

VNDIRECT announced business results with revenue reaching VND 1,429.64 billion in the 3rd Quarter of 2022, total revenue in 9 months of 2022 at VND 5,033.74 billion.

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VNDIRECT Securities Joint Stock Company (HOSE: VND, “VNDIRECT” or “The Company”) published reports performance highlights as of 3rd Quarter 2022 (Q3/2022).

Summary of business results and financial position in the 3rd Quarter of 2022

- **Revenue:** VNDIRECT reported net revenue of VND 1,429.64 billion in Q3/2022, decreased 8.68% YoY 2021. Total revenue in 9 months of 2022 reaching VND 5,033.74 billion.
- **Profit:** VNDIRECT recorded profit before tax (PBT) reaching VND 116.14 billion; along with that, net profit (EAT) reached VND 93.48 billion.
- **Total Assets:** Total Assets in Q3/2022 reached VND 42,024.88 billion, an increase of 14.04% compared to the begin of 2022.
- **Equity:** VNDIRECT recorded total equity of VND 14,499.15 billion in Q3/2022, an increase of 50,98% compared to the begin of the year.
- **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 September 30, 2022, although there was a strong recovery from the end of Q2/2022 when market capitalization reached a short-term peak of over VND 27,500 billion at the end of August 2022.

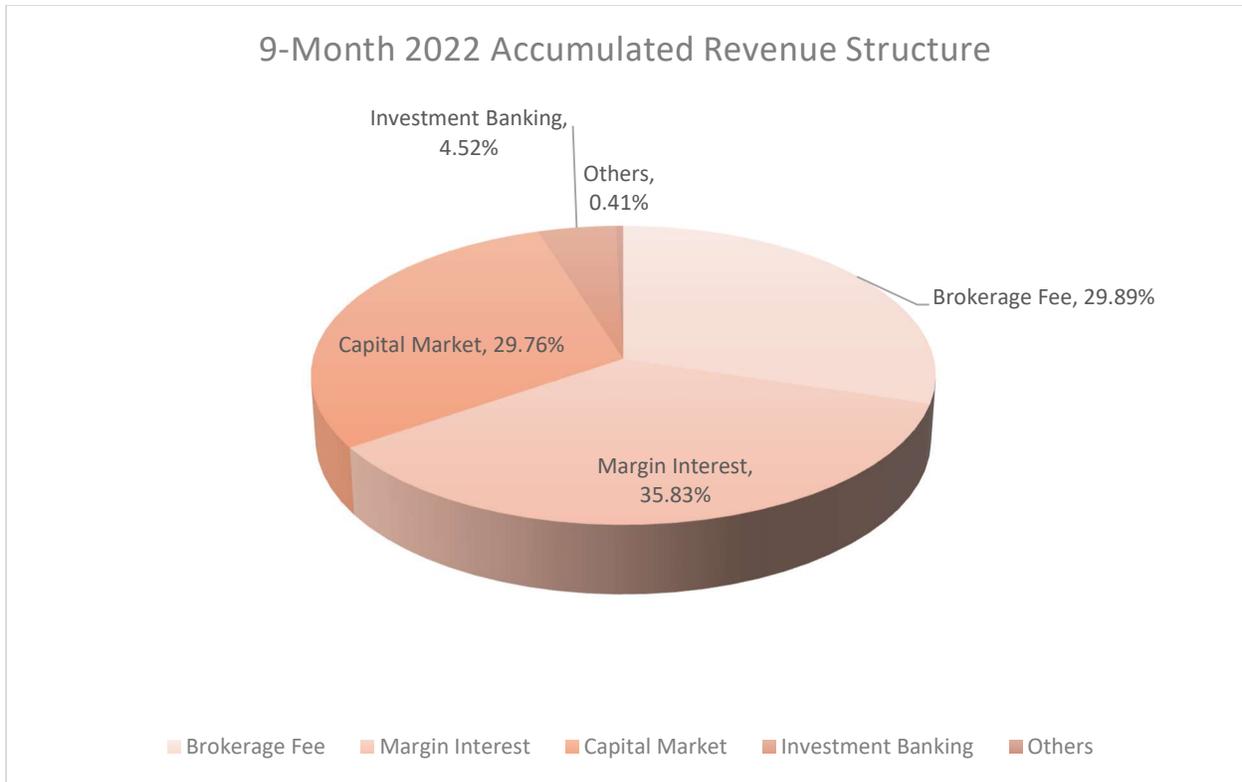
The market is not favorable, due to the risk of economic depression, higher interest rates, geopolitical instability from many regions and domestic macro factors such as interest rates, exchange rates, negative information in the market, which has a negative impact on investor sentiment causing liquidity in the market to shrink deeply and the index fluctuated strongly in a negative direction, thereby having certain impacts on the Company's business results. However, VNDIRECT is still effectively promoting core business platforms in accordance with its vision and mission.

Business results by segment in the third quarter of 2022

- **Securities Services:**
 - **Brokerage Fee:** As noted at the separate financial statements Q3/2022, brokerage revenue decreased to VND 255.19 billion (-41.11% YoY).
 - By the end of Q3/2022, VNDIRECT 's brokerage market share at HOSE was 7.72%, slightly decreased from 7.96% of the previous quarter, besides, VNDIRECT accounted for 9.00% and 8.74% 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 377.47 billion posted in Q3/2022 revenue (growth of 20.45% YoY).
- **Investment Banking (IB):** VND 1.69 billion recorded in Q3/2022 revenue. The corporate bond market in the third quarter saw a sharp decline in the total value of newly issued corporate bonds, stemming from the promulgation of Decree 65/2022/ND-CP amending a number of articles of Decree 153/2020/ND-CP regulating the offering and trading of individual corporate bonds in the domestic market and offering of corporate bonds to the international market and waiting for further guidance from the authorities. In addition, the plan to mobilize capital through the bond channel of many enterprises had adjustments affecting VNDIRECT's investment banking services.
- **Capital Market^(*):** The negative performance of the stock market and financial market at the end of Q3.2022 were the reason why VNDIRECT's capital market segment results in Q3 reached VND 143.01 billion (-49.65% YoY).

The Company's profit before tax in the third quarter of 2022 reached VND 116.14 billion, of which realized profit reached VND 531.08 billion (maintaining an average profit of nearly VND 200 billion/ month) and unrealized profit recorded at negative VND 414.95 billion (due to revaluation of financial assets according to market value as of September 30, 2022).

^(*) Capital Markets segment revenue is calculated by net-off of profit and loss from financial assets



Source: VNDIRECT Separate FS Q3/2022

In nine months of 2022, VNDIRECT's revenue structure still remained balanced ratio compared to previous years in all 4 main pillars including capital market activities, margin lending activities, securities brokerage services and investment banking services.

Balance Sheet highlights Q3/2022

- **Financial assets:**

In the structure of financial assets, certificates of deposit and contracts of deposit are highly liquid assets with a scale of VND 13,824.35 billion (accounting for about 55.54% of financial assets, equivalent to 33% of total assets of VNDIRECT).

Bonds: The balance of corporate bonds and credit institutions bonds at VNDIRECT accounted for 28.08% and 8.36% of financial assets (equivalent to VND 6,988.78 billion and VND 2,081.12 billion respectively). Meanwhile, the government bond balance at VNDIRECT reached VND 674.87 billion.

Stocks and securities: The balance of stocks and securities of VNDIRECT accounted for 5.32% of financial assets (equivalent to VND 1,323.14 billion). In which, listed stocks and other securities were recorded at VND 913.23 billion, accounting for 3.67% of financial

assets, listed stocks for hedging activities for warrants and unlisted stocks and fund certificates accounted for 0.21% and 2.44% of financial assets, respectively.

- **The margin lending balance:** Margin balance in Q3/2022 reached VND 12,924.79 billion, decreased 16.34% compared to the end of 2021, but increased 11.18% to the previous quarter. Average margin interest rate of VNDIRECT is estimated at 12.43% in Q3/2022, VNDIRECT's lending room still has room to increase as the margin balance accounts for only 88% of equity compared to the maximum margin amount of 200% of equity.

Q3/2022 Activity highlights

1. Financial Highlights

At the end of Q3/2022, the business goals for 2022 have been achieved as follows:

Goal (VND Billion)	2021 Result	2022 Plan	9-month 2022 Result	Compare to 2022 Plan
Profit before tax	2,734	3,605	1,719	47.68%
Net profit	2,178	2,884	1,380	47.85%

After 9 months of operation, VNDIRECT has achieved ROAE (TTM) of 18.35% and ROAA (TTM) of 5.97%.

2. Awards Highlights

Top 50 best listed companies in Vietnam by Forbes Vietnam magazine

On August 4, 2022, VNDIRECT Securities Joint Stock Company was honored in the Top 50 best listed companies in Vietnam 2022 voted by Forbes Vietnam magazine. Accordingly, VNDIRECT is the securities company with the largest market capitalization and the third largest brokerage market share in the stock market.

The list of TOP 50 best listed companies in 2022 is quantitatively scored based on five criteria: compound growth rate in revenue, profit, ROE, ROC and EPS growth in the period 2017 - 2021. In the next qualitative round, Forbes Vietnam independently examines the level of sustainable development of businesses: brand, corporate governance quality, past profit sources and sustainable development prospects.

Asia's Outstanding Companies Poll by AsiaMoney magazine

In September 2022, VNDIRECT was voted "Vietnam's most outstanding company in the field of financial services in 2022" according to the "Asia's Outstanding Companies Poll" of AsiaMoney, Asia's leading prestigious magazine on economy – finance – bank.

Asia's Outstanding Companies Poll is organized to honor listed companies with outstanding achievements in terms of finance, leadership, investor relations (IR) activities and social responsibility initiatives (CSR). In the 2022 show, a total of 958 fund managers, analysts, banking professionals and rating agencies voted for companies in 14 Asian markets. With outstanding achievements in all aspects, VNDIRECT achieved the highest number of votes, being evaluated as one of 176 outstanding companies in the region.

Top 500 most profitable private enterprises in Vietnam in 2022

On September 19, VNDIRECT was announced in the list of "Top 500 Most Profitable Private Enterprises in Vietnam in 2022" according to a survey and evaluation of Vietnam Report Joint Stock Company (Vietnam Report) and VietNamNet electronic newspaper (Ministry of Information and Communications). The list is made based on the estimated criteria of pre-tax profit, total revenue, total assets and total number of employees of the Company.

3. Products, Services And Technology Highlights

Dlink

Since August 2022, Dlink application has officially become the official communication channel for all employees of the Company. This is a call/chat application developed by VNDIRECT Technology Division, with the goal of mastering communication tools, ensuring information security and flexibly integrating with other platforms in VNDIRECT's ecosystem.

iLead

iLead - a completely new technology platform that helps each individual in VNDIRECT design and exchange work tasks professionally instead of traditional tools such as mail, chat, call...

iLead was created to help each employee own and take responsibility, always challenge themselves to keep up with the development of the organization, to meet the increasing competitiveness of the market and customers.

4. Human Resources Development Activities

Recruitment of Technology Intern

Continuously developing the staff of the Technology Division, last August, VNDIRECT officially opened the application for the GENDEV 2022 Technology Intern recruitment program. The work experience program was designed by VNDIRECT specifically for the candidates who are passionate about programming and want to work in the Fintech field.

Career orientation sharing for new employees with Chairwoman – Mrs. Pham Minh Huong

At VNDIRECT, the term "Career Stream" - represents VNDIRECT's human resource development orientation, that is, all employees are given maximum conditions to build a downstream career flow, sustainable, like a river, although inevitably bumpy, but always has a destination.

In order to grasp the environment, working culture and the way to create that career flow, in September, the new employees had the opportunity to meet and discuss with Chairwoman – Mrs. Pham Minh Huong to have a better view the way they are going and the destination ahead.

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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