noted at the financial statements Q2/2022, revenue decreased to VND 329.72 billion (-11.20% YoY). The reason is because of the market liquidity, specifically the average liquidity of 20 sessions in the second quarter of 2022 has decreased by more than 30% compared to the first quarter of 2022 and by more than 20% compared to the same period last year. By the end of Q2/2022, VNDIRECT 's brokerage market share at HOSE was 7.96%, slightly decreased from 8.01% of the previous quarter, besides, VNDIRECT possessed 10.17% and 10.50% of market share in HNX and UPCOM respectively. VNDIRECT retained its competitive position within the top 3 in the industry in terms of HOSE alone, and the second position on both HNX and UPCOM.
  - **Margin Lending Interest:** VND 423 billion posted in Q2/2022 revenue (growth of 73.07% YoY), accumulated in the first 6 months of the year reached VND 887.30 billion, increased 112.64% YoY. Despite the sharp drop in market liquidity in Q2/2022, the number of customers increased over the same period, plus the average margin loan outstanding increased by more than 30% YoY. Due to the fact that VNDIRECT successfully increased its capital, hence this helps margin lending capacity to improve.
- **Investment Banking (IB):** VND 88.76 billion recorded in Q2/2022 revenue (38.56% YoY), in total of the first 6 months of the year, revenue from VNDIRECT's Investment Banking segment reached VND 167.41 billion, increased 117.03% YoY. This growth comes from the diversification of revenue structure including underwriting and financial advisory segments. VNDIRECT has identified its own strategic priority and has improved its capacity in underwriting, the company aims to help corporates solve difficult problems in terms of fundraising, liquidity as well as supporting customers to optimize capital and cash flow.
- **Capital Market:** revenue reached VND 989.25 billion in Q2/2022 (growth of 163.81% YoY).



*Source: VNDIRECT Separate FS Q2 2022*

In the revenue structure of VNDIRECT, Margin lending interest and Capital market are the two business segments with the highest growth rate, contributing to VNDIRECT's revenue growth in the first half of 2022. Accordingly, unfavorable market conditions have impacted brokerage fee revenue.

### **Assets break down analysis Q2/2022**

- **Investment in fixed-income & HTM:** The investment balance in corporate bonds increased by 296.80% compared to the end of 2021, reaching VND 6,870 billion. The strong growth in corporate bonds was resulted from the rise of company owner's equity and business strategy from IB. Besides, the investment in credit institution bonds were recorded at VND 1,875 billion, a slight increase of 12.41% compared to Q4/2021, while government bonds decreased by 23.18% compared to Q4/2021, reaching VND 787.79 billion.

Certificate of deposit increased by 65.49% compared to Q4/2021 at VND 9,647 billion. In addition, HTM's assets increased to VND 7,892 billion, 48.57% higher than that of Q4/2021.

- **Prop trading & Assets for hedging Cover Warrants:** The equity investment balance decreased 11% compared to the last quarter of the previous year to VND 1,799 billion.
- **The margin lending balance:** Margin balance in Q2/2022 reached VND 11,664 billion, decreased 24.62% compared to the end of 2021. Average margin interest rate of VNDIRECT is estimated at 12.47% in Q2/2022. The rationale behind this decline is unfavorable general market background, affecting investor sentiment, leading to a decrease in margin balance compared to the first quarter of 2022. However, in comparison to the same period in 2021, margin interest in Q2/2022 had positive results because VNDIRECT's increased lending capacity due to capital increase.

As of Q2/2022, VNDIRECT 's total assets reached VND 44,342 billion, expanding the scale by 20.33% compared to the end of 2021. Market capitalization reached over VND 21,000 billion as of June 30, 2022, ranking the first in the listed securities companies on the market.

## Q2/2022 Activity highlights

### **1. Financial Highlights**

At the end of Q2/2022, VNDIRECT is still closely following the business goals of the management in 2022. Details of the goals are as follows:

<b>Goal (VND Billion)</b>	<b>2021 Result</b>	<b>2022 Plan</b>	<b>1H 2022 Result</b>	<b>Plan Accomplishment</b>
Total revenue	5,776	5,395	3,604	66.80%
Profit before tax	2,734	3,605	1,603	44.47%
Net profit	2,178	2,884	1,286	44.61%

VNDIRECT 's profit grew strongly in Q2/2022. ROAE (TTM) reached 26.69%, lower than ROAE (TTM) recorded at 34.03% in 2021. Along with that, ROAA (TTM) was 7.66% in the second quarter of 2022 decreased slightly compared to ROAA (TTM) at 8.08% of 2021.

### **2. Capital Mobilization Highlights**

In April 2022, VNDIRECT completed the public offering of shares to existing shareholders (through the exercise of rights) with the offering price of 10,000 VND/share, ratio 1:1. Thereby, the total proceeds from the offering is VND 4,349 billion, making the incremental in the total equity to VND 14,406 billion, opening the development space for lending and investment activities.

### **3. Products, Services And Technology Highlights**

- **PROPFIT property information searching platform:** On May 24, 2022, DHOMES launched PROPFIT platform to support users to find out all information and images of apartments in a project or real estate before going directly to see the property. PROPFIT supports providing property information in most areas of the country, helping users easily look up information of more than 1,350 apartments, 19,000 streets and 350 land projects.
  
- **New DSAVE interface:** On April 18, 2022, DSAVE - the necessary savings investment channel, the second tower floor in the DGO journey has launched the DSAVE price list displayed in the "Investment Pyramid" section of My DGO with many preeminent features:
  - Interest rates are displayed clearly and intuitively, making it easy for customers to choose.
  - Filter with criteria of investment amount, term, bond information to help customers quickly find the most suitable investment plan.
  - Simple, fast operation in just 5 minutes and completely online.

### **4. Human Resources Development Activities**

- **VNDIRECT goes everywhere with a series of “Job Day” events from the South to the North of Viet Nam**

May and June is the "peak" season of a series of great job events for students. With the desire to accompany students in orienting their career path, as well as providing career opportunities and learning in the professional finance environment, VNDIRECT has "stretched" to the Universities in both South and North to attend the extremely hot JOB FAIR programs.
  
- **Exchange with students of Faculty of Finance and Banking of VNU Hanoi-University of Economics and Business**

Last May, VNDIRECT was pleased to organize a series of events to welcome the students of the Faculty of Finance and Banking of VNU Hanoi-University of Economics and Business.

At the event, the youngers had the opportunity to meet and listen to practical sharing from a team of professionals from VNDIRECT. Thereby, they have gained useful knowledge about the financial market, have a true sense of the working environment; and learn about human qualities and culture at VNDIRECT.

## **5. Corporate social responsibility**

- **DClub:** Dclub specially donated 500 copies of Plum Village Letter No. 45 - 2022 with articles in memory of the Great Monk of Lang Mai - Zen Master Nhat Hanh to VNDIRECTORS.

This is a special publication to express the gratitude of the international community to the Great Monk, including articles commemorating the 40-year journey of Plum Village, a journey filled with so much love and enthusiasm of the Great Monk with the aspiration to renew and develop Buddhism worldwide.

Especially in this publication, Chairwoman Pham Minh Huong also conveyed her thoughts and dreams through the article "Harmony Dream".

- **Charity:** During the Covid-19 epidemic, the monks and nuns in Thai Plum Village - the people who take care of the "soul" of VNDIRECTORS - also face many difficulties. Therefore, with all gratitude and respect, VNDIRECT would like to express its gratitude by donating a portion of money to buy food at the Plum Village Monastery in Thailand during 2022 with an amount of VND 400 million per month.

## About VNDIRECT Securities Joint Stock Company

VNDIRECT Securities Joint Stock Company (HOSE: VND, “VNDIRECT” or “Company”) wishes to build and develop into a trusted financial institution providing transparent and reliable investment products which is supported by a team of integrity and professionalism as well as a multi-utility technology platform for all types of customers. With that goal, VNDIRECT will become the place of collective wisdom, stimulate capital flows among people & create opportunities for anyone to be an integral part contributing to a dream of a greater Vietnam Market.

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