

VNDIRECT Earning Release 3rd Quarter 2021

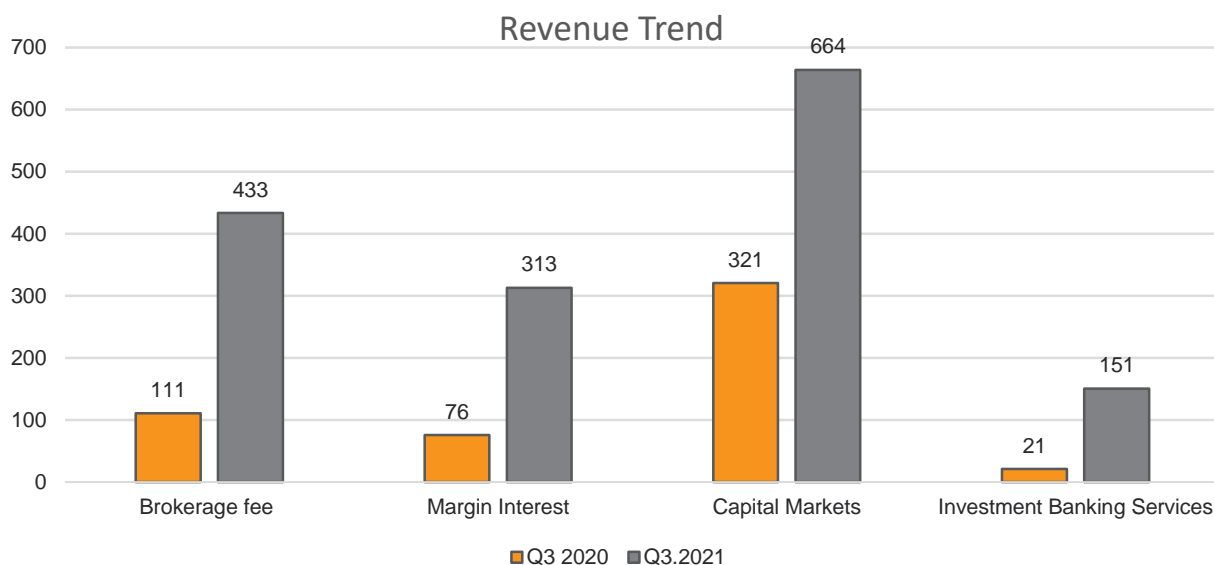
Hanoi 20 OCT 2021 – VNDIRECT Securities Joint Stock Company (HOSE: VND) reports performance highlights as of 3Q 2021.

Business results in 3rd Quarter 2021:

Q3/2021 profit before tax grew 122% yoy to VND 686.34bn; meanwhile Q3/2021 net profit soared 115% yoy to VND 548.85 bn. VNDIRECT was among top local brokerage firms to record strongest net profit growth in Q3/2021. The impressive performance in Q3/2021 was largely driven by 4 business lines:

- **Securities services:**
 - o **Brokerage fee:** recorded Q3/2021 revenue of VND 433.31bn (291% yoy) as the result of significant increase in VNDIRECT 's transaction volume. In Q3/2021, VND 's brokerage market share at HOSE was 7.72%, slightly increased from 7.13% in the previous quarter. Despite the increasing competition among the brokerage industry, VND is still growing and ranked as top 3 in the industry.
 - o **Margin interest:** posted VND 313.14.bn in Q3/2021 revenue (311% yoy). Margin lending outstanding balance was VND 11.317bn, +140% FY2020. VND 's average margin lending yield was estimated at 12.16% in Q3/2021; slightly higher than that of 11.9% seen in 1H2021. In spite of the decline of overall market deposit rates and the increasing competition among brokerage firms, VNDIRECT still managed to maintain margin lending yield.
- **Investment banking** recorded VND150.78bn in Q3/2021 revenue (612% yoy) and almost tripled IB revenue in Q2/2021. VND has successfully closed some advisory deals in corporate bond issuance funding for renewables energy projects with a total value of VND13 trillion VND.
- **Capital Market:** reached VND 664.09 bn in Q3/2021 revenue (107% yoy).
 - o **Investment in fixed-income & HTM:** posted outstanding assets at VND 13,360 bn. Notably, the investment balance in listed bonds surged +217% FY 2020 to VND 1,059bn, while the investment in unlisted bonds increased +345% FY 2020 to VND 2,600 bn. Certificate of deposit in Q3 2021 possesses of VND 4,536bn increased 124% yoy. Meanwhile, HTM assets increased to VND 5,164bn +8% FY 2020.

- **Prop trading & Assets for hedging Cover Warrants:** The equity investment balance soared +20% YOY to VND1,168bn at 3Q2021. The ratio of equity investment to total capital is 14% in Q3/2021 - in line with the strategy to diversify investment portfolio.



(Source: VNDIRECT FS Q3 2021)

FY21 business plan.

Based on the stellar performance of 3Q2021, VND's Management lifted the target for FY21.

Detail of lifted targets are as following:

Key metrics (VND Billion)	FY 2020 Performance	Initial approved 2021 plan	Revised 2021 plan	Actual 3Q 2021 Performance	Completion as of 3Q 2021
Total operating income	2,134	2,556	3,951	3,838	97%
Profit Before Tax	853	1,100	2,000	1,822	91%
Profit After Tax	685	880	1,600	1,453	91%

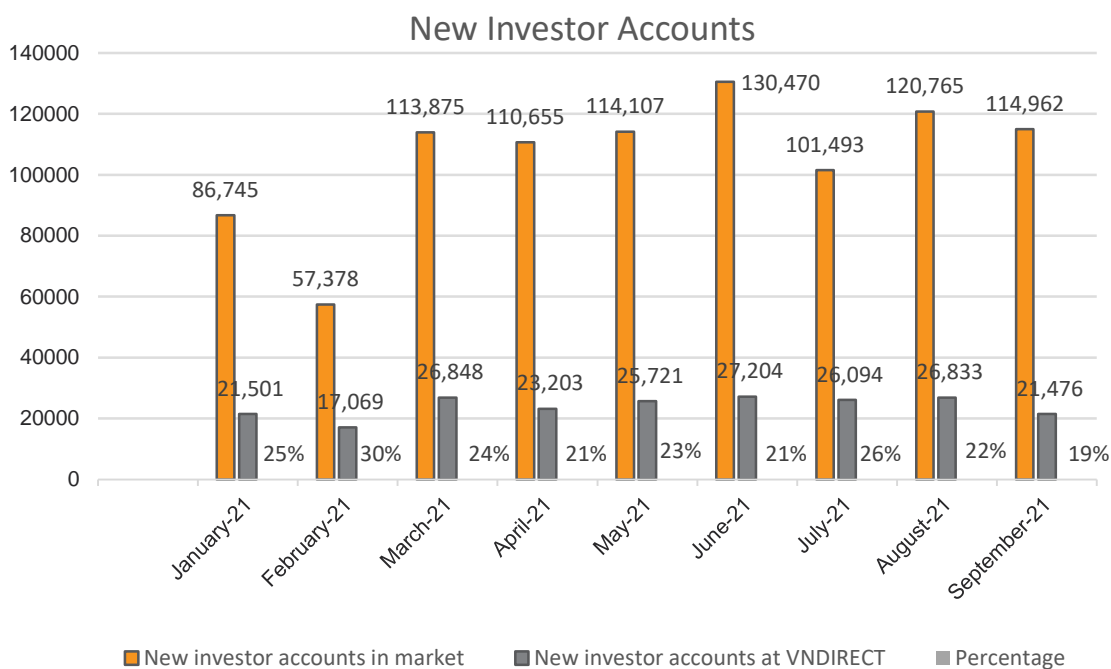
In July 2021, VNDIRECT completed the public offering of shares to existing shareholders (through the exercise of rights) at a price of VND 14,500/share at ratio 1:1. Hence, charter capital went up to VND 4.349 bn, and approximately VNDIRECT had earned a capital surplus of VND 968 bn. Subsequently, shareholders' equity increased to over VND 7.600bn, opening more capacity for lending & investment activities.

The Board of Directors have approved the plan to issue VND 2,000bn straight bond. Half of which is expected to issue within Q4 2021, and the remaining amount will be in 1Q 2022. The bonds will be listed on HOSE with the purpose serving for margin lending and investment instruments.

3 Quarters 2021 Performance highlights:

1. Customer Highlights

3Q 2021 has witnessed the rally of retail investor participants. Riding on this trend, the number of new accounts (since FY 2020) at VNDIRECT climbed to 215,949, possessing in average 23% of the entire industry's new accounts. By end-Q3/2021, total accounts of VNDIRECT reached 618,327. Total NAV is at USD 6.53 bn as at the end of 3Q 2021.



Source: Vietnam Securities Depository

2. Financial Highlights (accumulative as of 3Q 2021)

VNDIRECT posted VND 3838.7 bn in 3Q 2021 revenue (149% yoy) and VND 1822.28 in 3Q 2021 profit before tax (232.% yoy); well surpassing the initial PBT target of VND1.100 bn for the whole year, also reaching 91% of the adjusted plan (VND 2,000bn).

As at end-3Q2021, VND's total asset was VND 28,464 bn, expanding 90.29% versus end-FY20; to be the 2nd largest brokerage firm in terms of assets. Market capitalized was VND 23,210 bn as at 10 OCT 2021; making VND to be the 2nd largest listed brokerage firm.

VND's profitability has improved significantly in 3Q2021. VND's ROAE (TTM) was 30% in 3Q2021, much higher than that of 18% in FY2020; and currently being the best-in-class ROE. Furthermore, ROAA (TTM) improved to 8.4% in 3Q2021 from 4.6% in FY2020; ranking the 2nd highest ROA in the industry.

3. Technology highlights

The DGO Mobile app development project was implemented from March 1, 2021 to June 21, 2021 with 4 expertise including 2 Developers, 2 Business Analysts. The application officially launched version 3.0.0 on June 21, 2021 and has received numerous positive feedback and many constructive comments from customers to help improve and optimize the application. In early August, the project conducted a customer satisfaction survey with the new Mobile app version. The evaluation result reached 4.15/ 5. This shows that customers have initially recognized the non-stop improvement efforts of the Mobile app development team.

In an attempt to assist the DGO Path, the Customer Service and Consulting Center officially launched the DGO Client Education program, through E-training platforms, our customers will be assisted in creating a financial accumulation path and secured investment. The series of lessons implemented in the form of animation, they have been broadcasted on Friday every 2 weeks and deployed on VNDIRECT's official YOUTUBE channel. It is expected that the first E-training with the topic "Life Path and Concerns" will be broadcast on October 22.

4. Corporate Social Responsibility

Mid-Autumn Festival-VNDIRECT's DCLUB members co-operated with Singer Thai Thuy Linh's Charity Club has initiated the program "Mid-Autumn Festival for children" giving more than 12,000 gifts to children who are pediatric patients at 5 major institutes including: National Children's Hospital, Vietnam National Institute of Burns, National Hospital of Cancer –Tan Trieu, Institute of Hematology, Institute of Acupuncture. Besides, the team have also prepared surprising gifts to the children of CDC team members, who have been tirelessly carrying out vaccinations + screening tests for the entire Hanoi city.

Supporting doctors in Binh Duong - the hot spot of Covid -19 after Ho Chi Minh City. VNDIRECT's CSR club has donated essential medical equipment such as: 3M1870 masks, level 3 protective gear, level 4 protective gear, foam shield, glass shield, gloves and necessary pharmaceuticals were transferred to Binh Duong Emergency Resuscitation Field Hospital and Binh Duong Field Hospital 1.