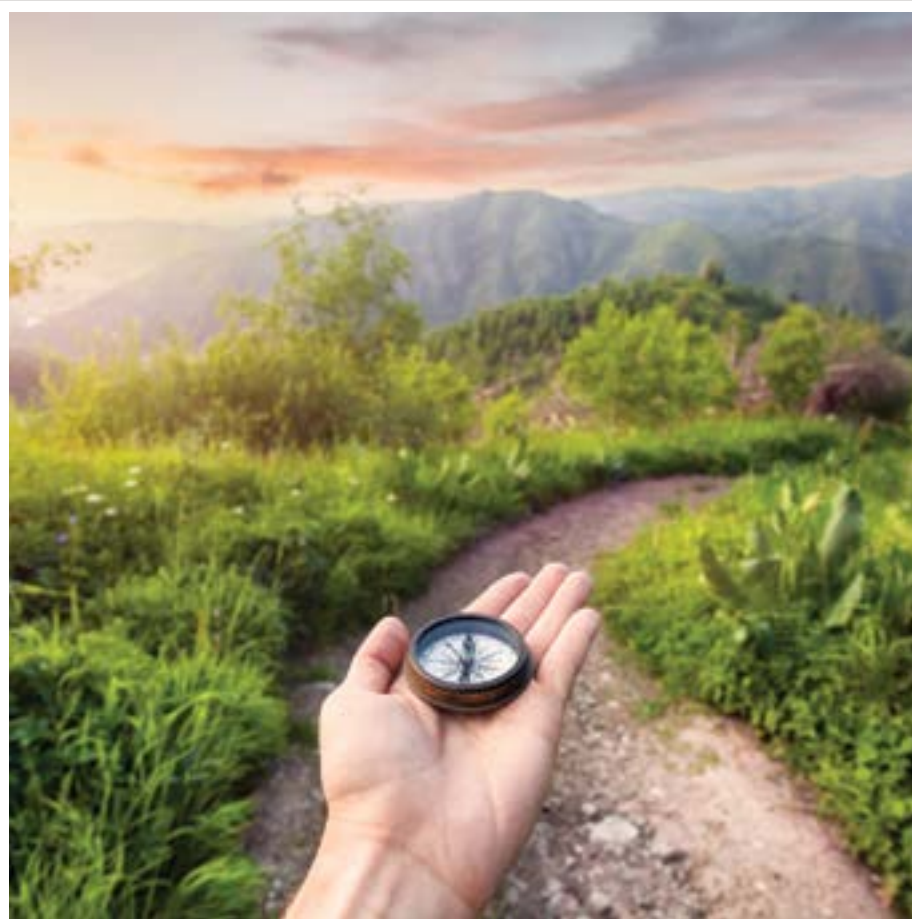


**VNDIRECT SECURITIES
JOINT STOCK COMPANY**



**ANNUAL REPORT
2019**



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FS	Financial Statement Report
BOM	Board of Management
RE	Real Estate
BOS	Board of Supervisors
CPI	Consumer Price Index
Sec Co.	Securities companies
AGM	Annual General Meeting of Shareholders
SOC	State Own Companies
Rev	Revenue
GDP	Gross Domestic Product
BOD	Board of Directors
CC	Corporate Clients
IC	Institution Clients
SB	State Bank
CB	Central Bank
RM	Risk Management
SSC	State Securities Commission
Ltd	Limited company
VNDIRECT	VNDIRECT Securities Joint Stock Company



01.

INTRODUCTION

- 01. MESSAGE FROM THE CHAIRWOMAN
- 02. VISION – MISSION – CAPACITY AND CORE VALUES
- 03. STORY ABOUT TRANSITION
- 04. HIGHLIGHT ON BUSSINESS RESULT
- 05. 2019 HIGHLIGHTS

MESSAGE FROM THE CHAIRWOMAN

Dear Valued Shareholders,

2020 would be a very challenging year for the global economy, as growth dynamics forecasts based on consumer credit and expansion investment plans have been built on the assumption of long-term incremental growth in demand, though with regards to short-term historical data. However, it is becoming more challenging to forecast the ever-changing factors that influence the global supply chain

The rapid development of science and technology has boosted production capacity far beyond the actual needs of the economy, making all of its policies and actions refocus on stimulating consumer spending at all costs. Consumption habits such as overspending on credits, no discipline in long-term financial planning, specifically in allocating resources between **Wealth Accumulation and Wealth Disparity, Savings Asset and Production Asset**, have undermined the financial stability of all members of the economy. Therefore, measures of financial health of individuals and businesses will need to be refocused on accommodating the new risks evolving in this technology era. The Covid-19 outbreak also renews our awareness of sustainable core values and increases the need to foster the financial health of each economy member, from individuals to companies, to cope with the uncertainties which can happen at any time and affect every sectors of the global economy.

In 2019, VNDIRECT's Board of Directors has identified risks in the business model of Securities services segment, when the SSC decided to remove the floor trading fees which led to heightened competition in the market. We believe shifting from a securities trading model to a multi-asset investment services model is the only way to diversify our product and service portfolio and help engage customers through their product experience journey.

We have redesigned the entire organizational structure to build the foundations for executing our business transformation strategy with a new vision to become a simple multi-channel investment ecosystem for all investors at any places. With the mission of fostering financial assurance and investment security for all VNDIRECT's customers, we must continue to invest in **human resources, technology, and value chains** to transform into the O2O (online to offline) hybrid business model – including the digitalization of the product and service business operation to improve corporate governance and service quality. By converting the model from **PRODUCT CENTRIC** to **CUSTOMER CENTRIC**, VNDIRECT will continue to invest in digital transformation of the system to further our capacity in terms of providing direct services

to customers, enhance the operational risk management capability and business efficiency, as well as optimize the symbiotic value of the ecosystem with a focus on customer experience throughout the service journey.

VNDIRECT generated VND1.507bn in revenue and VND383bn in consolidated profit after tax in 2019, with shareholder equity rising to VND3.249bn and total asset increasing to over VND11.577bn. Although the business result only achieved 80% of the approved profit target in the Annual General Meeting, we are lucky to stand in the top security companies having a high guidance completion ratio amid the market's growing competition. Beside the profitability financial indicators, we highlight our large investment in technology and transformation strategies during the past two years, which help us lay the foundation for future sustainable development. The targeted strategies helping us maintain the profit level in 2019 include: (1) Retaining the competitive advantage and risk management capability in the Securities services and Retail margin lending segments; (2) Investing in developing a differentiated portfolio of products and services to cater to the demand of various target customer groups such as Individual clients, Institutional clients and Corporate clients; (3) Improving the risk management capacity in the capital market and the access to capital for money market activities, acting as an intermediary financial institution. VNDIRECT continues to focus on three key elements of change: **HUMAN RESOURCES, TECHNOLOGY and VALUE CHAIN**.

In 2020, VNDIRECT will stay concentrated on the core strategy of developing multi-channel investment services for retail customers, on the way to become a diverse investment ecosystem with **Dcash** – investment in high-liquidity defensive assets, **Dwealth** – portfolio investment for long-term savings, **Dstock** – equity investment to diversify the investment portfolio, **Dtrade** – securities trading, and fully meet the investment and wealth management needs of all customers. We continue to rely on the technology-based business strategies to maintain our market share in securities trading services – one of our competitive edges that we built over the past years. We will keep investing in building the capacity to provide multi-channel services to expand our market coverage, targeting new customers and making the need to open an investment account and acquire financial assurance a necessity for all clients. With the advantages **of strong customer base, service-oriented business culture, the knowledge base of nearly 1,000 people accumulated through 13 years of operation, high reputation, the financial capacity and the ability to access capital of VNDIRECT, IPAAM**

asset management firm and member companies, VNDIRECT would continue to transform our business model to make the best use of assets, equity and business opportunities in the retail client segment in the coming future. 2020 will also be an occasion for resources specialisation and working culture renovation for the teams with four core competencies IPAM: **INSIGHT, PASSION, ACTION and MINDFULNESS as well as four core values: CONDUCT OF INTEGRITY – COLLECTIVE WISDOM – COLLABORATIONS OF SERVICES – CONNECTION OF VALUES** with an aim to connect with customers, shareholders and staffs in the process of fulfilling the vision and missions set by the Shareholders and the Board of Directors.

VNDIRECT will stay **cautious, determined and solid** with our designated strategies. We are well aware of the challenges during transformation, especially as the Covid-19 could take a toll on our short-term business performance, but we believe VNDIRECT has been fully prepared to overcome the challenges and expand further. VNDIRECT will continue to build a connected community of professionals, with innovative minds and the passion for action to create a path towards financial stability and investment security for all individual and institutional clients.

Finally, on behalf of the Board of Directors and the Board of Management of VNDIRECT Securities Joint Stock Company, I would like to express my sincere thanks to our valued customers, shareholders, partners and all of our employees for their trust, support and cooperation over the past few years and in the years to come. With shared belief on the vision of VNDIRECT, we will always flow together as a river to create a firm, harmonized community ready to turn challenges of the market into opportunities.

Best wishes,



Chairwoman of the Board of Directors

Pham Minh Huong



VISION – MISSION – CAPABILITIES AND CORE VALUES

VISION

The #1 ultimate Vietnam financial investment ecosystem for everybody in everywhere.

MISSION

Serving the financial health and peace of mind in investment for all customers.

CORE CAPABILITIES

Insight

The vision, mission and core values are the inner strength of each VNDIRECTOR. We sharpen the capability of deeply contemplating the truth in every single present moment to gain more understanding and love. We cherish every opportunity to live, work together and serve our customers. Our success is made from the success of our customers.

Passion

Our career passion has provided us unceasing creative abilities in order to bring our products and services reaching the perfection. We deeply understand the meaning of our serving jobs, and that passion has enlightened our mind, helping us overcome all challenges and difficulties of the market, and accompanying with our investors.

Action

A capability for conducting collective action to bring the best values to our customers is the motto of our job. For us, each customer is the most important person, and we are thankful for all the opportunities and trust brought by our customers. We act to the sustainable benefit of the market, the customers, the shareholders and of each VNDIRECT member.

Mindfulness

We practice being mindful in every current moment in order to stay focused on the mission of protecting each client's peace of mind. We understand that all our future success values are built at the present moment. Thus, we always preserve the values we have built, while listening always to understand each customer's financial dream so that we can provide the most optimal solutions.



CORE VALUES

Conduct of Integrity

It is the initial core value of every VNDIRECTOR. We understand that only integrity and commitment to respecting the objective truth can help us confidently build our service credibility and sustainable values for a collective of job-loving people, who are grateful for all the opportunities given by our customers.

Collective Wisdom

We choose the investor serving mission to help our customers protect financial health and have peace of mind during their lifetime investment. The very meaning of our serving journey has brought us a lot of joy and happiness at work.

Collaboration of Services

Every experience with each client is a valuable asset that helps us always learn and improve ourselves. We respect every customer's distinct needs, always listen to understand each demand and provide optimum solutions to our customers with everything we can.

Connection of Values

Together we share and contribute our experience and professional knowledge to create a river of collective wisdom, helping each of us achieve our professional knowledge base and a continuous creation of a strong collective, meeting all the expectations of our customers.

A STORY ABOUT THE TRANSITION

A. JOURNEY TO OPEN UP TO THE BLUE OCEAN

COMPETITION AND TRANSITION – OPPORTUNITY LIES IN CHALLENGES

In 2019, SSC removed the regulation on the floor fee in securities transactions, while many foreign securities companies joined the market, the factors that have significantly changed the competition environment in the securities service sector. Then emerged a decline in market liquidity, which has made the profits from stock trading no longer sustainable in future business opportunity. More than ever, as the stock market, traditionally a piece of cake, faced declines and fell apart, the motivation to search and shift to new directions has become stronger than ever. Meanwhile, the increasing need to diversify investment assets into other financial investment channels such as bonds and fund certificates represents an opportunity for our company to open more businesses in investment and multi-channel assets management.

WHEN NUMBERS CAN SPEAK AND THE JOURNEY TOWARDS FINANCIAL SECURITY FOR CUSTOMERS

Studying investor's securities trading behaviour shows that their average "active" time lasts about two years, and they exit the market after that. Most of customers have insufficient experience and knowledge to choose securities as their long-term investment channel. This is also understandable because the services provided by securities companies remain elementary, only capable of providing trading services while the sense of financial investment plan and assets allocation of individual and corporate investors still has many limits. Vietnam's securities market has only developed for the past 20 years, and it has to undergo considerable fluctuations during the two global financial crises that have kept the trust low in the transparency of market and business information. Securities are only interested by a small number of dynamic investors who consider them a short-term investment channel to make profits as opposed to a long-term investment channel for assets accumulation for the future. That is why 43 million people in Vietnam have bank accounts but only 5% of them (or about 2 million) own a stock account. Meanwhile, the demand for investment and savings is an essential need for a lifetime sustainable financial health. People's awareness of financial investment is so new, different from other capital

markets in developed countries such as South Korea, Thailand or Taiwan... With an advantage of being in the gold cycle population while having rapidly rising per capita income, Vietnam is observing that the demand for investment and assets management services will increasingly become indispensable necessities for a citizen of the digital century. This is the opportunity for VNDIRECT to open investment accounts for customers instead of providing only stock trading accounts.

INVESTING IS A LIVING FEATURE AND A LIFETIME JOURNEY OF ACCUMULATION

If we look at the lessons that have been taking place in some developed countries such as South Korea, now is probably the appropriate time for Vietnamese people to build knowledge of financial management as well as investment activities for the future. Investing is not only a gain-loss trading decision, but it is rather a journey of accumulating experience and investment life so that investors can get the ability to generate income from investment and secure asset portfolios effectively to protect lifetime financial health. Investment account is an essential need of life in the 21st century, when we are witnessing rapid and unexpected changes of urban life, when the life in old age after retirement is equivalent to a person's entire working time, as people of modern days tend to increasingly diversify demand. Meanwhile, we must face a fact that income does not catch up with the speed of this rapid change. Consequently, financial investments are a must-have living skill of a citizen in our century to protect freedom and financial security for him and for the family. VNDIRECT chooses the mission of helping individual customers create financial plans and early start the investment journey, an essential life skill leading to lifetime financial health.

ECOSYSTEM OF COMPREHENSIVE INVESTMENT SERVICES WITH CUSTOMER-CENTRIC

With a transition from the centralised operation of "Product-centric" to the customer-focused, or "Customer-centric" operation, VNDIRECT aims to develop an open ecosystem based on the technology platform with three clear objectives: Retail (DCash/DTrade/DStock/DWealth); Investment Banking and Capital Market. This ecosystem can connect to a wide variety of financial institutions that have diversified products and services, thereby

VNDIRECT can become the gateway of trading financial assets and advisory services, managing investment in the most reputable and comprehensive way. The investment banking services on the capital market will help businesses raise funds and create goods. For the retail segment, it will create channels for product distribution to help all people access appropriate investment opportunities along the economy's development process. This change is the core transformation that can help investors recognise the necessity and the useful value of opening an investment account to manage the backups and business assets.

B. ORGANISING CAPABILITY UNDER RACI (RESPONSIBLE – ACCOUNTABLE – CONSULTED – INFORMED) TO CREATE COORDINATED DEVELOPMENT TOWARDS CUSTOMERS' ULTIMATE VALUES

VNDIRECT's organisational structure is designed using a model to assign accountability and self-empowerment under RACI, and every value is directed towards 'Customer-centric' operation. During the past two years, the company's leadership has made changes to the organizational structure and streamlining the staff, while being ready to accept a high rate of personnel changes during the transformation phase in order to come up with a core leadership team which can share the vision and the common value system in order to create strength of solidarity and collective discipline in implementing the company's target strategy.

OUR LEADERSHIP AND THE CORE VALUE SYSTEMS

In Jim Collins' classic book "Good to Great", the author concludes that every great organisation always starts important transition moves by finding the right people to get aboard before the journey begins (first "who", then "what"). The choice of leading positions with the same orientation, culture and core values is a prerequisite that help the company transit successfully towards sustainable development. We are living in a digital technology era with an increasingly fast pace of change. Therefore, one of the most important qualities for a leader in the new era is the possibility of being ready to adapt to changes. The corporate culture and

core values will be the foundation for the firm to build a team of young leaders internally as well as can pull together the people sharing the same value externally. This journey promises to remain very difficult but we continue to firmly hold that "Once wished, you will get it; Once sought, you will find it".

LEARNING ORGANISATION

"Investing in knowledge is the most profitable investment" – Benjamin Franklin

Training resources, promoting the learning culture, action and experience will help each individual in VNDIRECT to be able to continually create, refresh and enhance their capacity, thereby willing to adapt to all changing requirements in the digital era. VNDIRECT's success formula rests with Converging knowledge and Sharing success so that the learning and self-study culture is implanted in each department's working culture. It has helped recruit young people faster and shorten the time of training professional skills while meeting the need of having resources to serve customers.

The company has established Dwealth Academy and one of its objectives is helping VNDIRECT build the foundation for expert and customer training. Having not stopped at the number of 278 staff training courses in 2019, VNDIRECT built and promoted book reading challenges, extensively sharing knowledge among the staff. The human development strategy is built under the basis of collective intelligence and value connections will be leverage for VNDIRECT to accomplish its mission.

EMPOWERING ORGANISATION

In order to optimise the technology platform advantage as well as to adapt the business environment in the new business cycle, VNDIRECT has redesigned the procedures of service products operation and compound chains across the entire system, from The sales and service team - (SSE/WA) to Investment consultation and assets management team (AE/AME), A team of product specialists (investment services – securities services – assets channel), The operation control team (operation) and The risk and business efficiency management team. A change in how to interact and organising the value chain based on the empowering organisation formula in the business team is defined as the survival factor in the company under external competitive conditions.

A STORY ABOUT THE TRANSITION

Given changes brought by AI technology, every VNDIRECT employee must continue to upgrade, improve themselves and truly become a capable specialist who can manage the job freely and independently, be able to connect and integrate in the value chain towards customers. VNDIRECT's organisational model is the model of a collective of individuals with leader's executing ability, empowered by modern governance, flexible technology platform and a leadership team with vision and staff leading capacity. The adjustment of the team model is to create high specialisation, while clarifying the tasks and functions in line with customer's experience will help the company further improve the service quality and to come up with solution for customers' different objectives

VNDIRECT'S PRINCIPLE OF PRACTICE AND MOTTO OF OPERATION

VNDIRECT's reputation is built on the belief and the process of accumulating value throughout customer's service using experience. The company builds the operation motto with four principles:

1. No conflict of interest::

All VNDIRECT employees are well trained and educated about professional ethical practices from their first time of coming on board with the company and are committed to providing services for customers' ultimate benefit, without conflicts of interest. Every employee's mission at VNDIRECT's service chain is aiming at the goal of serving customer's financial health and investment with peace of mind.

2. No advice on buy/sell securities:

Securities trading is a type of high-risk business investment that requires knowledge and awareness of each customer's financial health, experience, knowledge and understanding of the securities market risk as well as the knowledge and understanding about the securities issuing company or institution, rather than merely an investment viewpoint of one individual. Stock investors are proved to be professional, experienced people, thus VNDIRECT does not offer single buy/sell recommendations to customers. The consultation process requires cautious and sound understanding in each step, from selecting investment objectives – financial investment planning – portfolio design and post-investment assets management

3. No individual sales:

VNDIRECT does not attempt to promote the sale of individual products. We are consulting on investment solutions for customer's issues arising during the process of investing and service using at VNDIRECT.

4. Support to investors:

We connect the whole knowledge platform and experience of a large collective, and join force with customers to help them increasingly raise experience and knowledge of investment, retain self-determination in judgment, selection and make the most optimal investment decision in line with their financial health and conditions.

Principle	Meaning
No conflict of interest	All VNDIRECT staff commits to providing services at the customers' ultimate benefits, without conflict of interest. Our business value is to serve customer's financial health and invest with peace of mind
No advice on buy/sell securities	Securities traders are professional. VNDIRECT will not give any advice to them on buying or selling of single securities
No individual sales	VNDIRECT does not attempt to promote the sale of individual products. We are consulting on investment solutions for the problems arising by customers during the journey of investing and using the service at VNDIRECT
Support to investors	We are here to support and accompany each client in order to help them improve investment experience and knowledge as well as self-selection and decision that is the most optimal to their financial health and investment conditions

C.3C: TECHNOLOGY – HUMAN RESOURCES – VALUE CHAINS

VNDIRECT'S CORE BUSINESS CAPACITY IS BUILT ON THE FOUNDATION OF THREE PILLARS, NAMELY:

- Open technology based on micro services and open API
- Human capital development based on RACI – (Responsibility – Accountability – Consultation – Information)
- Value chains based on Customer-centric – Connecting – Coaching – Caring

VNDIRECT's technology platform includes:

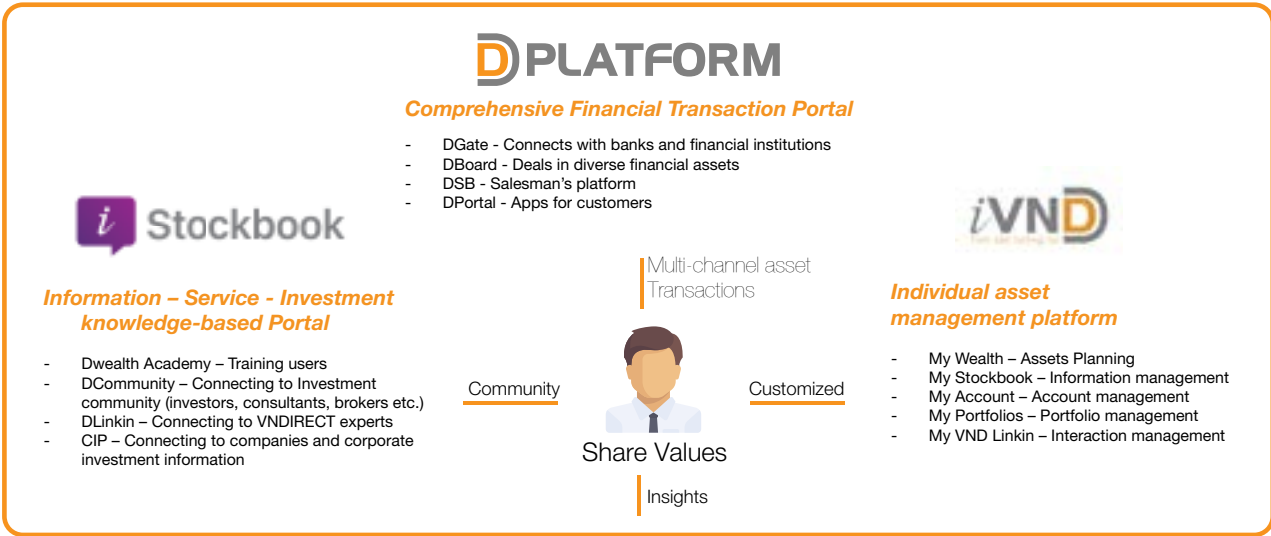
- A securities trading platform that guarantees speed and stability
- A platform that connects multi-channel assets transactions with other financial institutions;
- A customer-centric information platform and interactive connectivity in the customer's journey;
- A professional support platform for the service providing teams in each operational step of the service chain;
- An information and community knowledge integrating platform that helps investors connect with the team of experts, share knowledge with the community, and learn multi-dimensional information

In 2019, with the mission of "Go Online – Go Direct", VNDIRECT furthered the digitalisation process and gradually improved the multi-channel investment ecosystem, including: (1) Stockbook – a network connecting the investment community and multi-channel assets investment information; (2) Dplatform – an online multi-channel assets trading platform; (3) iVND – a personalised asset management platform for each investor.

Stockbook is built with the objective of becoming a knowledge-based investment gateway where investors, experts and companies can connect and share all insights and information transparently. This foundation is to help investors build essential knowledge of investment, as well as learn and update corporate information on their journey of investment and assets management.

Meanwhile, Dplatform is a marketplace to help customers trade all their assets and financial products electronically. In addition to traditional products such as stocks, derivatives, VNDIRECT has fully digitalised a trading platform for other investment assets such as bonds (Dbond/Vbond) and fund certificates (VNDAF, DCASHFUND).

Moreover, investors can use iVND platform to set up financial health plans and manage assets. With the knowledge platform, trading platform and assets management platform, VNDIRECT will continue to change and improve its value chain to accompany customers on the way ahead.



HUMAN-CONNECTED TECHNOLOGY AND INTERACTIVE AUTOMATION TO PERFECT VNDIRECT'S VALUE CHAIN

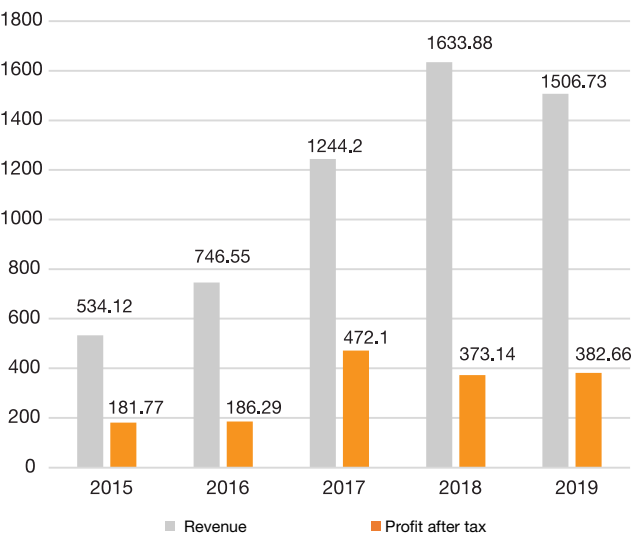
We are aware that in order to create a path towards financial health and investment with peace of mind,

each customer must start by changing perception and knowledge, from there they will consider investment and assets management a daily life routine. VNDIRECT accomplishes this mission based on the Online-to-Offline model (O2O).

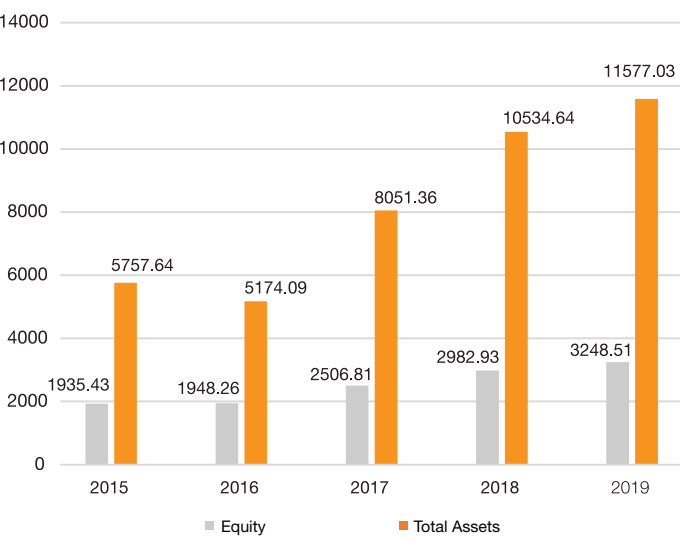
HIGHTLIGHT ON BUSINESS RESULTS

1. Income Statement	2019	2018	2017	2016	2015	CARG in 5 years
Revenue	1,507	1,634	1,244	747	534	29.60%
Revenue from brokerage activities	350	535	370	195	151	
Revenue from proprietary trading activities	300	344	332	176	82	
Revenue from treasury business activities	809	734	529	355	291	
Revenue from advisory activities	48	22	13	20	10	
Operation cost	741	891	414	315	143	
Profit before tax	480	438	571	227	227	
Profit after tax	383	373	472	186	182	20.45%
2. Balance sheet						
Total assets	11,577	10,535	8,051	5,174	5,758	19.08%
Charter Capital	2,204	2,204	1,550	1,550	1,550	9.20%
Equity	3,249	2,983	2,507	1,948	1,935	13.82%
3. Financial Indicators						
Return on average assets (ROAA)	3.5%	4.0%	7.3%	3.4%	4.2%	
Return on average equity (ROAE)	12.3%	13.6%	21.6%	9.6%	9.6%	
4. Indicators Per Share						
Ending balance of outstanding shares (shares)	208,565,361	208,565,480	150,997,785	147,539,485	154,997,785	6.12%
Basic earnings per share	1,173	1,202	3,103	1,693	1,734	-7.53%
Book value per share	12,487	12,570	16,231	13,532	14,735	-3.26%
Dividend (VND/share)	500	1,000	500	500	500	0.00%
Market price at the end of year (adjusted price)	14,400	15,890	19,040	9,450	8,390	11.41%

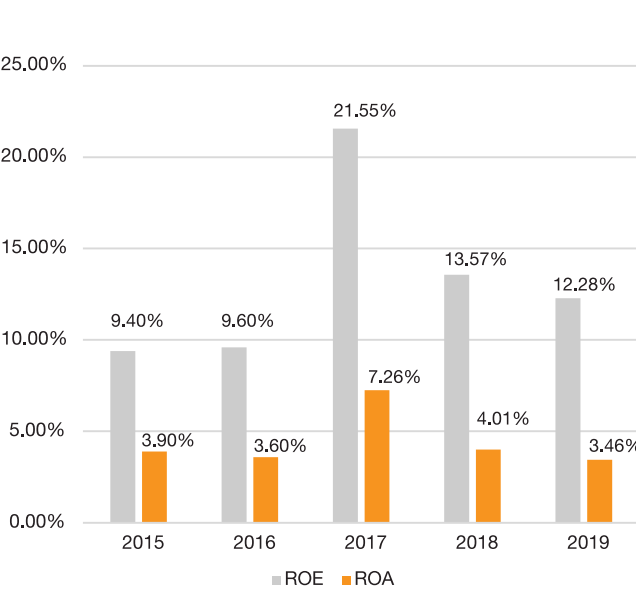
REVENUE AND PROFIT AFTER TAX (Billion dong)



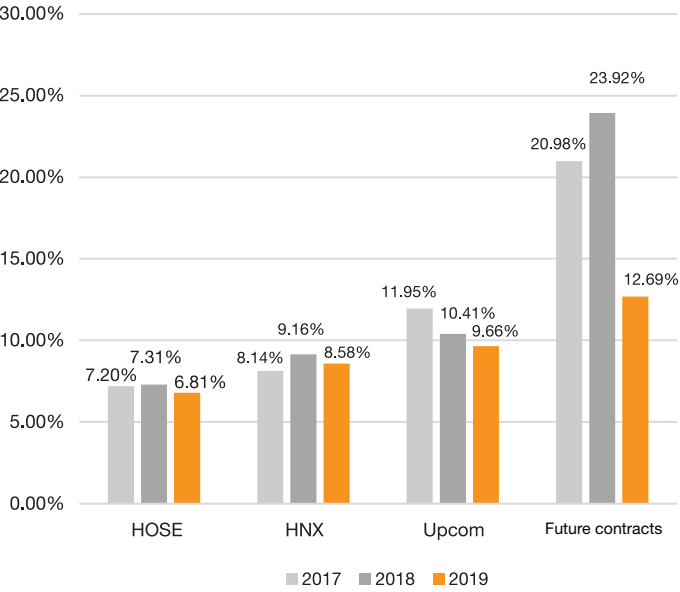
TOTAL ASSETS AND EQUITY (Billion dong)



ROE & ROA



MARKET SHARES OF STOCK BROKERAGE & STOCK CERTIFICATES



1. DIGITALISATION: Step by step automation has been applied to most of the procedures of trading in diversified types of assets, and the operating product chain has also been optimised, so it has minimised the operation resources and increased the rate of the customer serving staff to 76% from 70%. Each of the figures represented a great attempt by both the technology team and the professional product teams. The operating system has been, and will further be optimised to minimise operational costs and errors while raising customers' service experience.

2. SERVICE SALE EXCELLENCE (SSE): VNDIRECT has completed the SSE service business operation system to improve the quality of service and customers' experience from the account opening step throughout the customer's investment journey. As a result, in 2019 more than 43,000 new client accounts were opened and put online via VNDIRECT's digital platform.

3. STOCKBOOK: VNDIRECT has built the information and investment knowledge platform called Stockbook, giving a professional investment playground to the communities of investors, services providers and businesses.

4. INVESTMENT SERVICES: VNDIRECT has formed a team and the infrastructure for the investment service pillar, helping build up the capacity of providing investment service package including Investment Advisory Services, Assets Management Services, Entrusted Assets Management Services and channels of diversified investment products including DCash - high liquidity assets for the demand of investing in backup assets, DWealth - Portfolio investment for the demand of long-term assets investment; DStock - Stock assets investment to diversify the investment channel; DTrade - Securities trading business.

5. DGate GATEWAY: The foundation has been built for DGate APIs - portals that enable the connection to banks, leading investment management companies to help investors access to the best products on the financial market.

6. DWEALTH ACADEMY: has been established to streamline knowledge and resources aimed at training individual financial consultants (Wealth Advisor) and community financial health coaches (Finance Health Coach).

7.7. INDIVIDUAL CUSTOMER DISTRIBUTION CHANNELS – O2O: The Individual Custom-

er segment has a customer base accumulated over the past 13 years. VNDIRECT has managed to build business-access capability on both the digital channel and the traditionally direct channel. Through the digital sales channel, the number of accounts being opened reaches more than 43,000, representing 90% of the newly opened accounts at VNDIRECT, contributing to raising its share of monthly account opening to more than 20% of the entire market. The O2O business model will help us expand our business capabilities in new markets, and reach more broadly to individual customer groups in providing investment account services and reducing the business costs spent for this client group. We continue to maintain building a team of highly qualified brokers-specialists and the capacity to serve big investor groups which have demand for investing and securities trading, helping VNDIRECT serve a wide range of customers.

8. INSTITUTIONAL CUSTOMER SERVICES: The company has improved the capacity of the trading infrastructure with ports connecting FIX with major financial institutions to access international financial markets, increasing the trading flow through VNDIRECT and gradually raising the trading market share. The year of 2019 is when VNDIRECT achieved the highest market share, with an annual growth rate of 200%

9. INVESTMENT BANKING SERVICES - CORPORATE CLIENTS: VNDIRECT has up built the capacity of providing fund raising services to the debt market, Merger and Acquisition (M&A) services and financial restructuring service packages to meet corporate diverse capital needs. In 2019, the company recorded service fee revenue of VND48 billion dong from providing consultancy and securities underwriting to corporate clients and financial institutions. The corporate client segment will remain the main profit-generating business for VNDIRECT in coming years.

10. CAPITAL MARKET BUSINESS: remains the locomotive in the company, which has built business capacity and created the market for bonds products, fund certificates, money market and securities market. The 2019 results of business on the capital market contributed more than 60% to the company's gross revenue

11. ORGANIZATIONAL CAPABILITY (LEARNING – EMPOWERING – CUSTOMER-CENTRIC): VNDIRECT continues to invest all resources in build-

ing an efficient organisational capacity management system, to be ready to adapt to every opportunity or challenge in the digital era.

12. VNDIRECT BUSINESS CULTURE AND CORE VALUE have created the cohesion of an organisation with nearly 1,000 people, who have been continuously improving themselves to be able to independently take responsibility for the work, and to join force in finding the meaning and the joy in all challenging conditions on the career path of VNDIRECT and of each person

13. After 13 years of operation, **the reputation of VNDIRECT brand** has become a belief in the market, in the heart of customers and of every VNDIRECTOR. It is the brand value that has been made from the value system that all of us have created, been protecting, and we thus grow up along with VNDIRECT. VNDIRECT creates us and we build up VNDIRECT. We are small drops of water in a large river and we coexist within each other.



02.

VNDIRECT OVERVIEW

- 01. VNDIRECT Information
- 02. Journey of Development
- 03. Main businesses
- 04. Business Networks doanh
- 05. Board of Directors
- 06. Board of Supervisors
- 07. Board of managers



Company name:	VNDIRECT SECURITIES JOINT STOCK COMPANY
Abbreviations:	VNDIRECT
Stock Code:	VND
Certificate of Business Registration:	No.0103014521 issued by the Department of Planning and Investment of Hanoi on 07th November 2006 and other amended Business Registration Certificates
Securities trading license:	No.22/UBCK-GPHDKD dated on 16th November 2006 and amended licenses: No.307/UBCK-GP dated on 03rd March 2010; No.344 / UBCK-GP dated on 20th August 2010; No.118/GPDC-UBCK dated on 25th December 2012; No. 11/GPDC-UBCK dated on 06th February 2015; No.14/GPDC-UBCK dated on 01st June 2016; No.38/GPDC-UBCK dated on 01st June 2018; No. 31/GPDC-UBCK on 22nd May 2019.
Charter Capital:	VND 2,204,301,690,000 (Two thousand two hundred and four billion, three hundred and one million, six hundred and ninety thousand Vietnam dong)
Headquarters:	No.1 Nguyen Thuong Hien Street, Nguyen Du Ward, Hai Ba Trung District, Hanoi Vietnam
Phone number:	+ (84 24) 3972 4568
Fax number:	+ (84 24) 3972 4600
Website:	www.vndirect.com.vn
Logo:	
Legal representative:	Pham Minh Huong – Chairwoman Vu Nam Huong - Chief Financial Officer



2006

VNDIRECT was established in 2006 under the Business Registration Certificate No. 0103014521 issued by the Department of Planning and Investment of Hanoi on 07th November 2006 and Securities trading License No. 22/UBCK-GPHDKD under the decision of the President SSC, issued on 16th November 2006 with the initial charter capital of 50 billion.

2007

- The Company increased the Charter Capital to VND 300 billion .
- Was the first enterprise in Vietnam to provide a comprehensive online trading solution.
- Opened a branch in Ho Chi Minh City, expand its business area.

2008

VNDIRECT invested its own technology platform, developed its own Core system and created the first step of VNDIRECT in the digital platform. This is also the year that the company recognized loss because of the risks of proprietary activities and the company changes the operational platform towards focusing on trading services and individual customers.

2010

The company increased its Charter Capital from 300 to 450 and up to nearly 1,000 billion at the end of the year.

2009

VNDIRECT is leading in the creation of new breakthrough products on the market and the first step for future products and options, active loan margin, and financial instruments supporting for trading.

2011

was the first time, VNDIRECT led the brokerage market share on HNX. The company began focusing on building the first foundation for securities trading brokerage for individual customers.

2012

The company launched the Bloomberg EMSX Services, successfully providing Direct Market Access products to institutional clients. The company also signed some contracts with VMIB to cooperate in developing analysis tools to serve for foreign institutional clients.

2014

VNDIRECT increased its chartered capital to nearly VND 1,550 billion, owner's equity was approximately VND 1,900 billion and became one of the top three largest charter capital among securities companies. The company focuses on trading brokerage and loan margin, building the risk management platform for this activity and helping the company expand the market to attract individual customers with securities transactions.

2015

the company opened the transaction office in Dao Duy Anh. Also in 2015, VNDIRECT was on TOP 10 securities companies with the largest market share of bond trading on both exchanges and was honored as one of the three securities with the best brokerage services in 2005-2015.

2017

VNDIRECT received the certificate of eligibility for trading derivative securities and provided services of clearing and settlement of derivatives securities transactions from State Securities Commission and transfer VND stock from Hanoi Stock Exchange to list at HOSE Stock Exchange. VNDIRECT became the most effective operation among securities companies with the highest return on capital.

2016

total net asset of clients managed by VNDIRECT was approximately VND 26 trillion. The company also reached TOP 15 member companies in the period 2015 - 2016, TOP 30 most transparent business on the Hanoi Stock Exchange.

2018

VNDIRECT is certified by State Securities Commission to raise the capital to 2,204.3 billion VND, becoming a securities company with the 3rd largest charter capital in the market. The company continues to transform the digital banking business activity platform, and connects to individual customer markets in the region through Open API ecosystem.

2019

VNDIRECT leads the market in trading volume as well as Trading value of the warrant product in the market. It gains the highest brokerage market share on UPCOM – 9.66%.

INDIVIDUAL CUSTOMERS



Securities Services:

- Basic Securities Trading Services
- Derivative Securities Trading Service
- Margin Trading Services

Investment services

- Investment and Asset Management Services
- Investment Channels

Information Services

- Dadafeed
- Dstock
- DBOARD – Online trading platforms with varied assets, varied functions

INSTITUTIONAL CUSTOMER



Organizations

- Securities Services
- Market Making Services
- Corporate and Investor Relations
- Investment Analysis Services
- Debt Market Services

Corporate Clients

- Equity capital market – ECM
- Debt capital market - DCM
- Consultancy Services M&A
- IR Services
- Corporate advisory services

Financial Regulations

- Money market
- State bond future contracts

International markets

- Partnering
- APIs- White Labeling



HEADQUARTERS

Address: No.1 Nguyen Thuong Hien, Hai Ba Trung Dist, Hanoi
Phone: 024 3972 4568 Fax: 024 3972 4600



LE VAN LUONG – HA NOI TRANSACTION OFFICE

Address: Floor 3, Diamond Flower Building, No. 48 Le Van Luong Street, Nhan Chinh ward, Thanh Xuan District, Ha Noi



DAO DUY ANH TRANSACTION OFFICE

Address: VCCI Building, No.9 Dao Duy Anh Street, Dong Da District, Hanoi



HO CHI MINH BRANCH

Address: 90th Pasteur Building, 90 Pasteur, District 1, Ho Chi Minh City
Tel: 028 7300 0688 | Fax: 028 3914 6924



TRANSACTION OFFICE SALA

Address: 151 Nguyen Co thach, An Loi Ward, District 2, Ho Chi Minh



DA NANG BRANCH

Address: Room 7-8-9, 3rd Floor, Post Office Building, 155 Nguyen Van Linh, Da nang
Tel: 0236 382 1111 | Fax: 0236 389 8616



VINH BRANCH - NGHE AN PROVINCE

Address: No. 354B, Nguyen Van cu, Hung Phuc Ward, Vinh City, Nghe An
Tel: 0238 868 8466 | Fax: 0238 868 8466



BINH DUONG BRANCH

Address: 18th Floor, Becamex Tower, 230 Binh Duong Avenue, Thu Dau Mot City, Binh Duong
Phone: 0274 222 2659 - 0274 222 2660



PHAM MINH HUONG – CHAIRWOMAN

Full name:	PHAM MINH HUONG
Current position:	Chairwoman (Executive) and CEO
Appointment time:	December 2016
Date of birth	17th June 1966
Nationality:	Vietnam
Ownership percentage:	6,414,459 shares, equivalent to 2.91%
Education:	Information system master in Kiev University

Working experience	
04/2018 - now	Chairwoman and cEO of VNDIRECT Securities JSC
2010 - 2018	Chairwoman of VNDIRECT Securities JSC
2006 - 2010	Chairwoman and CEO of VNDIRECT Securities JSC
2003 - 2005	CEO- SSI Securities Company
1995 - 2002	Director of Financial Markets and Capital business - Citibank
1993-1994	Training specialist - Training Center of Post and Telecommu- nications

Outstanding achievement:

Mrs. Pham Minh Huong has over 25 years working in the banking and finance sector. She was one of the first members to contribute to the development of Citibank N.A Bank in Vietnam. As Director of Financial Markets and Capital business - Country Treasurer for 9 years working for Citibank, Mrs. Huong has built up experience in the money market and business relationship with the banking and finance system and had deep understanding of business administration in a leading financial and banking institution in the world. With her business experience at Citibank, she has made a great contribution in building foundation and development of Saigon Securities Joint Stock Company (SSI), from a brokerage company with a capital size of VND 20 billion to become one of the largest investment banking institutions in Vietnam. As a major shareholder and director of the company, she has accumulated a lot of experience to establish VNDIRECT Securities Joint Stock Company lately. With the aspiration to build a digital technology company in the financial sector, Mrs. Huong has spent a lot of time and energy to build the operating foundation of VNDIRECT towards a reputable securities company for individual customers in Vietnam market today. Not only being a professional investor, she is also a leader in modern business administration as well as owns the huge experience in investment, finance – banking area. Under her leadership, VNDIRECT was really challenged through many uptrend and downtrend businesses of a young market like Vietnamese market. She is also a visionary leader and a pioneer in bringing new products into the market. Her contribution to the securities community has a great influence and her prestige of personal activities has helped her to be a highly respected leader in Vietnam's financial market.



MR.VU HIEN – VICE CHAIRMAN

Full name:	VU HIEN
Current position:	Vice Chairman (Executive)
Appointment time:	2012
Date of birth	15th October 1962
Nationality:	Vietnam
Ownership percentage:	180 shares, equivalent to 0,00008%
Education:	Marine engineer – Vietnam Marine University
Working experience	
2009 - now	Vice Chairman VNDIRECT Securities JSC
2007 - now	Founder, Chairman of I.P.A Financial One member Limited Company and other members of companies where I.P.A owns
1998 - 2006	Director - VTS Forwarding Services Co., Ltd
1996 - 1998	Sales Manager - Vung Tau Shipping Company - Ha Noi Branch
1989 - 1995	Deputy Commander - Foreign Trade Shipping Company
1985 - 1989	Deputy Commander - Hanoi Shipping Company

Outstanding achievement:

Mr. Hien is an entrepreneur with a very careful working principle and discipline. With many years of experience working in the commercial service business, Mr. Hien has expanded his business to investment by establishing and leading IPA Investment as a multi-sector investment group including energy and food, pharmacy, real estate and finance. He is also an entrepreneur who has a lot of contributions in social activities that brings human values and a healthy environment to the society.



MR.NGUYEN HOANG GIANG – BOD MEMBER

Full name:	NGUYEN HOANG GIANG
Current position:	BOD member
Appointment time:	2012
Date of birth	21st January 1986
Nationality:	Vietnam
Ownership percentage:	0 shares, equivalent to 0,00%
Education:	<ul style="list-style-type: none">Economic Mathematics - Computer Science Peter Kiewith Institute – Nebraska UniversityMBA – Chicago University
Working experience:	
2012 - now	BOD member - VNDIRECT Securities JSC
10/2010 - 04/2018	CEO - VNDIRECT Securities JSC
10/2010 - 12/2012	Acting as CEO - VNDIRECT Securities JSC
07/2010 - 09/2010	Director of Business Solutions adn product development Division - VNDIRECT Securities JSC
10/2009 - 06/2010	Manager of Business Solutions and Risk management Division - VNDIRECT Securities JSC
05/2008 - 09/2009	Officer of Business Solutions Division - VNDIRECT Securities JSC

Outstanding achievements

- Holding many important responsibilities and making a great contribution to the development of VNDIRECT.
- Honestly Receive “Typical individuals” by Ho Chi Minh Stock Exchange in 2016



MR.MIKAEL NAKATOMO – BOD MEMBER

Full name:	PEKKA MIKAEL NAKATOMO
Current position:	BOD member (Independent)
Appointment time:	2019
Date of birth	26/2/1988
Nationality:	Finland
Ownership percentage:	1,150 shares, equivalent to 0,052%
Education:	Master in Natural science
Working experience	
12/2014 – now	CEO of Wipunen Asia Capital Pte. Ltd.
05/2010 - 11/2014	Investment analyst at WIP Asset Management Ltd.



MR.PHAM LE NHAT QUANG – BOD MEMBER

Full name:	PHAM LE NHAT QUANG
Current position:	BOD member (Independent)
Appointment time:	2016
Date of birth	04th November 1983
Nationality:	Vietnam
Ownership percentage:	0 shares, equivalent to 0,00%
Education:	Finance and banking bachelor – Ho Chi Minh Banking Univeristy
Working experience	
2016 - now	BOD member - VNDIRECT Securities JSC
10/2016 - now	BOD member - VietWash JSC
2015 - now	BOD member - Beta Media JSC
2014 - 2015	BOD member Hoa cam industrial zone Investmt and Development JSC
2011 - now	BOD member - Vietnam Foods JSC
2007 - now	BOD member - QSR Vietnam JSC
2005 - 2007	Broker, Me Kong Securities JSC

Outstanding achievements:

- Supervise and advise the medium and long-term development strategy for VNDIRECT Securities Joint Stock Company.
- Many years of experience in investment, finance and securities area.



MRS.HOANG THUY NGA – HEAD OF BOS

Full name:	HOANG THUY NGA
Current position:	Head of Board of supervisors
Appointment time:	2012
Date of birth	17th October 1977
Nationality:	Vietnam
Ownership percentage:	0 shares, equivalent to 0,00%
Education:	Finance and banking bachelor - National University of Economics

Working experience

2012 - now	Head of Board of supervisors – VNDIRECT Securities JSC
2010 - now	Manager of products development and consultancy – Financial Software Solutions JSC
2007 - 2009	Assistant to CEO - VNDIRECT Securities JSC
2006	Chief accountant - I.P.A Group JSC
2005 - 2006	Corporate finance advisor – SSI Securities company
1999 - 2004	Chief accountant - Quang Ninh Investment and Export Import JSC

Outstanding achievement

- Holding many key positions in VNDIRECT Securities JSC in the early stage of establishment.
- 16 years of experience in finance and accounting and corporate restructuring



MRS.NGUYEN THI MINH HANH – BOS MEMBER

Full name:	NGUYEN THI MINH HANH
Current position:	Member of Board of supervisors
Appointment time:	2015
Date of birth	March 24th, 1987
Nationality:	Vietnam
Ownership percentage:	0 shares, equivalent to 0,00%
Education:	Bachelor of General Accounting - National University of Economics

Working experience

2015 - now	Member of Board of supervisors – VNDIRECT Securities JSC
2010 - now	Accountant –I.P.A Investment group JSC
2009 - 2010	Accountant – VT logistics JSC

Outstanding achievement

- Over 10 years of experience in finance and accounting in large companies.
- Supervise and evaluate the performance of operating activities of VNDIRECT.



MRS. HUYNH THANH BINH MINH – BOS MEMBER

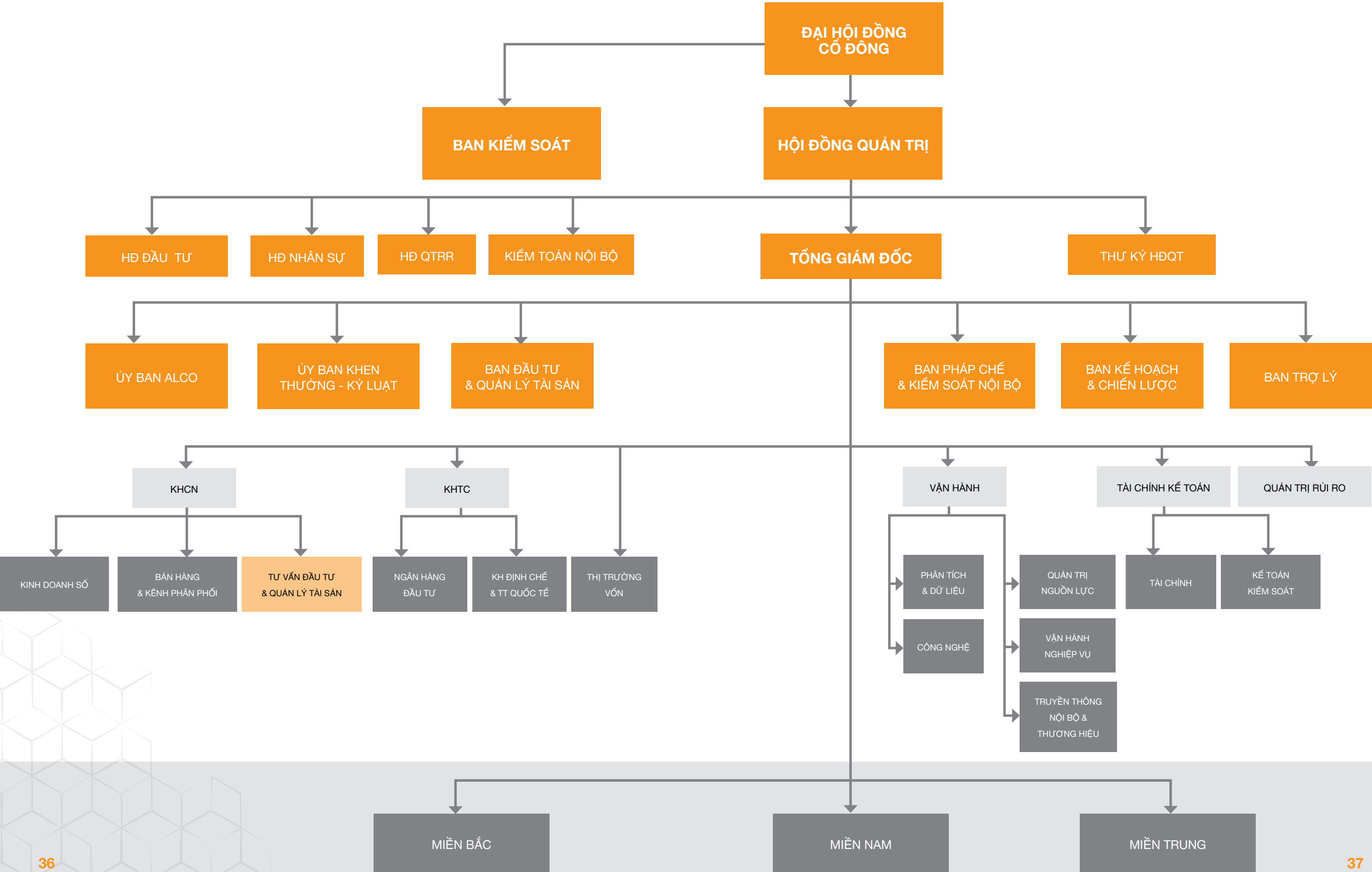
Full name:	HUYNH THANH BINH MINH
Current position:	Member of Board of supervisors
Appointment time:	2012
Date of birth	04th November 1983
Nationality:	Vietnam
Ownership percentage:	0 shares, equivalent to 0,00%
Education:	Master in Economy - Erasmus Mundus Master Program funded by the European Commission

Working experience

2012 - now	Member of Board of supervisors – VNDIRECT Securities JSC
2015 - now	Vice Director –Vistar Commercial Limited Company
2007 - 2014	Investment officer –Vietnam Investments Group Fund
2005 - 2006	Credit officer – ACB

Outstanding achievement

- Over 12 years of experience in banking and finance area.
- Supervise and evaluate the performance of operating activities of VNDIRECT





MR. DO NGOC QUYNH – (ON BEHALF OF) CHIEF EXECUTIVE OFFICIER

Full name:	DO NGOC QUYNH
Current position:	(On behalf of) Chief Executive Officer
Appointment time:	2020
Date of birth	02nd September 1975
Nationality:	Vietnam
Ownership percentage:	0 shares, equivalent to 0%
Education:	Economic Bachelor

Working experience

2020 - now	(On behalf of) CEO VNDIRECT Securities JSC
2009 - now	General secretary of the Bond Market Association of Vietnam – VBMA
2011 – 2019	Director of capital and currency trading division, BIDV's headquarters
2008 - 2018	Director BIDV International HongKong
2006 - 2010	Vice Director of capital and currency trading division, BIDV's headquarters
2002 – 2005	Director of currency trading division, BIDV's headquarters
1997 - 2000	Credit officer, BIDV's headquarters

Outstanding achievement:

- More than 22 years of experience in banking and finance as well as being the first people creating the bond market in Vietnam since the early days of development.
- During his working life at BIDV, the capital and currency trading activities of BIDV has gained much professional development, comprehensive efficiency in its vision, operation strategy, organizational model, human staff, technology level, policy management, product development, market and customers... And the bank is always on the list of leading institutions in terms of forex trading activities, interbank deposits, bond trading, bond issuance consultancy, financial derivatives products, derivative products from the price of goods with multiple awards from international organizations such as Asia-money , Asia Risks, Global Banking and Finance... and many certificates of merit from the Ministry of Finance, SSC, Securities Exchange, Market Association...
- He is one of the first founders of the Vietnam bond market forum from 2006 and the Vietnam Bond Market Association (VBMA) from 2009.



MRS. VU NAM HUONG – CHIEF FINANCE OFFICIER (CFO)

Full name:	VU NAM HUONG
Current position:	Chief Finance Officer
Appointment time:	2017
Date of birth	12th December 1983
Nationality:	Vietnam
Ownership percentage:	130.000 shares, equivalent to 0,059%
Education:	Finance and banking bachelor

Working experience

2017 - now	CFO – VNDIRECT Securities JSC
2008 - 2017	Manager of Treasury Department/ director of financial and capital business division - VNDIRECT Securities JSC
2006 - 2008	Specialist of credit management, capital accounting and Treasury department – Chinfon Bank's Hanoi Branch

Outstanding achievements

- Over 10 years of experience in banking and finance.
- Building a capital trading and business relations team with financial and banking institutions, helping VNDIRECT expand its financial business with banking institutions in the market.
- She is also one of the young leaders who builds the business career and group success in VNDIRECT



MRS. NGUYEN THI HA NINH – CHIEF ACCOUNTANT

Full name:	NGUYEN THI HA NINH
Current position:	Chief Accountant
Appointment time:	2007
Date of birth	10h August 1977
Nationality:	Vietnam
Ownership percentage:	25,597 shares, equivalent to 0.0116%
Education:	Economic Bachelor

Working experience

2007 - now	Chief Accountant – VNDIRECT Securities JSC
2006 - 2007	Chief Accountant – Anh Duc JSC
2000 - 2005	Chief Accountant – Vinh Loc Production and Trading Company

Outstanding achievements

- Mrs. Ninh is one of the first members joined VNDIRECT and has been working at the company for over 12 years.
- She has a great contribution on building a control culture and managing financial accounting at VNDIRECT.

As at 31st December, 2019, the company has two (02) subsidiaries, in which, one (01) subsidiary is owned directly and one (01) subsidiary is owned indirectly by VNDIRECT, details below:

Company name	Established by	Operation Date	Charter Capital	% owner-ship
IPA Securities In-vestment Fund Management Limited Company	Establishment and Operation license No. 30/UBCK-GP dated on 4/3/2008; amended license No. 02/GPĐC-UBCK 8/3/2017	Management of Securities Investment fund and securities portfolio	100 billion VND	100%
IVND Limited Com-pany	Business Registration no. 0108599981 dated on 24/01/2019	Information portal	20 billion VND	100% (*)

(*) Own indirectly via IPA Securities Investment Fund Management Limited Company





03.

SECURITIES MARKET OVERVIEW IN 2019 AND OUTLOOK FOR 2020

- 01. 2019 Overview: Stable macro economy with a fluctuated securities market
- 02. Outlook for 2020: A year of risk and challenges
- 03. Stock market 2020: Recover outlook for the 2nd half of 2020

2019 MARKET RECAP AND 2020 OUTLOOK

1. 2019 RECAP: SOLID MACRO BUT CHOPPY EQUITY MARKET

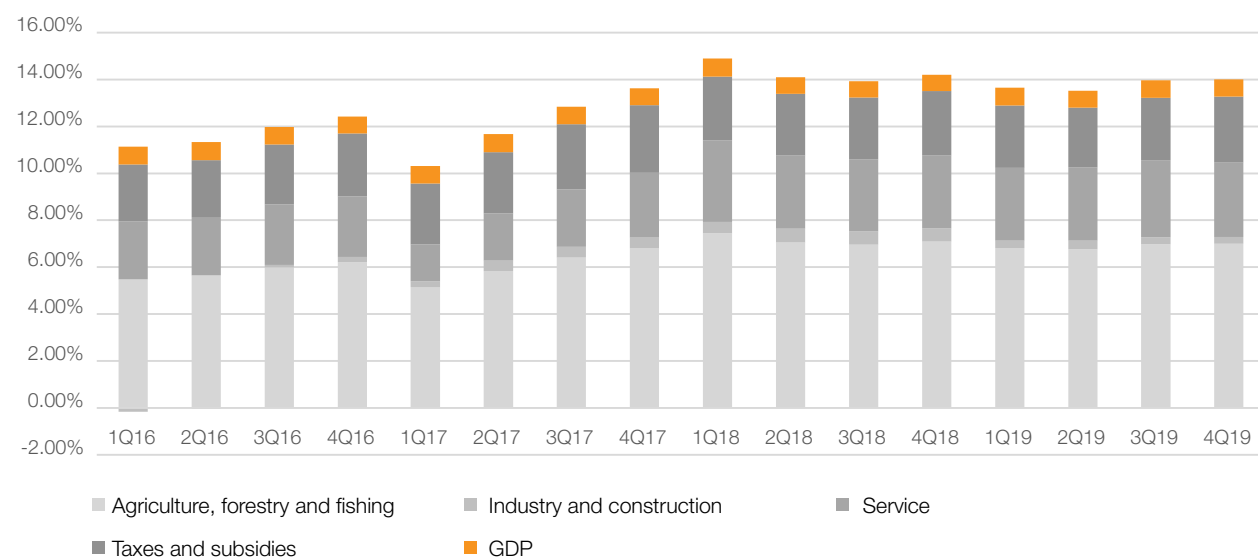
2019 – A successful year of macro economy

Vietnam's economy has bucked the regional downward trend, with GDP growth accelerating to 7.02% yoy in 2019. Price pressures remained muted in 2019 despite rising food prices; headline inflation stayed at 2.8%, down from 3.5% in 2018, the lowest rise over the past three years. Exports experienced moderate growth of 8.1% despite concerns over the US-China trade spat. Particularly, domestic-driven exports were in the spotlight (+17.7% yoy) with the growth outperforming FDI exports' growth (+4.4% yoy).

In 2019, Vietnam's growth trajectory remained strong, supported by broad-based gains in manufacturing activities as well as improvements in the services sector. The manufacturing sector registered robust growth of 11.3% yoy in 2019. The services cluster was robust,

with growth edging up to 7.3% in 2019, from 7.0% in 2018. Due to the sluggish growth in infrastructure investment and the supply side bottlenecks in residential construction activities, construction sector posted a stable pace of 9.1% yoy in 2019 (vs. 9.2% in 2018). Amid the ongoing trade war, Vietnam has emerged as a key beneficiary thanks to the relocation of foreign direct investment (FDI) to low-cost destinations. The domestic-driven exports have been impressively strong, with growth reaching 17.4% yoy, led by electronics (+345.4% yoy) and textile, footwear and handbags (+15.2% yoy in 11M19).

FIGURE 2: VIETNAM'S GDP BREAKDOWN BY ECONOMIC ACTIVITY



Vietnam stock market performance was not aligned with strong fundamentals of its economy

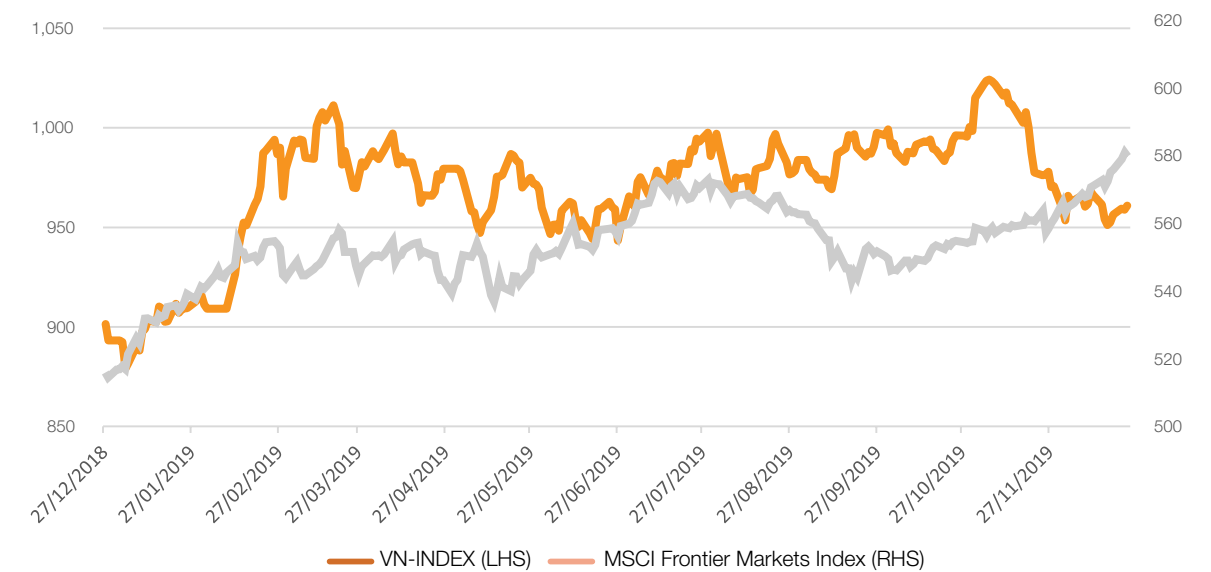
VN-Index recorded a modest gain of 7.7% versus the beginning of this year

The VN-Index rose strongly in 1Q19 before moving sideways within the 950-1,030pt range over the rest of 2019. In our view, the choppy performance of Vietnam's stock market can be explained by: (1)

disappointing earnings growth of listed corporates (9M19 aggregate earnings growth posted 10.5%, lower than that of 22.6% in 9M18); (2) the absence of notable IPOs and the delay of state-owned enterprises (SOEs) divestments; (3) the vibrant corporate bond market which has partially absorbed money from the equity market.

At the same time, the HNX-Index slid 1.2% and the UPCOM-Index gained 5.2%.

FIGURE 2: VN-INDEX'S LUKEWARM PERFORMANCE IN 2019



Overall, in 2019, Vietnam's stock market outperformed its regional peers in South East Asia, but still lagged behind the MSCI benchmarks, including MSCI Frontier Markets Index and MSCI Emerging Markets Index.

FIGURE 5: 2019 VN-INDEX'S GROWTH STOOD BELOW ITS AVERAGE ANNUAL PACE OVER 2010-18

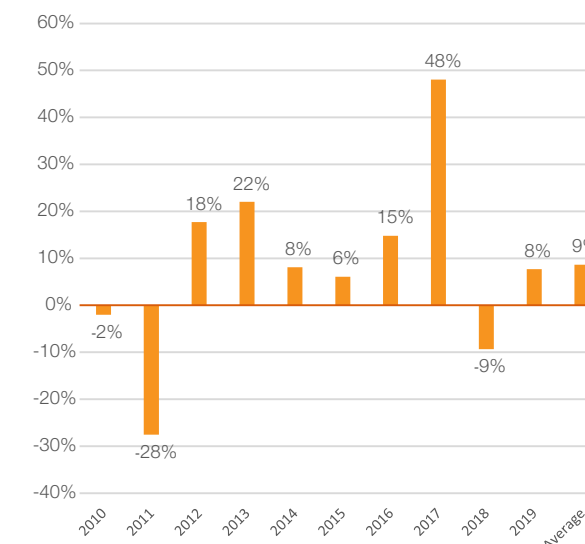
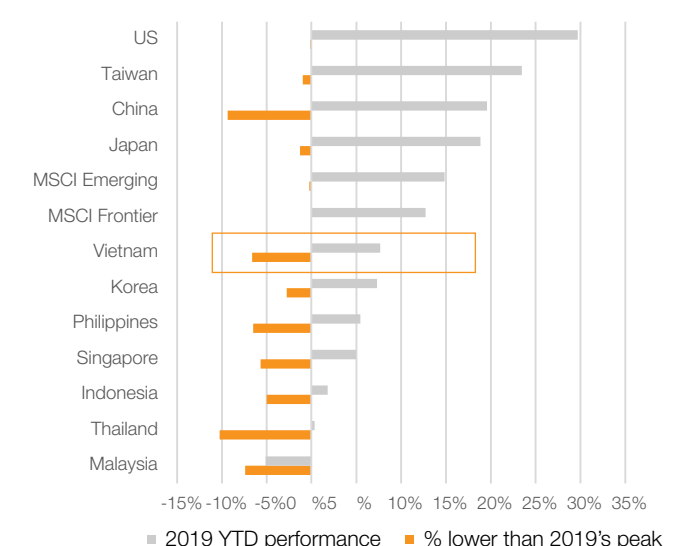


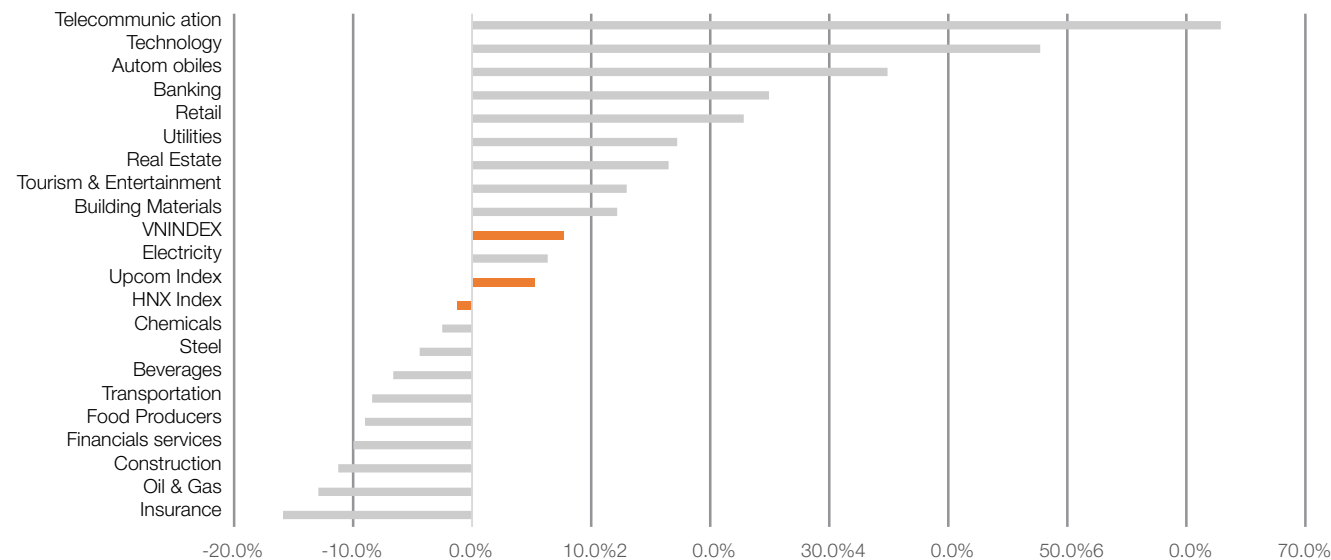
FIGURE 6: VIETNAM'S STOCK MARKET OUTPERFORMED ITS REGIONAL PEERS, BUT STILL UNDERPERFORMED THE MSCI BENCHMARK



Regarding the sectors that form the backbone of the VN-index, banking and real estate outperformed the index. The banking index's rise was mainly contributed by the stellar price performances of VCB (+68.0%), BID (+35.9%) and MBB (+19.8%), while Vingroup-related companies, including VIC (+21.2%), VHM (+15.4%) and VRE (+21.0%) drove the real estate index's rally.

On the negative side, insurance was the worst-performing sector due to the sluggishness of BVH (-21.7%), followed by oil & gas, and construction sectors. Food producers also witnessed a decline as the sector pillar - MSN - faced a sharp correction of 28.1%.

FIGURE 7: SHARE PRICE PERFORMANCE BY SECTORS IN 2019 (DATA AS AT 25 DEC 2019)



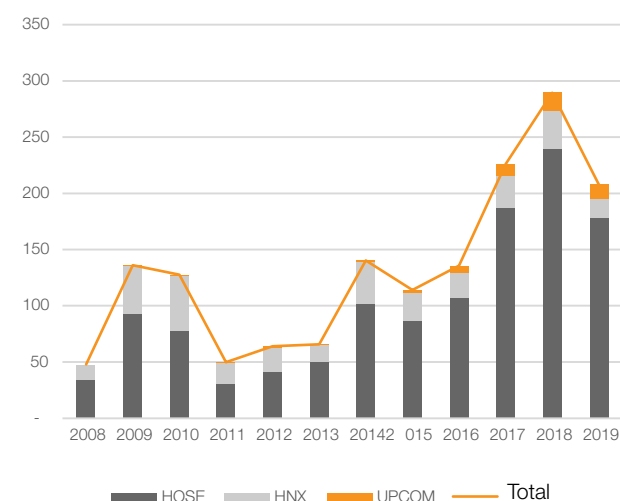
SOURCES: FIINPRO

Liquidity retreated sharply due to lack of large SOE divestments and IPOs

2019 average daily trading value (ADTV) declined 25.9% yoy to US\$208.0m due to the following reasons, in our view:

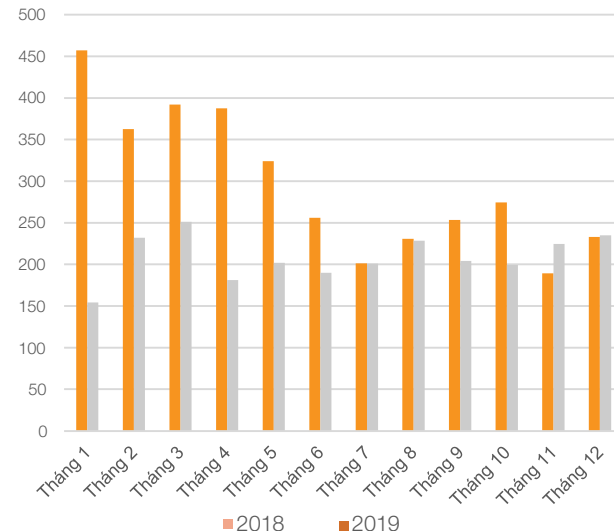
- The State Bank of Vietnam (SBV) tightened credit to riskier sectors, ie: property and securities investment.
- There were lack of IPOs and large SOE divestments in 2019 were delayed.
- As a result of tightening credit, the majority of property developers and other enterprises raised funds by issuing corporate bonds which carry high coupon yields (over 10% p.a.). That lured a large amount of money away from the stock market.

FIGURE 10: LIQUIDITY OF ALL THREE MAIN EXCHANGES DECLINED (US\$M) (DATA AS AT 25 DEC 2019)



SOURCES: VNDIRECT RESEARCH

FIGURE 11: MARKET LIQUIDITY FELL DUE TO A LACK OF LARGE IPOs AND SOE DIVESTMENTS (US\$M) (DATA AS AT 25 DEC 2019)



SOURCES: VNDIRECT RESEARCH

2. 2020 MACRO ECONOMY OUTLOOK: LIKELY TO BE CHALLENGING

Covid-19 outbreak weighed on global outlook

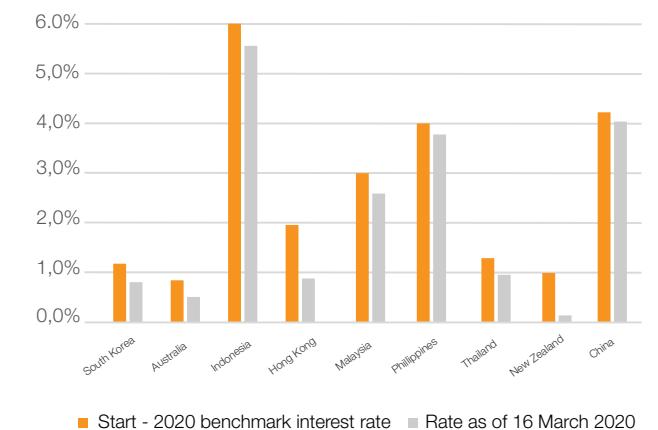
At the end of Dec 2019, the world witnessed serious pneumonia caused by new Corona virus (known as Covid-19 disease) which initiated from Wuhan City, Hubei province, China. Since Jan 2020, outbreak was reported across cities in China and then spread to other countries all over the world. On 30th January 2020, the World Health Organization (WHO) has declared Covid-19 as a global pandemic. Since early Mar 2020, the pandemic outbreaks in European and American countries. As of 30th March 2020, the world's pandemic has reported in more than 200 countries and territories with more than 750,000 infected people and over 35,400 death toll. These number keep increasing as there is no vaccine so far.

By the end of March 2020, many countries in the world including the United States, China and Europe have issued a warning status, quarantine the epidemic area, limit the travel and the crowd, closed schools, factories and border blockades to cope with the pandemic situation. Psychological fears and border blockade measures will negatively impact the world economy both in supply and demand. In particular, the closure of the borders, suspension of trade and closure of the factories are breaking the global value chains due to material shortages. On the part of supply, the pandemic has directly impact on the retail market, air consumption and tourism of the world due to confusion and blockade orders.

Since the beginning of Feb 2020 when the COVID-19 pandemic spread in China, more than 30 central banks across the world have decided to cut their benchmark rates and expanded assets-purchasing programme in order to provide sufficient liquidity and stabilise financial markets. However, these loosening monetary policies are unlikely to reverse the slow-down of the global economy at least in 1H20F as factories are being shut across the world to inhibit the spread of the pandemic. Therefore, we consider that governments around the world should coordinate with each other and make more powerful fiscal policies along with loosening monetary policy to revive global economy.

At present, the pandemic situation is still evolving and tends to escalate in many places, global economic

prospects also depend heavily on the speed of disease control, which is becoming difficult to forecast. According to the report of the beginning of March 2020, the International Institute of Finance (IIF) forecasts global GDP growth can drop to just 1% for this year. This is the lowest growth of the global economy since the financial crisis of 2008. In the



report of 19th March 2020, Fitch also lowered the global outlook to 1.3% from a previous 2.5% forecast and warned about bad prospects for 2020 if the pandemic lasts longer than expected within the G7 countries.



2019 MARKET RECAP AND 2020 OUTLOOK

Vietnam macro outlook : growth downgraded amidst growing external challenges

Supportive measures were triggered to ease the negative impact of the Covid-19 outbreak

Directive No. 11 issued by the Prime Minister in early-Mar showed that credit institutions are collaborating with the government to ease the negative impact of the Covid-19 outbreak. To be specific, 10 commercial banks have committed to roll out a credit package worth VND250,000bn, with favourable conditions for domestic businesses affected by the outbreak. For example, a reduction of lending rates from 0.5-1.5% pts will be offered to affected clients. Some banks will also waive penalties on overdue loans or fees on international payments. The Ministry of Finance has also proposed some measures for those affected, such as fee/tax exemptions and deadline extensions for tax payments and land rents, amounting to VND30,000bn (0.5% of GDP). In our view, a key focus of these measures is to alleviate cashflow constraints, therefore, these will only help to partly ease the negative impact on affected businesses, assuming the outbreak is not prolonged.

Vietnam's 1Q20 economy expanded at the slowest pace in a decade

According to the General Statistics Office (GSO), Vietnam's 1Q20 real GDP is estimated to have increased 3.82% yoy, the slowest 1Q growth rate over the 2010-2020 period, as all sectors have been hurt by the COVID-19 outbreak.

The industry and construction sector grew 5.15% yoy in 1Q20. The manufacturing subsector, while remaining the main GDP driver, rose just 7.12% yoy, the lowest rate over 2016-20. Mining sub-sector recorded the worst performance, falling 3.18% yoy in 1Q20 (vs. +1.29% in 4Q19) as average Brent crude oil declined 22.7% yoy. Manufacturing PMI fell to 41.9 in Mar 2020, a record low, as domestic companies faced material shortages due to supply chain disruptions. Besides, lower external demand for manufacturing products amid the global slowdown also hurt Vietnam's manufacturing activities.

The agriculture, forestry and fishery sector barely expanded in 1Q20, with a negligible climb of 0.08% yoy (vs. 2.01% yoy in 4Q19 and 2.81% in 1Q19) due to impact from the African Swine Fever, drought and salination in the Mekong Delta rice basket. Besides, the

spread of the COVID-19 pandemic has weakened demand for Vietnam's agricultural products abroad, especially from its major markets the United States, China and Europe.

The services sector grew a modest 3.27% yoy in 1Q20, the slowest in a decade, as consumers reduced shopping, traveling and eating out in the bid to curb the virus spread. Besides, 1Q20 foreign arrivals to Vietnam fell 18.1% yoy to nearly 3.7m, with noticeable declines in arrivals from China, South Korea and the United States.

Vietnam economic outlook and pandemic control scenario in 2020

We set three scenario forecasts for the economic outlook basing upon the performance of the pandemic

- Base case: Global Covid-19 pandemic is successfully controlled by June

Accordingly, all countries will reopen the borders and international trade will be back to normal in July. Manufacturing, transportation and service will also be resumed in July. According to this scenario, the world economy will suffer a decline in the first 2 quarters of the year, and then experience a positive growth in Quarter 3 of 2020 boosted by the impact of several financial stimulus packages.

- Best case : Covid-19 is controlled in May

In this scenario, we assume the disease will become less dangerous under the influence of hot summer weather. Accordingly, the outbreak in the U.S.A and European countries will gradually ease from May.

- Worse case : The Covid-19 service extends to the end of the year 2020

We assume the pandemic is hard to control and reoccur in all countries. Accordingly, the border blockade, disruption of production and business will last longer, resulting in the higher rate of bankruptcy, unemployment, pulling the risk of bad debt soaring that badly affect the global financial market. In this scenario, the global will experienced negative GDP growth in 2020 and trigger a recession in the upcoming years.

On the base scenario, we forecast the Vietnam GDP to grow in about 5%-5.3%; This could be considered as the lowest growth in the past 20 years.

3. STOCK MARKET 2020 OUTLOOK: WE EXPECT A BOUNCE BACK IN 2H2020

Amended Securities Law expected to enhance the market both in quality and quantity

The current law sets the FOL of public companies involved in non-conditional business lines at 49%, but the limit can be expanded to 100% with an authorised permit. However, so far only 30 listed companies have an officially relaxed FOL due to the relatively complicated procedure to obtain that. The new law addressed this bottleneck by automatically imposing a 100% FOL in public companies, unless the international trea-



ties to which Vietnam is a member or specialised laws have lower specific provisions. Shareholders at each company will vote for the FOL that they are comfortable with. Note that some conditional business lines still have a stricter limit, e.g. banking has 30% FOL and aviation 34%.

The amended Law on Securities focuses on improving market transparency and protecting the rights of retail investors through amendments such as:

- Raising the conditions for a public offering
- Improving the quality of financial statements
- Enhancing information transparency
- Giving additional authority to the State Securities Commission (SSC), in particular the rights to

inspect and supervise securities operations and to protect investors' rights and interests

- Strengthen SSC's authority in handling violations related to securities activities.

We expect these changes to improve the quality of stocks, boost transparency and better protect the interests of investors, especially small investors, thereby helping to attract more domestic and foreign funds into Vietnam's stock market and accelerate the process of upgrading the country's stock market to Emerging Market (EM) status.

2019 MARKET RECAP AND 2020 OUTLOOK

Vietnam could gain a larger piece of the MSCI Frontier Markets Index in 2020

As announced by MSCI in its latest annual review in Jun 2019, Kuwait could be added to the MSCI Emerging Markets Index in Jun 2020. Following this, Vietnam’s weight in the MSCI Frontier Markets Index and MSCI Frontier Markets 100 Index could be raised to 25.8% and 30%, respectively, per MSCI estimates.

Vietnam will be the biggest beneficiary from Kuwait’s upgrade, thanks to its large weighting in the MSCI Frontier Markets Index and the MSCI Frontier Markets 100 Index. According to our calculations, if Kuwait gets an official upgrade to EM status, Vietnam’s stock market could enjoy investment inflow of about US\$200m from funds that trade in MSCI Frontier Markets.

The size of investment inflow might be even greater to about US\$250-270m, if we take into consideration other funds including active funds, and passive funds tracking other benchmarks like MSCI Frontier Emerging Markets Index or S&P/BNP Mellon New Frontier Index. This inflow will help to increase market liquidity as well as strengthen investors’ enthusiasm

We do not see any improvements in equitisation or SOE divestments in 2020

According to Decision No. 26/2019/QĐ-TTg, the total number of state-owned enterprises (SOEs) which must be equitised in the 2019-20 period is 93, including some big names such as Agribank (Unlisted), Mobifone (Unlisted), VNPT (Unlisted), VINACAFE (Unlisted) and Vinachem (Unlisted). However, we believe it will be difficult to achieve the target as problems in the equitisation process have not been fully solved, especially issues related to land pricing. Notably, only three SOEs have completed the process in 2019.

In addition, divestments by the government in listed companies such as Vietnam Dairy Products Joint-Stock Company (VNM VN, ADD, TP: VND155,600), Vietnam National Petroleum Group (PLX, Not rated), Vietnam Engine and Agricultural Machinery Corporation (VEA, Not rated), FPT Corporation (FPT, ADD, TP: VND74,000), and Bao Minh Insurance Corporation (BMI, Not rated) will also be conducted in the near future, possibly in 2020F.

We expect VN-Index to bounce back the level of 800 points in 2020 in base case

We believe that Covid-19 pandemic weigh on the sentiment of both foreign and local investors. Therefore, the performance of Vietnam stock market will perform in line with the pandemic performance. Upon base-case scenario, we expect the pandemic will be controlled in June 2020, then the EPS of Vietnam equity market is expected to grow 6% yoy, lower than the level of 10% seen in 2019. With the forward PE about 12 times, we also expect that the VN-Index will fluctuate in the range of 700-800 points in the last 2 quarters of 2020. In this scenario, we also estimate

the market’s average liquidity to drop by 5% over the same period last year.

In best-case scenario, we expect the pandemic will be controlled in May 2020; alongside with the expansion of Vietnam proportion in the MSCI Frontier Index. Moreover, the global easing monetary policies will re-direct the capital flows into emerging markets. In this scenario, we expect VN-Index to range in 880-900 points in 2020 while market liquidity will increase by 10% over the same period last year.

FIGURE 36: LIST OF SOME SOES WHICH MUST BE EQUITISED IN 2020F, ACCORDING TO THE DECISION NO. 26/2019/QĐ-TTg

NO	Name	State ownership after equitisation and divestmen
1	Vietnam Bank for Agriculture and Rural Development (AGRIBANK)	65%
2	Vietnam National Coal and Mineral Industries Holding Corporation Limited - parent company (TKV)	65%
3	Vietnam Northern Food Corporation (Vinafood 1)	65%
4	Vietnam mobile telecom Services One Member Limited Liability (MOBIFONE)	>50% và 65%
5	Vietnam Posts and Telecommunic actions Group - parent company (VNPT)	>50% và 65%
6	Vietnam National Chemical Group - parent company (VINACAFE)	>50% và 65%
7	Vietnam National Cement Corporation (VINACHEM)	>50% và 65%
8	Vietnam National Cement Corporation (VICEM)	>50% và 65%
9	Vietnam Paper Corporation (Vinapaco)	<=50%
10	Housing and Urban Development Corporation (HUD)	<=50%



A financial candlestick chart with blue and orange bars, overlaid with a red dashed trend line and a blue solid trend line. A white arrow points down from the top left, and another points up from the bottom left. The number 187.12 is displayed in orange. The background is a dark blue grid with a glowing orange and red gradient at the bottom.

04.

VNDIRECT BUSINESS RESULT IN 2019

- 01. Individual Customer Division
- 02. International financial and market regulation
- 03. Corporate customers
- 04. Capital Markets
- 05. IPAAM
- 06. Administration cost in 2019

RETAIL CLIENT

1. RETAIL CLIENT

A. TRADING PLATFORM - DTRATE

Liquidity drop, brokerage fee cut and margin finance

By the end of 2019, the trading volume on the stock market reached an average of 4.639 billion per session, down by 29% compared with 2018. In addition, after circular No.128/2018/TT-BTC annulling brokerage floor price took effect on 15th February 2019, the race for market share between brokerage houses has been initiated by an abundant of “0% transaction fee” campaigns. Foreign entrants with low-cost funding advantage have also scarified margin lending rate and brokerage commission as loss leaders for market penetration. On account of those reasons, the long-established and mainstream activities of domestic securities firms have been running into some turbulence.

Year	2016	2017	2018	2019
Active	19,742	33,685	50,751	59,558
Non active	83,767	104,154	139,045	175,278
Total account	103,509	137,839	189,796	234,836

Year	2016	2017	2018	2019
Asset Under Management (Billion Dong)	20,379	34,560	43,241	55,190
Number of active accounts	19,742	33,685	50,751	59,558

Source: VNDIRECT

Fall in brokerage commission revenue but market share and margin lending revenue remained unchanged

Indicators	2017		2018		2019	
	Value (billion dong)	Proportion	Value (billion dong)	Proportion	Value (billion dong)	Proportion
Brokerage revenue	344	97.45%	520	97.38%	335	95.99%
Depository revenue	8	2.27%	11	2.06%	13	3.15%
Other revenue	1	0.28%	3	0.56%	3	0.86%
	353	100%	534	100%	349	100%

Source: VNDIRECT

The trading platform and digital transformation in approaching customer are VNDIRECT's competitive advantages

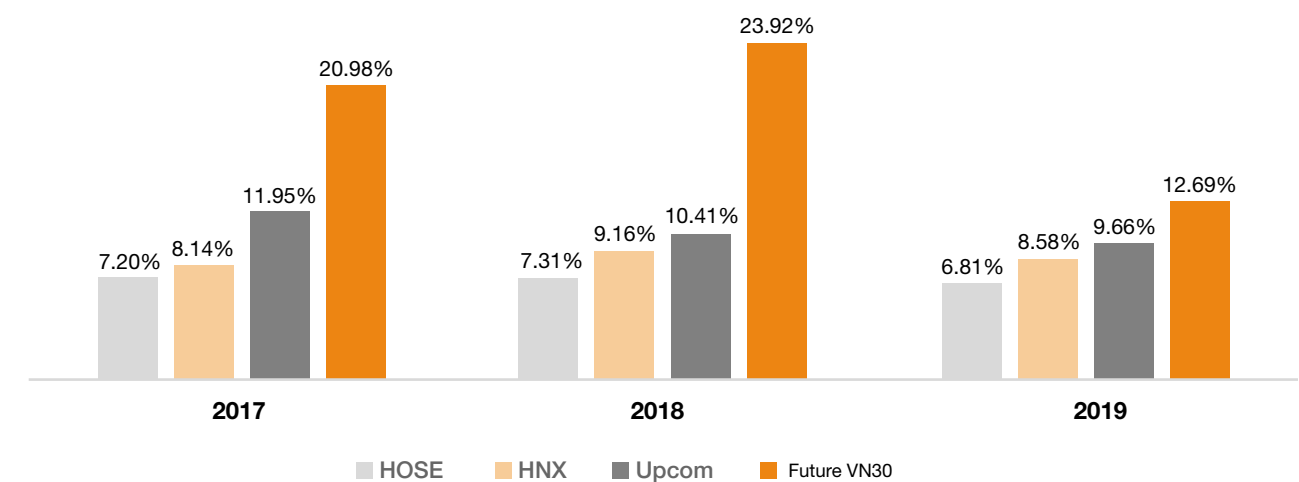
Instead of engaging in the price war, VNDIRECT remains consistent with our digital transformation to enhance qualities in servicing customers, proven by **50.134 newly opened accounts via digital platform, accounting for more than 95% of new accounts opened in 2019.**

The digitalization of account opening procedure has reinforced VNDIRECT's power to occupy approximately 10% of total new accounts opened market wide. The number of securities trading accounts reached 234,000 and asset under management (AUM) of 55,2 trillion VND, increased by 24% and 27% respectively compared with 2018.

Although there witnessed reduction in neither transaction fees nor interest rate policies, statistics have shown merely no changes in VNDIRECT's brokerage market share in 2019. Revenue from securities services only reached 349 billion Dong, reduced by 36.64% yoy, down close to 2017's figure. This reduction seemed to resemble the same liquidity decrease of the general market.

In terms of market share, VNDIRECT, positioned as one of the market leaders, stood among the least impacted by foreign players. This once again reinforced the reliance on technology application and database of diverse individual customers to maintain the firm's market position among other players.

STOCK AND FUND CETIFICATES BROKERAGE FEE BETWEEN 2017-2019



Source: Stock Exchanges

TRANSACTION VOLUME BY CLIENT GROUP (billion Dong)

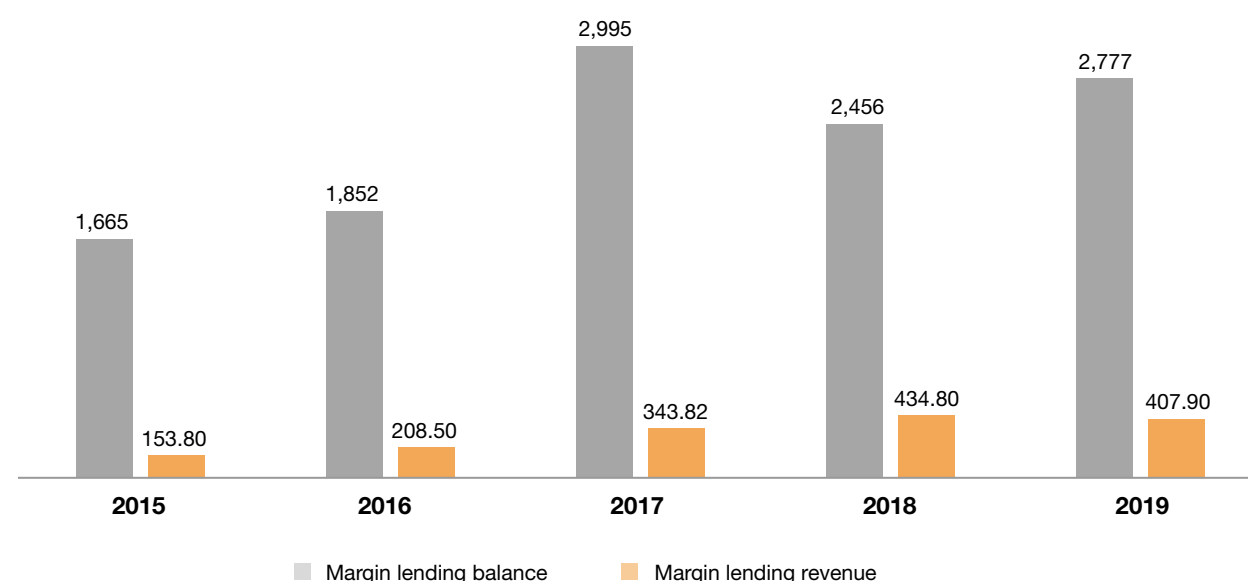
Year	2016	2017	2018	2019
Retail clients	93,254	175,002	237,208	143,527
Institutional clients	7,055	13,106	19,623	24,069

Source: VNDIRECT

In the meantime, margin lending remained intact despite fierce competition. By the end of 2019, the margin lending portfolio reached more than 2,777 billion, increased by 13% yoy. The number margin loan subscribers were reported to

be 44,656 accounts. This has proven the fact that retail client database built up over years are taking effect.

MARGIN LENDING BALANCE AND REVENUE OVER YEARS (billion dong)



Plans for 2020

VNDIRECT would continue to adopt technology application and diversified product portfolio as key drivers in developing its securities services, customized to every single customer. The technology platform would be the pièce de résistance to KYC customer so the consulting packages could be thoroughly designed to address their bespoke inquiries. Being an outsider in the close-to-zero fee competition, VNDIRECT chose to continue our path on service quality improvement and customer satisfaction enhancement.

B. ASSET MANAGEMENT PLATFORM - DWEALTH

In 2019, the strategic planning phase for asset management line - Dwealth has come to an end, followed by initial implementation with specific strategies as follows:

- (1) Focus on educating and onboarding investors about asset and long-term investment. The goal is to assist millions of Vietnamese building up their financial security.
- (2) Consult, customize, and deliver investment products that meet customers' sustainable asset growth targets. On top of mainstream products, such as stocks and bonds, insurance, fund certificates, sample portfolios, etc. are also added to the product categories.

(3) Utilize cutting-edge technology in order to best serve the need for integration of millions of people in Vietnam at the lowest cost possible.

(4) Ensure the selection and training of the financial coaching team who possesses good working knowledge and strong ethical values to support customers to build up their financial security.

In 2019, VNDIRECT initially built up a team of investment advisors and asset management services (wealth advisors). Despite of its new establishment, Dwealth team has conducted various amounts of offline seminars as well as online platforms training to onboard clients on new investment approaches and strategies. Dwealth has also actively been doing R&D as it prepares to release four new product lines along with the support technology platforms. In addition, many internal training programs were organized to build up and enhance the capacity of the sales force and customer services team.

By implementing a number of customer-oriented training programs, it was reported that there were 62 training sessions/seminars that attracted 4,140 participants in 2019 conducted. Dwealth seminars, free-admission courses, and covered -warrant trainings were highly rated by audiences for their practical application because they have equipped investors with useful knowledge in financial investment and personal finance management.

Plan for 2020

In 2020 VNDIRECT plans to implement our market exploration strategies through Online-to-Offline (O2O) platforms. We aim to produce more digital content to onboard millions of Vietnamese people to sustainable investment path. Offline channels, such as: seminars will also be implied to provide participants basic investment knowledge and financial security nationwide. Meanwhile, the online platform will enable VNDIRECT to reach, interact, and complete the product & service value chain while assisting customer.



2. FINANCIAL INSTITUTION AND INTERNATIONAL MARKET

Together with VNDIRECT's strategy of becoming the financial investment gateway for all customers, the financial institution and international market department has been establishing and maintaining relations with domestic and foreign banks, focusing on building up credit limit with offshore institutions, with no limit to

enhance relationship with domestic partners through the Bank-gate platform. In terms of business development in international market level, we determined to strengthen our competitive advantage by the proactively utilizing existing technology and introducing investment opportunities in not only listed companies but also private equity to foreign investors. We have been gradually completed the team with the motto to put customers' interests first in compliance with the IPAM value of VNDIRECT.

Along with the company's transformation, the financial institution and international market department has successfully completed the three following main tasks in 2019:

- Connect VNDIRECT to domestic and foreign financial institutions in order to maintain and extend the credit limits established between VNDIRECT and our partners. We have been working in coordination with Capital market department to proceed the limit's expansion for VNDIRECT in foreign financial institutions, bringing VNDIRECT's total credit limit to more than 14,000 billion by the end of 2019, increased 30% by 2018, in which the foreign funded grew by 34% compared to 2018.
- Connect VNDIRECT to non-financial institutions: life, non-life insurance company, and equity investment funds to design a diverse product basket to meet all clients' inquiries. In 2019, iVND – a subsidiary of VNDIRECT officially signed a contract to distribute Sunlife Vietnam life insurance and since then Sunlife's life insurance has become a choice for VNDIRECT's clients to be consulted by our wealth advisories.
- Complete the securities trading service for international customers: We continue to build up an electronic trading platform that connects VNDIRECT with major international stock trading organizations through FIX, while completing the White label trading solution for our foreign securities company partners in both capital market and derivative. As a result, at the end of 2019, VNDIRECT's foreign trading market share almost doubled

CORPORATE CLIENTS

3. CORPORATE CLIENTS

The 2019 securities market fluctuation was not in line with experts' prediction. The market witnessed a trading year of low liquidity with indexes almost stood still that made unlisted companies suspend their listing and IPO plans to a more favorable timing. In addition, the struggle in state-owned enterprises evaluation also postponed the process of equitization and public offerings. Consequently, IB revenues market wide has been significantly decreased over the year.

Since 2018, foreseeing the challenges ahead, VNDIRECT has rapidly restructured the investment banking division, renamed it to Corporate Client Department with the objective of exploring a wide range of

service for corporate customers, rather than focusing solely on IB mainstream products. VNDIRECT's clients were consulted a full package of capital management, strategy management, business management, IR services, and other shareholder services alongside traditional products such as equity capital market services (ECM), debt capital market services (DCM), merger and acquisition consultancy services (M&A) and corporate financial advisory services (CF). Trustworthiness and credibility can be considered as the greatest achievement of 2019 as VNDIRECT was chosen to be clients' strategic partners.



MR. LE DANG QUOC HUNG – DEPUTY FINANCE DEPARTMENT, DAT XANH GROUP - DXG:

"In the development strategy of the Dat Xanh Group, we aimed to build strategic partnerships with a number of financial institutions and securities companies to accompany the group's activities. And we found VNDIRECT a suitable partner to establish strategic cooperation."

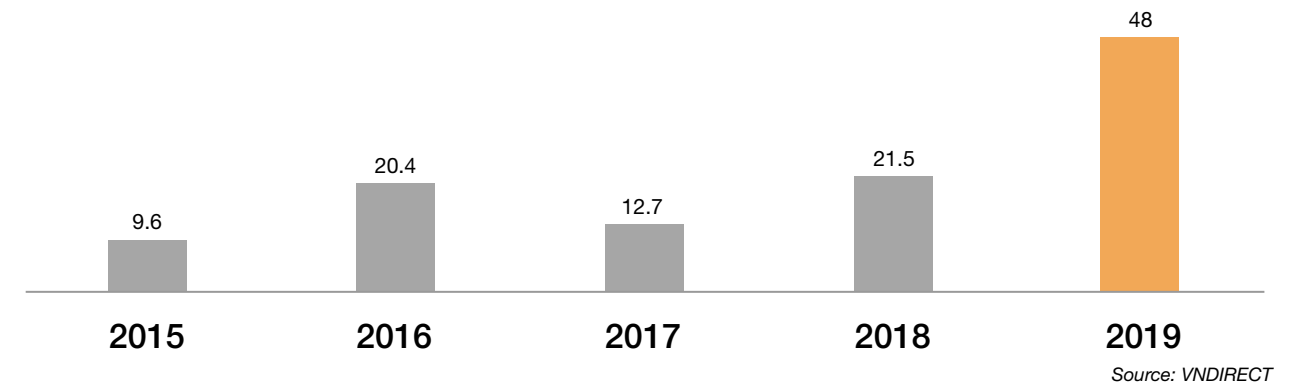
Dat Xanh Group has partnered with VNDIRECT for nearly 2 years, a sufficient amount of time for me to believe this is going to be a positive partnership. It is a professional work etiquette, welcoming attitude, enthusiasm, as well as constructive feedbacks that I appreciated. I can feel these vibes when working with every individual at VNDIRECT. These has strengthened mutual understanding and brought the cooperation to a stronger level in different aspects of the business: capital market, debt markets and shareholder relations"



MS. MAI HUYEN THUONG – FINANCE MANAGER – THIEN MINH TOURISM JOINT STOCK COMPANY – TMG:

"We have been working with the Advisory Group of VNDIRECT for more than 1 year. This was our first time to issue corporate bonds, and it happened within a time constrain. However with a team of professional consultants who are conscientious and market savvy, VNDIRECT has actively assisted us in the construction of bond schemes, working with investors, and preparing the issuing documents. Our bonds have been successfully released after only 1 month of implementation. I am very pleased with the service quality provided by the company."

TURNOVER OF INVESTMENT BANKING THROUGHTOUT THE YEARS (VND billion)



Reverse the growth of investment banking operations in 2019 by Debt Capital Market (DCM) products

In 2019, VNDIRECT' bond issuance advisory proficiency has been reinforced by the platform construction and the recruitment of a new specialized advisory team. This can be considered as a pioneering step within non-bank backup securities firms. This is also to mark the strategic connection between corporate client service ecosystems and VNDIRECT's superior individual customer service system, and to make the most of the existing corporate client database.

Plans for 2020

In 2020, corporate clients will focus on the following main tasks:

- Enhance bond issuance advisory to target customer groups, and at the same time provide corporate clients with not only existing products but also a complete value chain on securities service.
- Strengthen the coordination between corporate clients, capital markets and individual customers department to improve the distribution capacity on both individual, corporate and institutional customers clients.
- Complete the recruitment and training process to improve the quality of the team, especially the M&A segment.

decided to merge treasury and prop-trade desks into Capital Market Department. The department was established with the following objectives:

- Centrally manage our mobilized funds, including shareholder capital and capital raised from bonds, bank credit and other sources.
- Enhance our risk tolerance in the capital market, with 4 main activities: money market, bond trading, equity trading and structural products.
- Optimize capital allocation in different business lines periodically.

The capital raising ability continues to be our competitive advantage

In 2019, VNDIRECT focused our capital raising capacities through the establishment of new credit relationships and bond issuance. In addition to building up relationships with domestic credit institutions, we were also offered credit limits by foreign financial partners, especially the loan limits in foreign currency (USD). On the one hand, it brought in diversification to our capital raising activities, avoiding centralized risks since foreign banks are not restricted by the State Bank's policies (for example, the regulation of credit growth ceiling), on the other hand it strengthened our credibility and capacity to raise capital in the international market. For foreign currencies credit limit, VNDIRECT has flexibly applied different strategies to minimize risk level, maintain security in our overall operations.

As a result, by the end of 2019, our total credit limit reached over 14 trillion dong, in which un-secured limit accounted for 3,000 billion dong. Our credit limits with foreign financial institutions such as Maybank, CTBC, ESUN,

4. CAPITAL MARKET

Restructuring of capital market' operations

In order to centrally manage all investment activities that consumes the company's capital, VNDIRECT

Shinhan ... with a total limit of over 40 million USD have also been set up.

In addition, the success of bond issuance was another source to increase our capital. In 2019, VNDIRECT issued a total of more than 904 billion bonds of 1 to 2 year maturity for institutional and individuals investors. This continues to be a stable channel of capital mobilization for the company in recent years.

Restructuring of capital market' operations

Since the stock market was witnessing a downturn last year, the needs for margin lending decreased significantly. Consequently, it caused a decrease in margin lending revenue that negatively impacted on business operations in 2019. Therefore, in order to sustain our business, VNDIRECT has actively shifted our investment activities toward fixed income product such as certificates of deposit and bonds issued by financial institutions and corporate bonds. Conversely, we have also restructured our equity

portfolio in order to re-structure our fundamental methodology in approaching a portfolio, as well as minimize the risks of unpredictable market fluctuations due to external influences. In addition, we also researched and launched some structured products such as covered warrants, ETF, and just so we positioned ourselves as pioneer in derivatives product supplier.

In 2019, the total profit of the capital market reached 587 billion VND, grew 21.4% as compared to 2018. The largest contribution in revenue went to money market investment activities. These were the combination of bank's deposit and borrowing to ensure liquidity, while optimize costs and profits for the company. The company's deposit portfolio by the end of 2019 reached VND 5,600 billion, an increase of just over 5% as compared to 2018. Compared to other securities companies, our leverage ratio remained constantly high depending on the optimization between deposits and loan activities of from time to time.

Besides deposits, revenues from investment in valuable papers and bonds continued to rise sharply. During the year, trading, advisory and issuance of valuable papers and bonds issued by credit institutions contributed to 183.5 billion dong to the company's profit, an increase of 95% as compared to 2018. The increase in scale activities related to financial institution bonds have helped the company diversify its revenue, reducing the level of dependence on traditional business activities which are heavily competitive from foreign securities companies such as: transaction fees, margin lending, etc...

For corporate bond investment, we have worked closely with IB department to create a value chain from advisory, underwriting and secondary distribution. The size of the corporate bond portfolio distributed by VNDIRECT by the end of 2019 reached 1,650 billion dong. All bonds distributed by VNDIRECT were selected, evaluated and appraised according to strict procedures before issuance to ensure maximum benefits for secondary investors. Within a developing corporate bond market, the selection of reputable issuers with transparent information disclosure and quality collaterals would be the top priority criteria determining our distributing decisions.

Regarding the stock portfolio, we have paid great attention to streamline and restructure the portfolio. In particular, our investment portfolio, including: PTI, ABB, LTG were closely monitored and updated to come up with appropriate action plans. The AFT was restructured and maintained at a maximum size of VND 300 billion, focusing on fundamental stocks with strong growth momentum. As a result, in 2019, our AFT generated 8.6% profit, higher than 7.7% VNINDEX growth.

In 2019, covered warrants were finally launched after many years of waiting. This is an investment product with high financial leverage, suitable for investors with high risk tolerance and expect high profit in return. For issued covered warrant, VNDIRECT prioritizes the tickers with good growth momentum and appropriate ma-

turity for clients' best interest. In 2019, VNDIRECT successfully issued 8 covered warrants, recording a profit of VND 15 billion from this product line.

Mission for 2020

2020 is expected to be a tough year in the capital market due to the effects of diseases as well as unpredictable fluctuations from external factors. Therefore, the objective of the capital market sector in 2020 is to diversify our asset allocation to minimize centralized risks, and complete the risk business capacity framework of the Company in the context of market volatility.

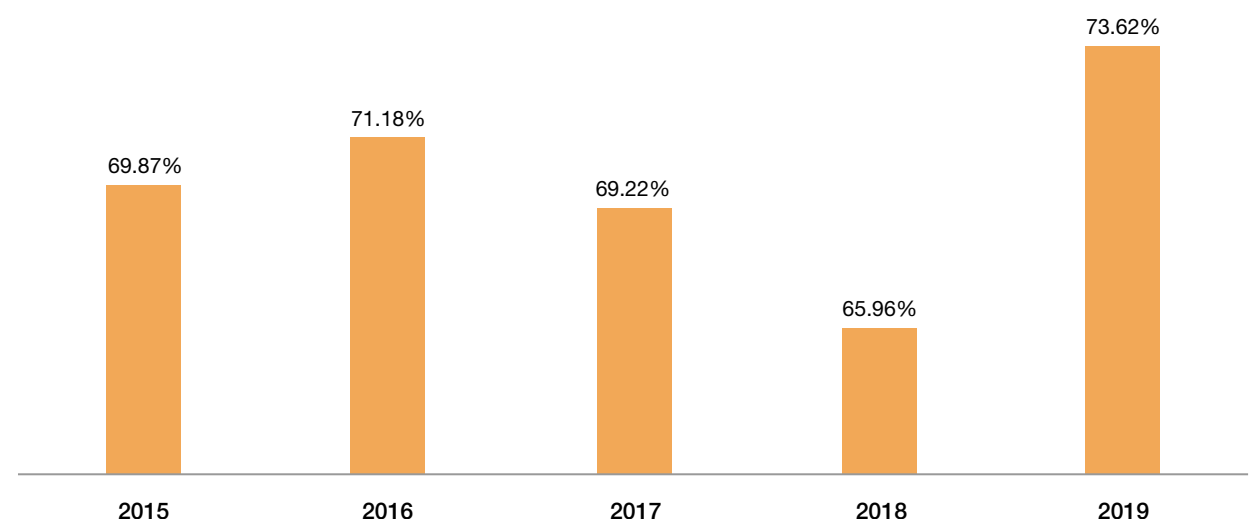
5. IPAAM

The platform provides asset management services aiming at building financial stability for customers

2019 marked the third year of IPAAM Fund Management Company to become a subsidiary of VNDIRECT, also a year of strong transformation of VNDIRECT's parent business model from securities trading service to the multi-channel asset investment service model. In which, IPAAM has also changed its strategy, from the internal investment management unit to the former IPA Group and VNDIRECT Group to providing financial investment products and services for investors. External investment, focusing on individual investors in the VNDIRECT ecosystem. In addition to traditional products such as VNDAF, IPAAM continues to coordinate with VNDIRECT to introduce product investment products such as VNValue / DCASHFUND to supplement and complete the ecosystem of products and services towards financial peace of mind for customers.

We look forward to accompanying investors on the journey of building financial health and investment peace of mind from the solid foundation of Defensive assets to ensure solvency and Long-term accumulated assets to ensure lifetime financial health for customers.

CAPITAL MARKET SALES * / TOTAL REVENUE FROM THE YEAR



Source: VNDIRECT

* Includes revenue from operating capital activities and proprietary trading

ADMINISTRATION COST IN 2019



With the orientation to help the investors build a Solvency defensive assets, there was 907 investors have participated in the newly launched DCASHFUND product. This is a product that helps customers build health payment, ensure and optimize short-term cash flow that are always ready to use when needed.

For the needs of Accumulated saving assets, we provide VNDAF's open-ended fund products with the strategy of investing in VN30 stocks with the largest capitalization and long-term sustainable development potential. This helps investors to benefit from long-term growth of the market. The minimum investment amount in VNDAF is only VND 1 million so that individual investors can easily access this product.

Although the initial results were still modest, our destination was very clear, which is the investment peace of mind for our customers when they invest in good-packaged products, carefully appraise investment, strict risk management and make investments in the form of periodic savings, long-term assets to limit risks. Our goal is to bring investment products more accessible to individual and institutional investors through VNDIRECT's asset management distribution channel, thereby increasing asset under management (AUM) of IPAAM.

We believe that “keep walking and you will arrive one day”, happiness is the journey that we are walking and building every day.

6. ADMINISTRATION COST IN 2019

Besides, the periodic investment program of VNDAF fund (SIP-Systematic investment plan), which helps customers to systematically save investments, is also launched in 2019. Accordingly, the investor spends monthly a certain amount of money to accumulate VNDAF Fund certificates.

In 2019, VNDIRECT has focused on optimizing administration costs, improving overall operational efficiency of the company. In the administration cost structure, personnel accounted for the largest proportion and remained stable in 2019. Meanwhile, costs related to office leasing increased by more than 12% due to the orientation of expanding the company's branches and networks.

Plan for 2020

Financial health – Investment peace of mind



STT	Administration Cost (million dong)	2019	2018	% change
1	Out-sourced Services Cost (excluded office lease cost)	46.710	55.350	-15,61%
2	Depreciation Cost	20.716	21.959	-5,66%
3	Human resources	206.950	22.941	17,06%
4	Office lease Cost	26.854	197.222	4.93%
5	Marketing	4000	6000	-33,33%
6	Systems and other cost	4.179	1.659	151,61%
Total		309.409	305.131	1,40%

Source: VNDIRECT



05.

SUPPORTING DIVISIONS' ACTIVITIES

01. Operating Divisions

02. Risk management division

03. Technology Division



SUPPORTING DIVISIONS' ACTIVITIES

1. OPERATING DIVISIONS

Along with the change in the direction of digital transformation across the company, in 2019, besides continuing to improve the service delivery capacity to customers as well as other departments in the company, Operating division continues to develop the process of automation projects, reducing operational risks as well as reducing personnel costs for the company. Specifically, the company has completed projects to digitize the operation of bond transactions, fund certificates, standardize the online service registration process for individual customers. By the end of 2019, the percentage of digital business processes is over 60%. The high digitization ratio in bond transactions contributed to meet the needs of customers with 5041 bond transactions with a total value increased from 1.560 billion in 2018 to nearly 8.250 billion in 2019.

Plans for 2020

In 2020, VNDIRECT will continue to invest resources in digitizing the entire operating process of the company, improving the capacity of the team to be ready to meet the needs in new orientation from a trading platform to asset management platform for Clients.

2. RISK MANAGEMENT DIVISION

Overview of risk management systems – risk management principles

VNDIRECT has established the risk management division that is independent from the sales team, ensuring the ability to identify, measure, prevent and control risks at all levels and types of risks from market risks, operational risks, credit risks, legal risks, system risks and information security.

In 2019, the system of policies and procedures on risk management of the Company continues to be completed and adjusted to ensure risk management activities in accordance with the Company's actual business. With the increasingly diverse and complex system of financial products, risk management is aware and implemented by all VNDIRECT employees and management not only based on risk management but also also in all units from sales of products to operating support, combined with inspection and supervision from Compliance Control and Internal Control. The most prominent point in the Company's Risk Management Principle is the Risk Adjusted Pricing policy in product design activities.

Process of risk management

- Risk identification: The responsibility to identify risks belongs to the sales department, products and the operation division. In addition, on the basis of data analysis on the past and trends of risks, changes in legal policies, recommendations of state management agencies related to business segments, VNDIRECT's units identify activities and issues that are likely to generate high risks, thereby providing a basis for forecasting / identifying possible risks in the future.
- Measuring and assessing risks: Risk Management Department is responsible for building risk measurement and evaluation models, classifying types of risks to warn and proposing measures to prevent appropriately, while ensuring the flexibility of the business and maintaining the principle of risk control in accordance with specific standards prescribed by the company. VNDIRECT uses qualitative and/or quantitative assessment methods to measure the appropriation to each specific type of risk. Some models used such as:
 - 📄 Standard model as prescribed in Circular 226/2010 / TT-BTC dated 31st December, 2010 and Circular 165/2012/TT-BTC dated 9th October, 2012 of the Ministry of Finance
 - 📄 Stock Rating Model based on historical data on price movements, liquidity fluctuations combined with qualitative factors such as corporate governance and management of enterprise.
 - 📄 VaR model is also in the research, development and testing phase to calculate the maximum level of volatility for a stock or portfolio over a specified period of time.
 - 📄 Bond evaluation and rating model (Bond Rating)
- Determining risk limits: Every year and periodically, VNDIRECT establishes multiple-layer risk limits (customers, assets, stocks, equity, etc.) to limit the lowest risk that can be acceptable for the company to manage both the risk and the market conditions of the business.

- Risk monitoring: Risk monitoring is carried out everyday through the risk indicators that have been set up in all Operation, Sales, Risk Management departments, ... Some risk limits installed and automatically limited on the system.
- Risk processing: Risk processing activities are reviewed and evaluated based on the assessment of seriousness, characteristics and cost of each type of risk. The risks of losses due to the process, people are immediately adjusted to suit the implementation, avoiding duplication. Risks that cause risks of financial loss are decided to be dealt with quickly, neatly and with risk tolerance thresholds to minimize possible losses.

Types of management risk in 2019

- Market risks: VNDIRECT's business activities related to market risks are investment in bonds, stocks, deposit investments, margin lending, derivative securities, warrants...
- Deposit/bond investment operation:
 - 📄 Building a system of credit rating for banks and financial institutions;
 - 📄 Bond portfolio's risk management process.
- Margin lending activities: Margin lending is a lending activity based on collateral which is owned by the customer and is allowed by SSC and VNDIRECT accepts lending for margin trading. Market risk arises when the stock price fluctuations are too large (many times in a row to the floor) or due to the stock liquidity, delisting... making the company unable to recover the loan. In order to limit market risks, the following tasks have been continuously improved and renewed to suit the market conditions:

The margin lending portfolio is built on the principles of transparent scoring and automatically adjusts according to market conditions and stocks in particular to determine margin lending rates. The establishment and approval on the portfolio is independent from the lending business to ensure independence and transparency, however, it is still advisable from business units to ensure competitiveness and business needs

 - 📄 Building a multi-dimensional limit system to control the cap risk limit;
 - 📄 Total margin lending limit;

- 📄 Maximum limit per customer;
- 📄 Maximum limit per stock code;
- 📄 Maximum limit for an industry or a group of industries;
- 📄 Set of initial and maintenance margin ratios;
- 📄 Monitoring the concentration of outstanding loans by customers, by stocks;
- 📄 Monitoring the price volatility and liquidity of the stocks that are focusing on outstanding loans;
- 📄 The company always works with the analysis department to prepare scenarios to respond to forecasting risks so that they can be adjusted in time when market conditions are not favorable;
- 📄 Call margin processing business is separated from the sales department and processed automatically
- Credit risk: Credit risk is the risk arising from the failure of customers and partners of the Company to fulfill their committed debt obligations, resulting in losses to the Company. This risk arises in the field of deposits with financial and banking institutions, or investment lending activities with large customer groups. Therefore, the Company pays special attention to the compliance with loan limits for each customer, deposit limits and deposit regulations at credit institutions that are assessed with transparency and low partner risk. The company also built a credit rating system for banks with transaction relations with VNDIRECT
- Margin lending activities: The determination of the loan limit for each customer is appraised and controlled by the sales and risk management department through:
 - 📄 Customer evaluation: perform KYC and evaluate customer credit limit and customer segmentation (Customer Rating)
 - 📄 Value the collateral assets of customer by Stock rating;
 - 📄 Complying with loan evaluation, approval processes and loan approval authority according to a decision issued by (Risk management Committee);

The monitoring and post-disbursement process is applied periodically to ensure that the changes related to customers, business activities and stocks are updated in the fastest way, thereby making assessments on potential risks, or timely remedial actions.

- Bank deposit activities/ Deposit certificates of financial institutions investment: Customers open accounts at VNDIRECT securities companies and the company is responsible for choosing reputable banks to keep money for customers. Based on the credit rating of financial institutions, the Company regulates a list of assets traded and the limits applicable to each financial institution separately.
- Legal risk: Legal risk is a very sensitive type of risk in the Vietnamese market and in the past operating history, VNDIRECT always has to give explanation for new products when the legal environment in Vietnam has not followed the development of the market. Regarding the type of legal risk, the company established a legal and compliance department, which is responsible for providing legal advice for business divisions, and approving the introduction of new products and services. The company emphasizes the training of a sense of compliance with policies and laws at all levels, focusing on the culture of working in accordance with the law.
- Operating risk: Operating risks for securities companies include risks related to:
 - Risk of confidentiality of customer information: The company has a system of access to account information of customers, only brokers authorized by customers can access accounts and manage the accounts according to customer requirements. Employees who access directly to customer information, must sign a commitment to protect customer information in order to enhance the sense of protection of customer interests and the company's reputation.
 - Risk of conflict of interest between the company and the customers, salesman and company employees and customers, equality between customers: The company requires that each business location must sign a non-conflict of interest commitment to the compliance control department. Any potential risk of not having a conflict declaration considered as a violation of the compliance, that may result in the highest level of discipline being dismissed.

- Risk of information security and intellectual property: Some departments have access to the company's know-how and intellectual property such as the technology department, product development department, and inspection department, quality control and sales policy. Employees of these divisions are trained to protect intellectual property and sign a commitment to fight against direct competition when there is a change of works.
- Human risk due to intentional abuse of business staffs or professional staffs: all operating processes or business operations are separated according to the maker - checker/ Validate – Control (control later) principles to ensure independence between the implementer and the inspector. This principle applies to all business process design and operational operations from business operations, systematic accounting operations to support and control operations.
- Risks arising from telecom infrastructure failures and third-party providers: System errors may be caused by unstable transmission lines between the Company and Stock Exchanges, affecting the command transmission to the recording system; The error reporting system, resulting in a lack of information and a delay in risk warning. To limit these risks, the Company has regularly checked the Core system, order placing system ... to ensure the stability and smoothness of the system; The company also invested in building a backup site to ensure the stability and continuity of the system.

Plans for 2020

The Company will continue to implement prudent risk management policies in the volatile market and focus all resources to improve the ability to identify, control and prevent risks, especially risks relates to business ethics, customer equality, and designs automated tools to optimize the operational capacity of the business administration in the system. The BOD has set up specific risk management plans to enhance the Company's risk management capacity in the field of financial business, lending and margin lending activities, activities to provide loans to customers in needs of investment, to promote the participation of many business sectors in the market that need the support of VNDIRECT's risk management and verification capabilities, details as below:

- Develop a comprehensive set of risk appetite and risk limits to control and calculate the company's risk factor in all market conditions.

- Building risk assessment capacity, digitizing the analysis platform and scoring stock ratings, credit rating, customer ratings and market opportunities and market risks in order to help business teams get the fast and accurate appraisal tool to improve capacity and speed of decision making.
- Develop an automatic warning tool for margin lending activities.
- Develop a monitoring tool to ensure compliance between the commitment of sales staffs and customers that the interests of customers are implemented at the highest level.
- Focusing on professional training, cultural communication compliance, raising awareness of risk management to each employee in the Company

3. TECHNOLOGY DEPARTMENT

With the mission Go online - Go Direct, VNDIRECT continued to make digital transformation and complete the multi-channel investment ecosystem including: (1) Stockbook - network of investment community and multi-channel investment asset information; (2) Dplatform - Multi-channel online asset trading platform; (3) iVND - a personalized asset management platform for every investor. These are the foundation for investors to interact directly with products and services package, improve the interaction quality between the company and customers, thereby optimize operational costs.

(1) Stockbook:

Stockbook is positioned as a network of investment community and multi-channel investment asset information that is invested and developed to become an investment knowledge platform to connect financial investors to the CIP portal of listed firms. It contains investors' review about stocks, comments of analysts and related information. Collecting multi-dimensional information at CIP page will provide investors with a comprehensive view of businesses, stocks, understand and measure the risks and opportunities to make investment or trading decisions. Stockbook also creates tools for professionals, independent financial advisors to manage customers, make advices on investment and connect with VNDIRECT's trading platform.

(2) Dplatform:

VNDIRECT's multi-channel online trading platform continues to be completed and fully integrated with

products on a homogeneous platform, enabling investors to easily buy and sell assets on their demand. Moreover, VNDIRECT also built and developed a securities trading platform exclusively for professional investors such as Protrade-Trial, covered warrant trading platform with full parameters to support customers' trading activities



(3) iVND

Ivnd - MyAccount is a personalized asset management platform for investors. The completion and launch of the MyAccount platform gave customers direct access to the company's service platform, depending on clients' individual needs. The entire product and service platform is clearly and transparently integrated into the general system so that investors can research, register and utilize. In addition, the digitalization platform will enable the system record the entire interaction between the sales team and customers, thereby support the company to manage, evaluate efficiency and continually improve service quality.

Plans for 2020

In 2020, VNDIRECT will focus on deploying infrastructure and technologies solutions to stabilize, optimize the trading system in compliance with the merger the two stock exchanges. Moreover, the company will focus on digitalization of the entire business platform from business to operation activities in order to optimize existing resources and lower the operating costs, while searching for solutions and outside partners to accelerate development speed and launch the necessary features to support other parts of the company.



06.

CORPORATE GOVERNANCE

01. Report of Board of Directors

02. Report of Board of Supervisors

03. Share information and Trading

CORPORATE GOVERNANCE

1. REPORT OF BOARD OF DIRECTORS (BOD)

A. BOARD OF DIRECTORS' ACTIVITIES OPERATION

Comply with the Decree number No. 71/2017/ND-CP dated June 6th, 06/06/2017 guidelines on corporate governance applicable to public companies, the Board of Directors (BOD) of the Company involves five members for the term of 2017 - 2022, including one independent BOD member. All members of the BOD have experiences with high qualifications and expertise in many fields such as finance, securities, investment and business management.

In 2019, BOD of the Company effectively performed very well the role of guiding and building business plans with a focus on digital transformation and restructuring organization in order to expand business capacity. In addition, the Board BOD of Directors also consulted with the Board of Management (BOM) in creating the business strategies, investment plans and development solutions for the Company to strengthen the position of VNDIRECT's position in the stock market.

Board of Directors' Activities in 2019:

- Successfully organized the Annual General Meeting of Shareholders (AGM) in 2019: The Board of Directors held one Annual General Meeting of Shareholders was held on April 18th , 2019 and reported to the General Meeting of Shareholders on issues under the authority of the BOD as follows includes the following:

- Report of BOD's activities in 2018;
- Report of The BOM on business results 2018 and

business plan 2019;

- Report The Supervisory Board in 2018;
- Adopting the audited financial statements of 2018, distributing profits in 2018, selecting audit company for the financial statements in 2019, the paying remuneration payment for the BOD and Board of Supervisors, and business rewarding policies in 2019, the approvment for Chairman concurrently holds the position of CEO, the issuance of bonds and stocks of the company and the issuance of covered-warrants.
- Dismissal and addition voting members of the BOD
- The Annual General Meeting of Shareholders (AGM) in 2019 has complied with all principles and relevant provisions: organized in accordance with the order and regulations of the Enterprise Law, VNDIRECT's Charter as well as other relevant regulations for listed company. The BOD has also timely directed and supervised BOM on implementing the approved issues/policies in Annual General Meeting of Shareholders 2019.
- Regular Ordinary and Extraordinary General Meetings of the Board of Directors: The Board held several meetings was held in 2019 with the full participation of BOD members in order to discuss, conclude and resolve the issues related to operation of the Company. The organization of BOD Meetings is entirely ensured and arranged in accordance with the provisions of the Company Charter and the Enterprise Law, as detailed as below:

No.	No. of the Resolution/Decisions	Published Date	Contents Description
1	63-2/2019/QĐ-HQĐT	10/01/2019	Decision on protection of information security and intellectual property at VNDIRECT
2	42-2/2019/NQ-HĐQT	22/01/2019	Approval on signing services contracts with I.P.A Investment Group JSC
3	111/2019/NQ-HĐQT	08/03/2019	Approval on changing the name and location of Hoan Kiem Transaction Office, organize AGM
4	138-2/2019/NQ-HĐQT	29/03/2019	Approval on Report of BOM about business result of 2018 and plan for 2019

5	138-3/2019/NQ-HĐQT	29/03/2019	Approval on handing over some tasks under the authority of the BOD to Chairwoman
6	158/2019/QĐ-HĐQT	09/04/2019	Dismissed Operating Director
7	243/2019/QĐ-HĐQT	28/05/2019	Paying dividends to shareholders
	253/2019/QĐ-HĐQT	04/06/2019	
8	588-2/2019/QĐ-HĐQT	25/10/2019	Promulgating organizational and operational regulations of Councils and Departments under the Board of Directors of VNDIRECT Securities JSC
9	84/2019/QĐ-HĐQT	28/10/2019	Dismissed the director of Ho Chi Minh City Branch
10	85/2019/QĐ-HĐQT	28/10/2019	Appointed new Director of Ho Chi Minh Branch
11	608/2019/QĐ-VNDIRECT	07/11/2019	Establishment and functions of the Compliance Monitoring Committee
12	625/QĐ-HĐQT	18/11/2019	Change the address of Vincom Transaction Office to SALA Transaction Office at 151 Nguyen Co Trach, An Loi Dong Ward, District 2, Ho Chi Minh City (According to transaction No. 881 / QĐ-UBCK dated October 16, 2018
13	635/QĐ-HĐQT	20/11/2019	Changing the address of Danang Branch
14	669/NQ-HĐQT	05/12/2019	Bond issuance under private placement 3rd time in 2019
15	670/NQ-HĐQT	05/12/2019	Bond issuance under private placement 4th time in 2019
16	711/2019/QĐ-VNDIRECT	25/12/2019	Signing contracts, transactions relating to the purchase and sale of assets with National apiculture Joint Stock Company

B. BOD ASSESSMENT SUPERVISION ON THE EXECUTION OF THE BOM'S PERFORMANCE

- In 2019, the Board of Directors of VNDIRECT continued to ensure the completion and accuracy of the AGM's and BOD's resolutions and decisions as well as improved their supervision, guidance for the BOM. At the same time, BOD spent a lot of time discussing with the BOM to promote the Company's business activities performance on the basis of implementing following the company's VNDIRECT's Charter, regulations and relevant laws.
- Regarding the results of 2019, the BOD highly appreciated and acknowledged the role of the BOM in the company's achieve-

ments. BOM has not only achieved the business objectives but also managed to shift and transform the company toward new business model, continued to strengthen the company's position in the stock market.

C. ACTIVITIES OF COMMITTEES UNDER BOD

Responsibilities and duties of the committees (under the Board of Directors) are specified in the Charter and Regulation of Corporate Governance. In addition to the general activities of the Board of Directors, the Committees are well also organized and operated in order to optimize resources in each area as the following:

REPORT OF BOARD OF SUPERVISORS

No	Sub-committees	Contents
1	The Internal Audit Committee	Independently assessing on the compliance with of legal policies, Company Charter, decisions of the AGMs, decisions/ regulations of the BOD; checking and evaluating the compliance of business operations with internal policies, regulations and procedures; checking and assessing the compliance with legal regulations; controlling asset measurement to ensure property safety; checking, reviewing and evaluating the adequacy, efficiency and effectiveness of the internal control system under the BOD; advising on the establishment of internal policies and procedures; inspecting and evaluating the process of identifying, evaluating and managing business risks; checking and evaluating the effectiveness of activities; assessing compliance of contractual commitments; inspecting and investigating violations within the company; performing other tasks related to compliance control, internal audit of the company (including subsidiaries) in accordance with the law, the Charter and regulations issued by the BOD.
2	Risk Management Department	Regulating risk management strategies and policies, risk assessment criteria, the overall risk level of the Company and each unit of the Company; assessing the independence of conformity and complying with the risk policies and procedures established by the Company.
3	Human Resources Council	Advising the Board of Directors on issues related to Human resources management activities of the Company; approving the personnel policies, bonus and welfare mechanisms for employees of the Company; on behalf of the Board of Directors deciding on recruitment, appointment, dismissal and discipline of managers under the authority of the BOD and the Chairman on behalf of the BOD; performing other rights and duties as stipulated in the Charter and Resolution/Regulation issued by the BOD.
4	Investment Council	Advising the BOD on issues related to investment activities of the Company; The decision making decision to allocate investment assets of the Company within its jurisdiction; approving the short-term and/or long-term investment portfolio of the Company; managing and issuing policies and approving proprietary investments of the Company; performing other rights and duties as stipulated in the Charter and Resolution/Regulation issued by the BOD

2. REPORT OF BOARD OF SUPERVISORS

A. BOARD OF SUPERVISORS' ACTIVITIES

The Board of Supervisors (BOS) has properly performed its' responsibilities according with their functions and duties specified in the Company Charter and the Enterprise Law, including (1) examination

on the validity and the compliance with regulations, rules of operating activities and (2) validation financial statements' accuracy in the fiscal year 2019.

- In 2019, the BOS held three regular ordinary and extraordinary meetings during the year including:

No.	BOS members	Position	First day known as BOS member	Number of meetings attended	Attendance percentage
1	Hoang Thuy Nga	Head of BOS	21/4/2013	02	100%
2	Huynh Thanh Binh Minh	BOS member	28/4/2012	02	100%
3	Nguyen Thi Minh Hanh	BOS member	23/4/2015	02	100%

- Auditing Financial Statement 2019:

The BOS has all agreed with the contents of the quarterly financial statements, semi-annual financial statements and financial statements of 2019 prepared by the BOMs and accounting department. The financial statements accurately truly reflected the Company's financial situation, reasonably explained the situation of business operations and cash flow in the corresponding periods of operation, in accordance with the current accounting standards and regulations.

The semi-annual and annual year 2019 financial statements are audited by Deloitte Vietnam Ltd Company Limited who was approved by the SSC to audit listed companies. The auditor's opinions on VNDIRECT's financial statements are fully accepted. The financial statement 2019 truly reflects the financial situation at 31/12/December 31st, 2019, the results of business operations and cash flow throughout the year 2018.

B. ACTIVITIES OF SUPERVISING THE BOD AND BOM

In addition to regular meetings, BOS also takes time to participates in the meetings of the BODs, BOMs to supervise and inspect in a number of key areas below the following aspects:

- Supervising the activities of the BOD, BOM and management team of throughout the year regarding to the implementation of financial plans and operational plans of the company. Co-ordinating

with the BODs, BOMs and relevant departments to inspect and supervise all business activities and at the same time, supporting the BODs, BOMs and other managers to recognize and solve problems and shortcomings administration system.

- Reviewing accounting books, debt management, solvency, fixed asset management, cost efficiency, and risk management, business result in order to provide suggestions and recommendations appropriately to the BODs

C. ASSESSMENT ON BUSINESS RESULT AND FINANCIAL INDICATORS OF THE COMPANY IN 2019

- Capital adequacy ratio of the company was 334% at the end of 2019, that is almost double on the requirement rate by the SSC of 180%.
- Regarding financial indicators, due to a decline in the decline in market liquidity as well as pressure from competitors, the company's revenue and profit respectively was only reached 1.507 billion VND and 383 billion VND, respectively. The achievement rate only attained 80% of the business plan.
- Revenue from brokerage fee reached was VND 335 billion VND, down reduced 35% compared to 2018. Interest income remained around 408 billion VND. The BOS recognized BOM's efforts to maintain stability in its core business operations in spite of the competitions from many foreign securities firms.
- Revenue from advisory and underwriting services of Corporate Business Department reached 48 billion VND and revenue from Institutional Clients & Offshore market reached 17 billion VND. The

REPORT OF BOARD OF SUPERVISORS

Corporate Business Department has gradually built up relationship with core customers such as Dat Xanh Group, Ha Do Group ... Meanwhile, the Institutional Clients and Offshore Market has improved service capacity as well as developed technology infrastructure to connect with the foreign partners. These are positive signals after the process of restructuring and transiting in these two departments.

- Revenue from proprietary trading investment capital market) still maintains over 60% in the company's business operations, therein fixed-income trading were significantly increased in compare with 2018. According to the BOS, the company is gradually improving its' risk taking capacity in the money market, stock market and fixed-income market...

- The Supervisory Board acknowledged efforts of the Board of Directors in maintaining the business results in 2019, creating a solid foundation for VNDIRECT to expand business activities in coming years

D. REMUNERATIONS AND OTHER BENEFITS OF BOD AND BOS

- Salary, bonus and remuneration regimes of BOD, BOM and BOS members are entitled to the Resolution of the AGM and reasonable in accordance with the salary and bonus policies of the Company.
- The total salaries, bonuses and remuneration of for BOD and BOS members in 2019 are stated as below:

No	Full nName	Positions	Total income (VND)
Board of Directors			
1	Phạm Minh Hương	Chairman	84.000.000
2	Vũ Hiền	BOD Member	84.000.000
3	Nguyễn Hoàng Giang	BOD Member	84.000.000
4	Pekka Mikael Nastamo	Independent BOD Member	84.000.000
5	Phạm Lê Nhật Quang	Independent BOD Member	84.000.000
Board of Supervisors			
1	Hoang Thuy Nga	Head of BOS	60.000.000
2	Huynh Thanh Binh Minh	BOS member	60.000.000
3	Nguyen Thi Minh Hanh	BOS member	60.000.000

3. SHAREHOLDER INFORMATION

A. VNDIRECT STOCK INFORMATION AT 31/12/2019

- Charter capital : VND 2.204.301.690.000

(In words: Two thousand, and two hundred and four billion, three hundred and one million, six hundred and ninety thousand) dong.

- Par value of shares: VND 10.000 dong per /share

- Volume of listed shares (at December 31st /12/2019): 220.430.169 shares.

- Volume of outstanding shares (at December 31st 2019/31/12/2019): 208.565.361 shares.

- Treasury shares: 11.864.808 shares.

B. SHAREHOLDER STRUCTURE

According to the shareholders list issued by Vietnam Securities Depository on March 31st March 2020:

Structure and ownership percentage classified by type of shareholder as below:

Shareholder	No of shareholders	No of shares	Percentage (%)
Foreign	169	85.807.593	38,93%
Institutions	50	83.798.004	38,02%
Individuals	119	2.009.589	0,91%
Domestic	5.017	122.757.764	55,69%
Institutions	40	56.239.965	25,51%
Individuals	4.977	66.517.799	30,18%
Treasury shares	0	11.864.812	5,38%
Total	5.186	220.430.169	100,00%

List of major shareholders:

Shareholder	No of registration	Address	No of shares	Percentage (%)
IPA Finance Ltd Company	0101398161	No.1 Nguyen Thuong Hien, Nguyen Du Ward, Hai Ba Trung District, Hanoi City, Vietnam	56.188.354	25,49%
PYN Elite Fund (Non - UCITS)	CA5604	C/O Pyn Rahastoyhtio, PL 139 00101, Helsinki, Finland	20.589.050	9,34%
VI (Vietnam Investments) Fund I, L.P	CS9396	No. 603, Centec Tower building, 72-74 Nguyen Thi Minh Khai street, District 3, Ho chi minh city, Vietnam	11.108.501	5,04%
Yurie Vietnam Securities Investment Trust	CA8662	(NAMDAEMUNNO(I)-GA), 84, NAMDAEMUN-RO, JUNG-GU, SEOUL, KOREA	11.411.017	5,18%



07.

SUSTAINABLE DEVELOPMENT REPORT

- 01. Overview of sustainable development report
- 02. Highlights of sustainable developments
- 03. Human resources management towards sustainable development
- 04. Action for a sustainable community
- 05. Joint together to build and protect the environment

OVERVIEW OF SUSTAINABLE DEVELOPMENT REPORT

1. OVERVIEW OF SUSTAINABLE DEVELOPMENT REPORT

For the purpose of reflecting the sustainable development results, by this report, we would like to convey to our customers, shareholders, employees, partners, communities and other stakeholders VNDIRECT's operating steps and important events during 2019, a year of "Actions", towards sustainable development and bringing actual values to the community and society.

STANDARDS OF THE REPORT

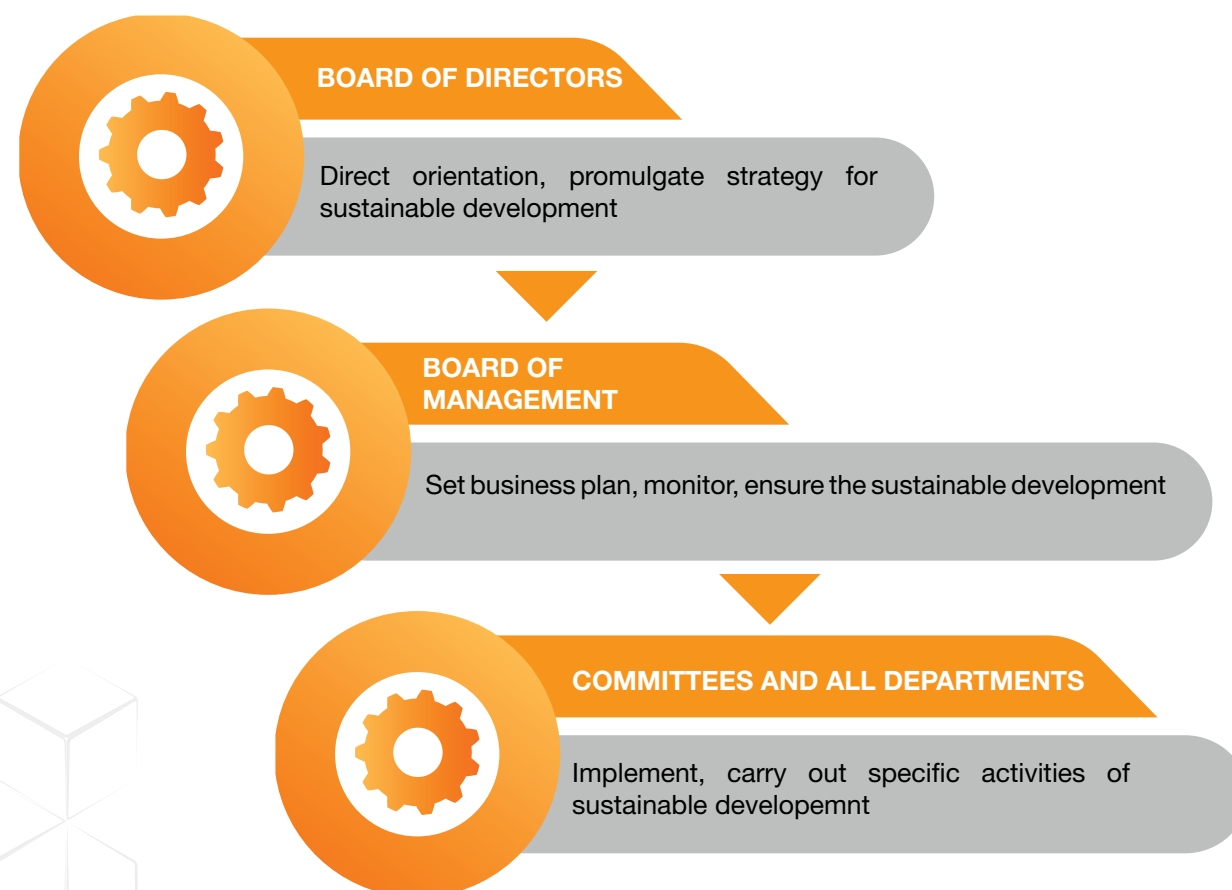
- VNDIRECT's 2019 sustainable development report continues to be developed according to the standards of the Sustainable Development Reporting Guide - Global Reporting Initiative (GRI).
- This is an integrated report, that closely linked to the Annual Report so that most of the information related to corporate governance has been presented in the prior corporate

governance section. Under the purposes of issuing transparent and effective report, besides GRI, VNDIRECT also consulted the Guidelines on Disclosure of Environment and Social Information issued by the State Securities Commission in collaboration with IFC (International Finance Corporation) released.

SCOPES OF THE REPORT:

Sustainable development report is established within the scope of operation in the territory of VNDIRECT Securities Joint Stock Company in the field of investment - finance - securities, including subsidiaries/ branches/ Transaction Office in provinces and cities nationwide. All information and data given in the report are updated based on fiscal year from 1st January 2019 to 31st December 2019 as well as some historical data showing the growth rate in certain period of operation.

Sustainable development models



CONTACTS

All recommendations, comments and questions related to sustainable development issues of the Company, please contact us at the address below:

PR DEPARTMENT

Email: pr@VNDIRECT.com.vn

Phone: 0243.9724568 (ext: 20222)

Address: No. 1 Nguyen Thuong Hien, Hai Ba Trung, Hanoi

2. HIGHLIGHTS OF SUSTAINABLE DEVELOPMENTS

SUSTAINABLE BUSINESS RESULTS

In 2019, VNDIRECT's consolidated revenue and profit after tax respectively reached VND 1,53 billion and VND 383 billion, which both increase compared to the previous year. In the context of the less positive developments of Vietnam's stock market in 2019, this achievement is a remarkable effort of the entire company.

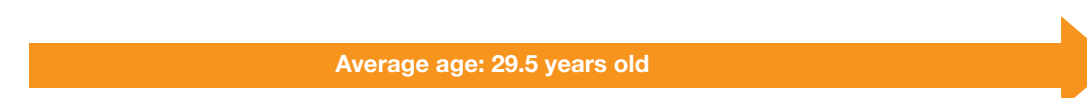
HIGHLIGHT OF SUSTAINABLE DEVELOPMENTS IN SECURITIES MARKET

- Hanoi Stock Exchange (HNX) honoured VNDIRECT as an Active member of 2018 - 2019 for its contribution to brokerage transactions in the stock market, derivatives market and consultancy service of listing, transaction registration, auction.
- Ho Chi Minh City Stock Exchange (HOSE) honoured VNDIRECT as a Typical member of 2018-2019 based on financial safety targets, brokerage's market share, in coordination with regulatory authorities in professional works, corporate training, investor training and compliance with member obligations.
- Vietnam Securities Depository recognized

Personnel structure by gender:



Personnel structure by age



VNDIRECT as a Typical member in the 2 activities includes depository and derivative trading transactions in 2019

- Top 4 securities companies with the largest market share in Ho Chi Minh Stock Exchange with market share of brokerage and fund certificates reached 6.81% in 2019.
- Top 2 securities companies with the largest brokerage market share on HNX at 8.58%.
- Top 1 securities company has the largest market share on UpCom, accounting for 9.66%.
- Coordinate with the State Securities Commission to successfully organize the seminar "Vietnam Derivatives Market - Opportunities and Challenges" in Vinh City on 3rd October, 2019.

3. HUMAN RESOURCES MANAGEMENT TOWARDS SUSTAINABLE DEVELOPMENT

2019 is the year of transiting the strategic orientation and changing the company's vision and mission to the journey of serving investors towards financial health and investment peace of mind by the convergence of intelligence and connecting collective values, in which each individual is a resource and a motivation for sustainable development in every success of VNDIRECT. Number of VNDIRECT's official staffs as of 31st December, 2019 is 827 people, down 153 people compared to the end of 2018. Since the start of the Sustainable Development Report in 2015, 2019 is the first year that VNDIRECT has higher number of female employees than the male. The labor force are mostly young people in the age group from 20 to 30 years old (reaching 60.62%) with high professional qualifications, meeting the work requirements of the securities finance industry.

HIGHLIGHTS OF SUSTAINABLE DEVELOPMENTS

Personnel structure by education:

97.5% with bachelor degree and higher education

Personnel structure by working experience:



REMUNERATION POLICY

The company pays employees' remuneration based on the fairness, equality and increase the competitiveness of total income compared to the general market. In addition, VNDIRECT annually evaluates and considers about raising salaries for

employees based on business results, job positions and working efficiency, motivating and engagement with the Company. Average monthly salary in 2019 increased by 13.3% compared to 2018 and higher than the regional minimum wage.

Items	2017	2018	2019
Minimum wage (Zone 1)	3.750.000	3.980.000	4.180.000
Average salary of the company	14.000.000	15.000.000	17.000.000

Not only strictly complying with the compulsory insurance regimes, VNDIRECT also maintains 24-hour accident insurance for all employees and health insurance for key positions, those who are working at the company for long time. All employees' health are periodically checked and the Company has a policy to share the joy (marriage, childbirth) or support in difficult cases (sickness, funeral) .

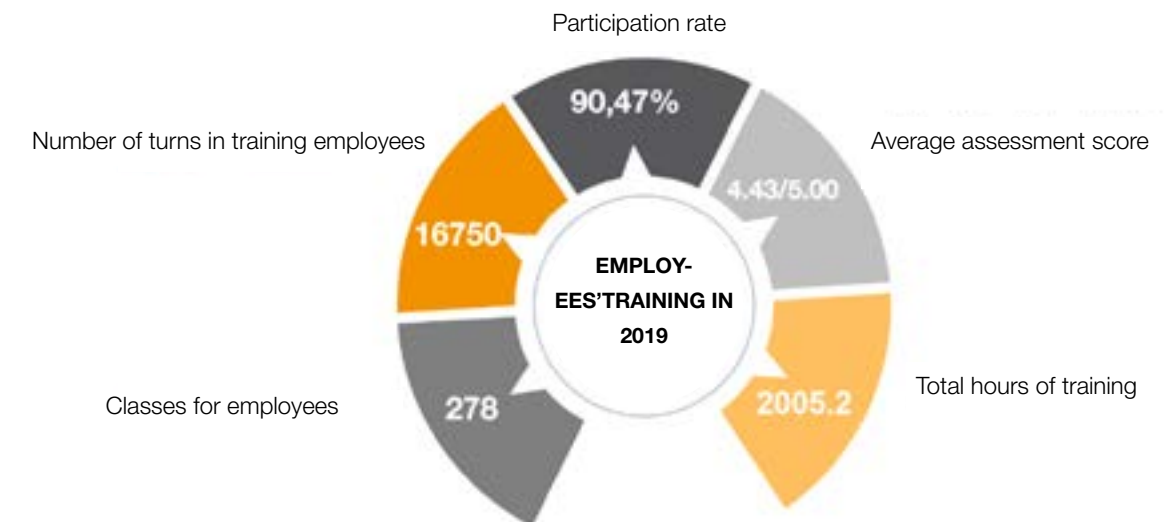
In addition to welfare policies, VNDIRECT also strengthens the non-financial remuneration system with the aim of building a strong collective at work, life to improve the health of everybody. A series of DTalk / Friday Sharing events with many topics shared by the General Manager as well as the company's managers such as: Brokerage - Overcoming challenges to succeed; Identify the causes that keep you busy - Work smarter, not harder; Invest and educate the finance for your future.... The company also organizes marathons to encourage

and create the physical training and sport habits for its members. In addition, Clubs develop corporate culture as CBL Meditation / mindfulness; Art club; Sports Club (football, tennis, badminton); Yoga Club has added energy to the lives of staff, is a place for people to meet, share and equip more knowledge related to the field of health, spiritual life ...

TEAM'S TRAINING AND DEVELOPMENT

With the orientation of becoming a learning organization, training and team developing based on the spirit of self-study is one of the key activities in the sustainable development as well as the competitiveness of the Company in the market. This is always the top concern of the Board of Directors to improve the quality and foster human resources in order to adapt the new business orientation of the Company.

HIGHLIGHT NUMBER OF TRAINING IN 2019



In 2019, VNDIRECT spent VND 2.7 billion on training activities with nearly 278 courses for nearly 17,000 staff and customers. On average, each employee at VNDIRECT participated in more than 11 courses.

Items	Unit	Năm 2015	Năm 2016	Năm 2017	Năm 2018	Năm 2019
Training cost	Billion dong	2,73	2,63	1,83	1,75	2,67
Number of internal & training courses	Class	118	108	128	138	278
Number of staffs participating in training	Students	2.426	2.153	3.141	10.355	16.750
Average number of classes / staff	Class/staff	3,52	2,76	3,69	9,52	11,34

	Năm 2015	Năm 2016	Năm 2017	Năm 2018	Năm 2019
Number of courses	118 classes	108 classes	128 classes	138 classes	278 classes
Internal training courses	68	44	58	87	206
training courses	50	64	70	51	72
Total hours	1.618	2.170	2.548	1.366	2.005
Classify by Position					
	2.281	2.096	3.091	9.658	14.780
Managers	145	57	50	697	1.970
Classify by gender					
Male	1.660	1.321	1.878	4.660	7.363
Female	776	832	1.263	5.695	9.387

Along with the development of technology, training activities at VNDIRECT are implemented in a variety of forms including massive training, direct training on jobs, learning on the company's E-Learning online training system and training through live television.

In particular, E-learning's online training system attracts 6567 students with 17344 total in 2019. Especially, students can participate in the survey of specialized knowledge and products easily right on the system.

Besides the internal training courses at the company, all staffs at VNDIRECT are also sent to study in professional training organizations inside and outside of Vietnam.

PROFESSIONAL BUSINESS TRAINING

Building financial health and investment skills are essential needs of everyone, on 20th November, 2019

Dwealth Academy was established with 43 training programs and seminars, that are organised to provide practical knowledge with high application to not only the staffs but also the customers of VNDIRECT.

The main training programs and seminars held by Dwealth Academy in 2019 include:

- Orientation training for the Sales team
- Training human Resources from Sale & Services Excellence (SSE),
- Consultative Selling
- Financial Health Coach Training for professional consultants
- Dweath's services and investment products training programs



INTERNAL TEACHER DEVELOPMENT PROGRAM

One of the factors that help VNDIRECT always be proactive in the deployment of training is to focus on developing the internal. The 4 courses for 89 students who are managers/specialists at VNDIRECT that have been held in 2019.

Participating in these programs, the internal teachers have recently learned the theory, have just been practice the teaching skills from preparing of the presentation, building the program framework according to

the steps of a practical lesson to organize and control classrooms that brings the most effective and suitable benefits to each student.

After taking the course in teaching skills, experts with good professional knowledge will learn additional skills to be able to actively implement in the training programs of the department, the division as well as the course of the company without depending on external resources.



BUSINESS KNOWLEDGE EXAM 2019

First held in the 3rd quarter of 2018, the exam of knowledge continued in 2019 with 3 sections and 231 participants with 99.38% people joint from the original subscription list.

The exam is a rewarding competition, the opportunity to learn and strengthen service-products knowledge for all employees of the operation center and Sale & Services Excellence (SSE). Through the competition, the list of the best people has been exposed – they are well represented for VNDIRECT's slogan of **Convergence of wisdom spreads the success**



4. ACTION FOR A SUSTAINABLE COMMUNITY

Build sustainable investment community

Besides the internal training programs for the whole staffs of the company, VNDIRECT continues to promote training programs and seminars for investors, customers with the goal of helping a hand to build sustainable investment community. In 2019, there were 62 classes and seminars attracting 4,140 customers, investors participated. Dwealth seminar, School 0 dong,... programs are highly appreciated by investors in terms of practical application.



DEVELOPING THE NEXT HUMAN RESOURCES

Spending more attention and investment in the nation's next generation of human resources, VNDIRECT has left an impression with many rograms for university students all over Vietnam from north to south.

At Hanoi Office, the VNDIRECT Career Day recruitment day with the topic "Identify yourself - Career

journey" place on 25th May 2019 attracting the participation of the students and them "identify their own personality" in order to find suitable work and conquer their "Career Journey". VNDIRECT Career Day delivers over 50 attractive positions, applicants be arranged to join interviews directly with management and the results right in the program.



Accompanying the Go Finance contest which is held by Securities Club of National economics university, VNDIRECT is not only a gold sponsor, but also a member of the judges and professional advisors. Two internship positions at VNDIRECT were awarded to 2nd runner and Top 5 of the competition.

The FTU Career Fair-Boundless Opportunities of Foreign Trade University at which VNDIRECT participated as a recruiter and panelist took place on 06th December 2019.

VNDIRECT CAREER DAY



FTU CAREER FAIR

CUỘC THI GO FINANCE CHO CLB CHỨNG KHOÁN ĐH KINH TẾ QUỐC DÂN



ACTION FOR A SUSTAINABLE COMMUNITY

At Ho Chi Minh City Branch, The future investor campaign as an adviser for students with 13 different programs, attracting

ĐẠI HỌC NGÂN HÀNG



the participation of nearly 1200 students from the University of Economics, University of Finance, Foreign Trade University – Ho Chi Minh campus, Ton Duc Thang University,.....It is important to mention the “Securities pricing” seminar for students from the finance faculty, RMIT University and the Company Tour is an opportunity for students of Banking University Ho Chi Minh to visit and experience working

RMIT



environment at VNDIRECT

In Binh Duong, in the morning of 06th April 2019 and in the lecture hall A in Binh Duong University, there was a co-operation ceremony between VNDIRECT and Binh Duong University under the goal of facilitating learning and getting internship in the sector of securities, counseling and long-term recruitment for students in the university.



BLOOD DONATION IN 2019

Blood donation has become a beautiful culture in the same tradition of mutual support in VNDIRECT for long time. In 2019, the company coordinated with the Central Blood Transfusion Institute to successfully

organize “voluntary blood donation day – together for life” in order to share and support patients who are in need of blood in emergency and disease treatment.



5. TOGETHER TO BUILD AND PROTECT THE ENVIRONMENT

In 2019 VNDIRECT continues to launch and environmental protection programs such as Earth Hour; World Water Day; Energy-saving programs and limiting energy use; Participate in in some public venues... The above programs are supported by the whole company, that helps to increase the sense of environmental protection, evoke love to nature.

As a business in the field of investment – finance – securities, the direct impact of VNDIRECT on the environment is not substantial. However, the objectives of environmental protection are always associated with

all internal activities of the company.

MINIMALISTIC MATERIALS USED

Materials used in the operation and provision of VNDIRECT services are mainly printing paper, ink and stationery supplies.

In 2019, VNDIRECT promoted the process of digital activity transactions which significantly reduced the amount of documents to be printed, thereby reducing the cost of ink as well as the volume of waste to the environment.

Items	2017	2018	2019
Cost of print inks	101	124	55
Stationery supplies cost including printing papers	937	858	638

(Unit: Million VND)

TOGETHER TO BUILD AND PROTECT THE ENVIRONMENT

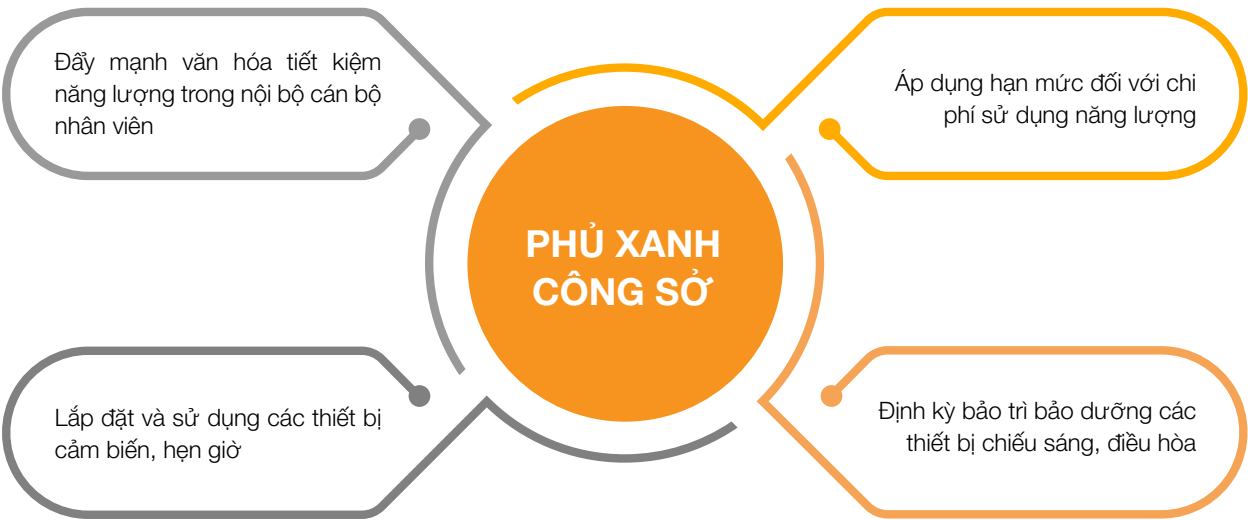
In addition, the company also applies lots of measures to save material sources such as regulate paper and stationery limit; Reuse one-sided printing paper.

Control energy consumption

Electricity and gasoline are the two main energy consumed by VNDIRECT. Electricity is used for lighting systems, air conditioning systems and computer

systems. The source of the company's gasoline consumption is mainly from the cars transporting employees to provinces across the country, mainly in major cities such as Hanoi and Ho Chi Minh City.

GREEN CAMPAIGN IS APPLIED TO MINIMIZE ENERGY CONSUMPTION



Saving water

Water is used at VNDIRECT for primary purposes such as drinking water, sanitation, cleaning,... Our company's staff are always aware of the importance of this resource and and try to save the water.

Content	2017	2018	2019
Cost of water used	200	257	227

(Unit: Million VND)





08.

FINANCIAL
STATEMENTS

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of VNDIRECT Securities Joint stock Company (the “Company”) presents this report together with the Company’s separate financial statements for the year ended 31 December 2019.

BOARD OF DIRECTORS AND BOARD OF MANAGEMENT

The members of the Board of Directors and Board of management of the Company who held office during the year and to the date of chis report are as follows:

Board of Directors

Ms. Pham Minh Huong	Chairwoman
Mr. Vu Hien	Member
Mr. Nguyen Hoang Giang	Member
Mr. Pham Le Nhat Quang	Member
Mr. Pekka Mikael Nastamo	Member (Appointed on 18th of April 2019)
Mr. Christopher Bertram Brinkeborn Beselin	Member (Resigned on 18th of April 2019)

Board of Management

Mr. Do Ngoc Quynh	On behalf of Chief Executive Officer (Appointed on 15th of January 2020)
Mrs. Pham Minh Huong	Chief Executive Officer
Mr. Tran Vu Thach	Managing Director (Resigned on 9th of April 2019)
Mr. Hoang Minh Chau	IT Director (Resigned on 1st June 2019)
Mrs. Vu Nam Huong	Finance Director
Mrs. Nguyen Thi Ha Ninh	Chief Accountant

BOARD OF MANAGEMENT’S STATEMENT ON RESPONSIBILITY

The Board of Management of the Company is responsible for preparing the separate financial statements, which give a true and fair view of the financial position of the Company as of 31st of December 2019, and of its financial performance and consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the accounting regime applicable to securities companies issued by the Ministry of Finance attached to Circular No. 2S 0/2014/TT-BTC 210/2014/TT-BTC (“Circular 210”) on Dec. 30, 2014; Circular No. 334/2016/TT-BTC (“circular 334”) dated 27 December 2016 amending, supplementing and replacing Annexes 02 and 04 of Circular 210 and legal regulations relating to financial reporting. In preparing these separate financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures, disclosed and explained in the separate financial statements;
- Prepare the separate financial statements by following on-going basis unless it is inappropriate

- to presume that the Company will continue in business; and
- Design and implement an elective internal control system for the purpose of properly preparing and presenting the separate financial statements so as to minimize errors and frauds.

The Board of Management is responsible for ensuring that the accounting records are properly recorded in a reasonable manner to properly reflect the financial position of the Company at any time and to ensure that the separate financial statements comply with accounting standards and accounting regimes applicable to securities companies promulgated together with the Ministry of Finance’s by Circular No. 210/2014/TT-BTC on Dec 30, 2014; Circular No. 334/2016/TT-BTC Dec 27, 2016 amending and supplementing Annexes 02 and 04 of Circular 210 and other legal regulations relating to financial reporting. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of management confirms thar the Company has complied with the above requirements in preparing these separate financial statements.

For and on behalf of the Board of Management,



30th of March 2020
Hanoi, S.R. Vietnam

No: /VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

**TO: SHAREHOLDERS
BOARD OF DIRECTORS AND BOARD OF MANAGEMENT
VNDIRECT JOINT STOCK COMPANY**

We have audited the accompanying separate financial statements of VNDIRECT Securities joint Stock Company ("the Company") prepared on 30th March 2020, as set out from page 05 to page 54, which comprise the statement of financial position as at 31st December 2019, the income statement, cash flows statement and statement of changes in equity for the year then ended and the explanatory notes which were authorized for issue by the Company's Board of Management.

MANAGEMENT RESPONSIBILITY

The Company's Board of Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, the accounting regime applicable to securities companies Issued by the Ministry of Finance attached to Circular No.210/2014/TT-BTC ("Circular 210") dated 30th December 2014; Circular No. 334/2016 / TT-BTC dated 27th December 2016 amending, supplementing and replacing Annexes 02 and 04 of Circular 210 and legal regulations relating to financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

AUTHOR'S RESPONSE

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's Internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of the Company as at 31st December 2019 and its financial performance, its cash flows and its changes in equity for the year then ended in accordance with Vietnamese Accounting Standards, the accounting regime applicable to securities companies Issued by the Ministry of Finance attached to Circular No. 210/2014/TT-BTC ("Circular 210") dated 30th December 2014; Circular No. 334/2016/TT- BTC ("Circular 334") dated 27th December 2016 amending, supplementing and replacing Annexes 02 and 04 of Circular 210 and legal regulations relating to financial reporting.



Tran Thi Thuy Ngoc
Deputy General Director

Audit Practicing Registration Certificate
No. 0031-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

30th March 2020
Hanoi, S.R. Vietnam



Pham Tuan Linh
Auditor

Audit Practicing Registration Certificate
No. 3001-2019-001-1

BALANCE SHEET

As of 31st December 2019

Unit: VND

ITEMS	Codes	Notes	Closing Balance	Opening Balance
ASSETS				
A. CURRENT ASSETS (100=110+130)	100		11.239.326.733.659	10.231.031.388.656
I. Financial assets	110		11.222.436.388.453	10.214.489.951.731
1. Cash and cash equivalents	111	6	613.548.205.346	915.397.756.735
1.1 Cash	111.1		611.548.205.346	507.397.756.735
1.2 Cash Equivalents	111.2		2.000.000.000	408.000.000.000
2. Financial assets at fair value through profit or loss (FVTPL)	112	8	1.494.861.717.504	1.089.324.365.595
3. Held-to-maturity Investments	113	8	5.547.838.125.244	5.371.330.000.000
4. Loans receivable	114	8	2.887.072.098.158	2.582.474.306.127
5. Available-for-sale financial assets (AFS)	115	8	783.059.553.715	387.030.902.241
6. Allowance for diminution in value of financial assets and collaterals	116	10	(322.764.302.831)	(288.925.602.948)
7. Receivable from financial assets	117		208.216.106.861	149.044.009.181
7.1 Receivables from sales of financial assets	117.1		24.503.687.339	70.296.321.189
7.2 Dividends and interest receivables from financial assets	117.4	11	183.712.419.522	78.747.687.992
7.2.1 Dividends and interest receivables not yet due	118		183.712.419.522	78.747.687.992
8. Payment to suppliers	122		5.232.852.538	2.424.693.340
9. Other receivables		12	10.035.246.347	11.052.735.889
10. Allowance for doubtful debts	129	13	(4.663.214.429)	(4.663.214.429)
II. Other current assets	130		16.890.345.206	16.541.436.925
1. Advances	131		1.986.563.697	3.420.828.003
2. Short-term prepaid expenses	133	14	12.048.535.591	6.623.025.546
3. Short-term deposits, collaterals and pledges	134		2.838.830.443	2.500.563.283
4. Deductive VAT	135		16.415.475	0
5. Other current assets	137		0	3.997.020.093
B. LONG-TERM ASSETS (200=210+220+240+250)	200		337.707.594.352	303.609.931.346
I. Long-term financial assets	210		116.566.174.695	102.000.000.000
1. Investments	212		116.566.174.695	102.000.000.000

1.1 Held-to-maturity investments	212.1	8	105.075.141.095	100.000.000.000
1.2. Investment in subsidiaries	212.4	8	11.491.033.600	2.000.000.000
II. Fixed assets	220		56.499.199.521	72.912.546.977
1. Tangible fixed assets	221	15	41.921.375.951	54.009.140.204
- Cost	222		108.480.518.260	107.783.001.986
- Accumulated depreciation	223a		(66.559.142.309)	(53.773.861.782)
2. Intangible assets	227	16	14.577.823.570	18.903.406.773
- cost	228		86.631.691.707	83.084.078.207
- Accumulated amortization	229a		(72.053.868.137)	(64.180.671.434)
III. Construction in progress	240		500.000.000	500.000.000
IV. Other long-term assets	250		164.142.220.136	128.197.384.369
1. Long-term prepaid expenses	252	14	10.526.417.793	7.473.184.996
2. Deferred tax asset	253	27	19.788.798.902	15.301.984.520
3. Deposits at Payment Support Fund	254	17	20.000.000.000	20.000.000.000
4. Other long-term assets	255	18	96.870.960.625	66.046.721.049
5. Goodwill	256	19	16.956.042.816	19.375.493.804
TOTAL ASSETS (270=100+200)	270		11.577.034.328.011	10.534.641.320.002

LIABILITIES AND EQUITY

C. LIABILITIES (300=310+340)	300		8.328.523.064.489	7.551.711.467.349
I. Current liabilities	310		7.923.006.634.070	7.050.210.912.528
1. Short-term browsing and finances lease liabilities	311	20	6.553.608.086.436	6.012.344.898.307
1.1 Short-term borrowings	312		6.553.608.086.436	6.012.344.898.307
2. Short-term bonds issued	316	21	700.000.000.000	726.562.200.000
3. Accounts payable for securities	318	22	513.386.234.368	152.425.291.772
4. Accounts payable for suppliers	320	23	563.459.180	2.382.421.715
5. Advances from customers	321		14.830.824.853	2.535.120.090
6. Taxes and other obligations to the State budget	322	24	53.298.209.248	36.049.127.774
7. Payables to employees	323		3.706.278.186	6.996.117.562
8. Employees' benefits payable	324		4.911.706.497	3.028.864.974
9. Short-term accrued expenses	325	25	62.924.952.518	92.417.509.353
10. Other short-term payables	329		1.334.572.791	607.578.976
11. Bonus and welfare funds	331	26	14.442.309.993	14.861.782.005

II. Long-term liabilities	340		405.516.430.419	501.500.554.821
1. Long-term bonds issued	346	21	403.641.000.000	500.000.000.000
2. Deferred tax liabilities	356	27	1.875.430.419	1.500.554.821
D. OWNER'S EQUITY (400=410)	400		3.248.511.263.522	2.982.929.852.653
I. Owner's equity	410		3.248.511.263.522	2.982.929.852.653
1. Owner's attributed capital	411		2.124.678.479.777	2.124.680.195.027
1.1 <i>Share Capital</i>	411.1	28	2.204.301.690.000	2.204.301.690.000
<i>a. ordinary shares with voting</i>	411.1a		2.204.301.690.000	2.204.301.690.000
1.2 <i>Share premium</i>	411.2		121.224.048.620	121.224.048.620
1.3 <i>Treasury shares</i>	411.5		(200.847.258.843)	(200.845.543.593)
2. Reserve to supplement charger	414		110.445.504.860	90.351.911.844
3. Financial and Operational risk reserve	415		81.143.777.857	61.050.184.841
4. Undistributed profits	417	29	932.243.501.028	706.847.560.941
4.1 <i>Realized profits</i>	417.1		1.036.985.671.200	794.851.251.780
4.2 <i>Unrealized profits</i>	417.2		(104.742.170.172)	(88.003.690.839)
TOTAL LIABILITIES AND EQUITY (440=300+400)	440		11.577.034.328.011	10.534.641.320.002

CONSOLIDATED FINANCIAL STATEMENT

Unit: VND

ITEMS	Codes	Closing balance	Opening Balance
A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER COMITMENTS			
1. Bad debts written off	004	101.986.716.060	101.986.716.060
2. Shares in circulation (number of securities)	006	208.565.361	208.565.480
3. Treasury shares (number of securities)	007	11.864.808	11.864.689
4. Listed/registered financial assets at VSD of the Company	008	432.893.598.000	269.117.370.000
5. Custodied financial assets at VSD but not yet traded of the Company	009	4.350.000	5.770.000
6. Financial assets in transit of the company	010	456.354.506.000	148.490.500.000
7. Financial assets of the securities company not yet custodied at VSD	012	582.998.330.000	556.924.410.000
8. Warrant	014	9.008.770	0
B. ASSETS AND PAYABLES RELATING TO ASSETS MANAGED BY THE COMPANY			
1. Listed/registered financial assets at VSD of investors/customers	021	36.397.073.900.800	28.943.992.430.000
<i>a. Freely traded financial assets</i>	021.1	30.273.992.257.100	26.629.255.570.000
<i>b. Financial assets under pledged transactions</i>	021.3	5.661.496.940.000	1.942.609.490.000
<i>c. Blocked financial assets</i>	021.4	100.631.610.000	54.631.610.000
<i>d. Financial assets awaiting for settlement</i>	021.5	319.632.653.700	317.495.760.000
2. Financial assets custodied at VSD but not yet traded of investors/customers	022	717.384.940.000	1.010.283.560.000
<i>a. Freely traded financial assets custodied at VSD but not yet traded</i>	022.1	692.315.920.000	263.545.560.000
<i>b. Financial assets custodied at VSD but not yet traded and restricted for transfer</i>	022.2	25.069.020.000	708.951.950.000
<i>c. Financial assets custodied at VSD but not yet traded and under pledged transactions</i>	022.3	-	37.786.050.000
3. Financial assets in transit of investors/customers	023	277.909.615.800	324.074.460.000
4. Customers' deposit	026	1.559.519.771.197	1.993.122.252.442
4.1. Customers' cash deposits for securities transactions managed by the company	027	1.179.115.822.058	1.524.410.851.943
4.2. Customers' deposit for securities transactions	028	378.912.315.900	468.569.564.560
4.3. Cash deposits for clearing and settlement of securities transactions	029	265.353.239	91.855.939

a.	Cash deposits for securities transactions clearing and settlement of domestic customers	029.1	179.154.519	17.809.964
b.	Cash deposits for securities transactions clearing and settlement of foreign customers	029.2	86.198.720	74.045.975
4.4.	Deposits from securities issuers	030	1.226.280.000	49.980.000
5.	Payables to customers for cash deposits for securities transactions managed by the Company	031	1.557.976.371.670	1.991.753.674.247
5.1.	Payables to domestic customers for cash deposits for securities transactions managed by the Company	031.1	1.466.131.176.707	1.859.790.878.722
5.2.	Payables to foreign customers for cash deposits for securities transactions managed by the Company	031.2	91.845.194.963	131.962.795.525
6.	Payables to securities issuers	032	1.226.280.000	49.980.000
7.	Dividends, bond principal and Interest payable	035	317.119.527	1.318.598.196
8.	Margin deposits from investors at VSD	036	140.210.482.689	443.921.851.802


Nguyễn Thị Tuyền
 Người lập


Nguyễn Thị Hà Ninh
 Kế toán trưởng


Phạm Minh Hương
 Chủ tịch HĐQT
 Ngày 30 tháng 3 năm 2020
 Hà Nội, CHXHCN Việt Nam

CONSOLIDATED FINANCIAL STATEMENT

As of 31st December 2019

Unit: VND

ITEMS		Codes	Notes	Current Year	Prior Year
I.	I. OPERATING INCOME				
1.1.	1.1. Gains from financial assets at fair value through profit or loss (FVTPL)	01		279.673.321.665	250.194.815.933
a.	Gains from sales of financial assets at FVTPL	01.1	30	250.986.214.708	262.812.853.506
b.	Gains from revaluation of financial assets at FVTPL	01.2	31	(1.372.538.765)	(26.273.814.727)
c.	Dividends and interest in come from financial assets at FVTPL	01.3	32	26.812.728.962	13.655.777.154
d.	Differences from revaluation of warrants receivables	01.4		3.246.916.760	-
1.2.	Interest income from held-to-maturity investments	02	32	391.388.941.607	289.295.366.105
1.3.	Interest income from loans and receivables	03	32	407.908.597.611	434.877.326.930
1.4.	Gains from available-for-sale financial assets	04	32	20.345.546.486	4.811.965.659
1.5.	Revenue from securities brokerage	06	33	335.409.939.972	520.182.829.564
1.6.	Revenue from underwriting and issuance agency services	07	33	23.726.357.435	17.870.966.190
1.7.	Revenue from securities investment advisory services	08	33	24.316.979.055	3.707.799.209
1.8.	Revenue from securities custody services	09	33	12.904.794.156	11.198.531.803
1.9.	Other operating income	11	33	6.203.553.887	6.349.245.274
	Total operating income (20=01+02+03+04+06+07+08+09+11)	20		1.501.878.031.874	1.538.488.846.667
II.	OPERATING EXPENSES				
2.1.	Losses from financial assets at FVTPL	21		98.651.048.060	382.465.198.184
a.	Losses from sales of financial assets at FVTPL	21.1	30	96.998.876.999	207.207.628.275
b.	(Reversal of) allowance for impairment of financial assets at FVTPL	21.2	10	(222.603.048)	173.280.823.688
c.	Cost of purchase and sale transactions of financial assets at FVTPL	21.3		1.874.774.109	1.976.746.221
2.2.	(Reversal of) Allowance for financial assets, write-off of doubtful debts and impairment loss on financial assets	24		34.061.302.931	(3.539.230.029)

2.3.	Expenses for securities brokerage services	27		154.992.042.374	216.277.272.321
2.4.	Expenses for financial advisory activities	29		-	136.409.943
2.5.	Expenses for securities custody services	30		14.251.552.041	14.759.679.422
2.6.	Expenses for financial advisory activities	31		-	124.000.000
Total operating expenses (40=21+24+27+29+30+31+32)		40		301.955.945.406	610.223.329.841
III. FINANCIAL INCOME					
3.1.	Realized and unrealized foreign exchange gain differences	41		-	826.465.877
3.2.	Dividends and interest income from demand deposits at banks	42	34	4.852.262.131	5.908.714.023
3.3.	Gains from disposal of investments in subsidiaries, associates, joint ventures	43		-	88.662.183.838
Total financial income (50=41+42+43)		50		4.852.262.131	95.397.363.738
IV. FINANCIAL EXPENSES					
4.1.	Difference in Loss from Forex exchange rate incurred and non-incurred	51	35	3.152.293.051	-
4.2.	Interest expense	52	35	436.245.477.652	286.523.253.543
4.3.	Gains from associated companies	56	35	-	(5.465.614.355)
Total financial expenses (60=51+52+56)		60		439.397.770.703	281.057.639.188
V. GENERAL AND ADMINISTRATION EXPENSES		62	36	309.408.701.929	305.130.942.810
VI. OPERATING PROFIT		70		437.474.298.566	545.671.001.072
(70=20+50-40-60-62)		70		455.967.875.967	437.474.298.566
VII. OTHER INCOME AND EXPENSES					
7.1.	Other income	71		26.832.041.932	745.047.906
7.2.	Other expenses	72		3.248.941.320	220.307.437
Profit from other activities		80		23.583.100.612	524.740.469
VIII. ACCOUNTING PROFIT BEFORE TAX (90=70+80)		90		479.550.976.579	437.999.039.035
8.1.	Realized profits before tax	91		500.401.394.696	581.986.857.885
8.2.	Unrealized (loss)/profits before tax	92		(20.850.418.117)	(143.987.818.850)

IX. CORPORATE INCOME TAX (CIT) EXPENSES		100	37	96.892.431.199	64.862.737.763
9.1.	Current CIT expense	100.1		101.004.369.983	93.825.594.709
9.2.	Deferred CIT (income)/expense	100.2		(4.111.938.784)	(28.962.856.946)
X. NET PROFIT AFTER TAX (200 = 90 - 100)		200		382.658.545.380	373.136.301.272
XI. EARNING PER SHARE (EPS)					
		500		1.835	1.720
11.1.	Earning per share (VND/share)	501	38	1.835	1.720


Nguyễn Thị Tuyền
 Người lập


Nguyễn Thị Hà Ninh
 Kế toán trưởng


Phạm Minh Hương
 Chủ tịch HĐQT

Ngày 30 tháng 3 năm 2020
Hà Nội, CHXHCN Việt Nam

CONSOLIDATED FINANCIAL STATEMENT

(Indirect method)
For the year ended 31st December 2019

Unit: VND

ITEMS	Codes	Current year	Prior Year
I. Cash flows from operating activities			
1. Profit before tax	01	479.550.976.579	437.999.039.035
2. Adjustments for:	02	492.684.262.416	479.816.514.046
- Depreciation and amortization of fixed assets	03	20.716.375.564	21.958.681.733
- Allowances and provisions	04	33.838.699.883	169.741.593.659
- Unrealized (- gains) or (+ loss) foreign exchange differences	05	(535.741.671)	(826.465.877)
- Interest expenses	06	436.245.477.652	286.523.253.543
- Gains, losses from investment activities	09	2.419.450.988	2.419.450.988
3. Adjustment for non-cash expenses	10	1.372.538.765	26.273.814.727
- Losses from revaluation of financial assets at FVTPL	11	1.372.538.765	26.273.814.727
4. Adjustment for non-cash income	18	(3.246.916.760)	(88.662.183.838)
- Gains from revaluation of financial assets at FVTPL	19	(3.246.916.760)	-
- Other income	21	-	(88.662.183.838)
5. Operating profit before changes in working capital	30	970.360.861.000	855.427.183.970
- Decrease/(Increase) in financial assets at FVTPL	31	(406.909.890.674)	77.705.135.034
- (Increase) in held-to-maturity investments (HTM)	32	(181.583.266.339)	(2.913.114.967.228)
- Decrease/(Increase) in loans receivable	33	(304.597.792.031)	472.647.146.224
- Decrease/(Increase) in financial assets available for sales (AFS)	34	(396.028.651.474)	360.991.097.759
- (Increase)/decrease in receivables from sales of financial assets	35	45.792.633.850	(48.779.826.089)
- (Increase) in dividends and interests receivable from financial assets	36	(104.964.731.530)	(25.815.081.476)
- Decrease/(Increase) in other receivables	39	(1.790.669.656)	60.339.589.602
- Decrease/(Increase) in other assets	40	(25.731.222.337)	7.707.617.130
- (Decrease)/Increase in accrued expenses (excluding loan interest)	41	1.466.977.120	(45.450.406)
- (Increase) in prepaid expenses	42	(8.478.742.842)	(1.725.380.465)
- Corporate income tax paid	43	(78.913.868.194)	(100.042.353.412)
- Interest Paid	44	(466.134.269.936)	(209.589.816.056)

- (Decrease)/Increase in accounts payable to suppliers	45	353.437.151.923	(611.477.055.796)
- Increase in employees' benefits payable	46	1.882.841.523	1.369.034.768
- (Decrease)/Increase in taxes and other obligations to the State budget	47	(5.295.593.913)	(1.147.181.885)
- (Decrease)/Increase in payable to employees	48	(3.289.839.376)	(21.917.506.603)
- (Decrease)/Increase in other payables	50	9.010.225.326	(33.974.228.168)
Net cash flows from operating activities	60	(601.767.847.560)	(2.131.442.043.097)

II. Cash flows from investing activities

1. Payments for acquisition and construction of fixed assets, investment properties and other assets	61	(4.312.719.774)	(35.764.804.108)
2. Proceeds from liquidation, selling the fixed assets, investment property and other assets	62	9.691.666	-
3. Payments for investments in subsidiaries, joint ventures, associates and other investments	63	(34.777.283.600)	-
4. Proceeds from investments in subsidiaries, joint ventures, associates and other investments	64	25.286.250.000	36.360.000.000
Net cash flows from investing activities	70	(13.794.061.708)	595.195.892

III. Cash flows from financing activities

1. Proceeds from equity issued or capital contributed by shareholders	71	-	504.584.770.000
2. Cash paid for capital withdrawals and buy-back of issued shares	72	(1.715.250)	(152.026.526.000)
3. Proceeds from borrowings	73	183.184.482.060.977	98.249.324.343.698
3.1. Other borrowings	73.2	183.184.482.060.977	98.249.324.343.698
4. Payments to settle loan principals	74	(182.766.675.072.848)	(95.681.488.668.001)
4.1. Payments to settle other loan principals	74.3	(182.766.675.072.848)	(95.681.488.668.001)
5. Dividends, profits paid to shareholders	76	(104.092.915.000)	(216.619.554.050)
Net cash flows from financing activities	80	313.712.357.879	2.703.774.365.647
IV. (Decrease)/Increase net cash flow during the year (90=60+70+80)	90	(301.849.551.389)	572.927.518.442

V. Cash and cash equivalents at the beginning of the year

- Cash	101.1	507.397.756.735	241.470.238.293
- Cash equivalents	101.2	408.000.000.000	101.000.000.000

VI. Cash and cash equivalents at the end of the year

- Cash	103.1	611.548.205.346	507.397.756.735
- Cash equivalents	103.2	2.000.000.000	408.000.000.000

CASH FLOWS OF CUSTOMERS FOR BROKERAGE AND ENTRUSTMENT ACTIVITIES

ITEMS		Codes	Current year	Prior year
I. Proceeds from sales of securities brokered by the Company				
1.	Payments for purchases of securities brokered by the Company	01	84.934.206.645.100	131.010.682.468.151
2.	Deposits received to settle securities transactions of customers	02	(84.934.033.147.800)	(131.010.624.047.950)
3.	Receipts from securities issuers	07	(433.950.799.878)	(175.658.554.271)
4.	Payments to securities issuers	14	3.243.857.523.792	2.327.225.993.952
5.	Tiền chi trả Tổ chức phát hành chứng khoán	15	(3.243.682.702.459)	(2.326.481.045.941)
Net cash flows during the year		20	(433.602.481.245)	(174.855.186.059)
II. Tiền và các khoản tương đương tiền đầu năm của khách hàng		30	1.993.122.252.442	2.167.977.438.501
	Tiền gửi ngân hàng đầu năm:	31	1.993.122.252.442	2.167.977.438.501
	- Tiền gửi của Nhà đầu tư về giao dịch chứng khoán theo phương thức công ty chứng khoán quản lý	32	1.523.092.253.747	1.295.267.199.378
	- Tiền gửi tổng hợp giao dịch chứng khoán cho khách hàng	33	468.569.564.560	872.053.173.200
	- Tiền gửi bù trừ và thanh toán giao dịch chứng khoán	34	91.855.939	33.435.738
	- Tiền gửi của Tổ chức phát hành	35	1.368.578.196	623.630.185
III. Cash and cash equivalents of customers at the beginning of the year		40	1.559.519.771.197	1.993.122.252.442
	Cash at banks at the beginning of the year:	41	1.559.519.771.197	1.993.122.252.442
	- Deposits of customers for securities transactions managed by the Company	42	1.178.798.702.531	1.523.092.253.747
	- Deposits for securities transaction for customers	43	378.912.315.900	468.569.564.560
	- Deposits for clearing and settlement of securities transactions	44	265.353.239	91.855.939
	- Deposits from securities issuers	45	1.543.399.527	1.368.578.196


Nguyễn Thị Tuyên
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Chủ tịch HĐQT

Ngày 30 tháng 3 năm 2020
Hà Nội, CHXHCN Việt Nam

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2019

ITEMS	Note	Opening Balance		Movement				Closing Balance		Unit: VND
		Prior year	Current year	Prior year		Current year				
				Increase	Decrease	Increase	Decrease			
I. Changes in owner's equity		2,515,713,706,692	2,982,929,852,653	1,032,729,149,340	(565,513,003,379)	439,582,495,495	(174,001,084,626)	2,982,929,852,653	3,248,511,263,522	
1. Owner's contributed capital		1,621,127,781,027	2,124,680,195,027	502,809,047,048	743,366,952	(1,715,250)	-	2,124,680,195,027	2,124,678,479,777	
1.1 Share capital	28	1,549,981,650,000	2,204,301,690,000	654,320,040,000	-	-	-	2,204,301,690,000	2,204,301,690,000	
1.2 Share premium		120,708,515,572	121,224,048,620	515,533,048	-	-	-	121,224,048,620	121,224,048,620	
1.3 Treasury shares		(49,562,384,545)	(200,845,543,593)	(152,026,526,000)	743,366,952	(1,715,250)	-	(200,845,543,593)	(200,847,258,843)	
2. Reserve to supplement charter capital		69,472,492,286	90,351,911,844	20,879,419,558	-	20,093,593,016	-	90,351,911,844	110,445,504,860	
3. Financial and operational risk reserves		40,170,765,283	61,050,184,841	20,879,419,558	-	20,093,593,016	-	61,050,184,841	81,143,777,857	
4. Undistributed profits	29	784,942,668,096	706,847,560,941	488,161,263,176	(566,256,370,331)	399,397,024,713	(174,001,084,626)	706,847,560,941	932,243,501,028	
4.1. Realized profits		757,921,397,031	794,851,251,780	488,161,263,176	(451,231,408,427)	399,397,024,713	(157,262,605,293)	794,851,251,780	1,036,985,671,200	
4.2. Unrealized profits		27,021,271,065	(88,003,690,839)	-	(115,024,961,904)	-	(16,738,479,333)	(88,003,690,839)	(104,742,170,172)	
		2,515,713,706,692	2,982,929,852,653	1,032,729,149,340	(565,513,003,379)	439,582,495,495	(174,001,084,626)	2,982,929,852,653	3,248,511,263,522	


Phạm Minh Hương
Chủ tịch HĐQT


Nguyễn Thị Hà Ninh
Kế toán trưởng


Nguyễn Thị Tuyên
Người lập

Ngày 30 tháng 3 năm 2020
Hà Nội, CHXHCN Việt Nam

GENERAL INFORMATION

VNDIRECT Securities Joint Stock Company (the "Company") is incorporated as a joint stock company in Vietnam under Business Registration Certificate No. 0103014521 dated 7 November 2006. The Company's Securities Operating License No. 101/UBCK-GP dated 31 December 2007 was issued by the State Securities Commission of Vietnam and the amended license for establishment and operation of Securities Company No. 38 / GPDC-UBCK dated 01 June 2018. The Company's Head Office is located at No. 1 Nguyen Thuong Hien Street, Hai Ba Trung District, Hanoi, Vietnam. The Company's Charter was issued on 25 September 2006 with the latest amendment dated 20 April 2018.

CHARTER CAPITAL

As at 31 December 2018, the Company's charter capital is VND 2,204,301,690,000 (at 31 December 2018: 2.204.301.690.000 VND).

PRINCIPLE ACTIVITIES

The principal activities of the Company are to conduct securities brokerage, proprietary trading, and to provide securities investment and financial advisory, margin trading, securities custody and securities underwriting services.

INVESTMENT RESTRICTIONS OF SECURITIES COMPANIES

The Company follows Article 44 of Circular No. 210/2012/TT-BTC issued by the Ministry of Finance on 30 November 2012 and Circular No. 07/2016/TT-BTC dated January 18, 2016 amending and supplementing several articles of Circular 210, accordingly:

Securities companies must not purchase or contribute capital for purchase of real estate, except for cases where they are used as head offices, branches or transaction offices in direct service of professional operations of securities companies.

Securities companies purchase or invest in real estate under the provisions of Clause 1 of this Article and fixed assets on the principle that the residual value of fixed assets and real estate shall not exceed fifty percent (50%) of the total assets of the securities companies.

The total value of investments in corporate bonds of securities companies must not exceed seventy percent (70%) of equity. Securities companies licensed to conduct securities proprietary trading activities may sell and repurchase listed bonds in accordance with relevant regulations on bond repurchase transactions.

Securities companies must not directly or entrust other entities or individuals to:

- Investing in shares or capital contributions of companies owning more than fifty percent (50%) of the charter capital of such securities companies, except for cases of purchase of odd lots of shares at the request of customers;
- Together with related persons, investing from five percent (5%) or more in the charter capital of other securities companies;
- Investing in more than twenty percent (20%) of the total number of outstanding stocks and fund units of a listed organization;
- Invest more than fifteen percent (15%) of total outstanding stocks and fund units of an unlisted organization, this provision shall not apply to member fund units, exchange traded funds and open funds;
- Invest or contribute more than ten percent (10%) of the total capital contributed by a limited liability company or business project;

- Invest or contribute more than fifteen percent (15%) of equity to an entity or business project;
- Invest in more than seventy percent (70%) of equity capital in shares, capital contributions and business projects, of which no more than twenty percent (20%) of equity may be invested in unlisted shares, capital contributions and business projects.

A securities company can establish, acquire a fund management company as a subsidiary. In this case, the securities company shall not have to comply with the provisions at Points c, d and e, Clause 4 of this Article. A securities company, which plans to establish or acquire a fund management company as a subsidiary, must meet the following conditions:

- The owner's equity after the capital contribution is established or acquired by the fund management company must be at least equal to the legal capital for the business operations being performed by the company;
- Liquid capital ratio after the capital contribution to the establishment or acquisition of the fund management company must be at least one hundred and eighty percent (180%);
- Securities companies, after making capital contribution to the establishment and acquisition of a fund management company, must comply with the debt limit prescribed in Article 42 of this Circular and limit the investment prescribed in Clause 3 of this Article and Point e of Clause 4 of this Article.

In cases where the securities company exceeds the limit prescribed due to its underwriting under the form of firm commitment, due to consolidation or merger, or due to changes in assets or owner's equity of the securities company or capital contributing entities and securities companies must apply necessary measures to comply with the investment limits prescribed in Clauses 2, 3 and 4 of this Article for a maximum of one (01) year.

DISCLOSURE OF INFORMATION COMPARABILITY IN THE CONSOLIDATED FINANCIAL STATEMENTS

The comparative figures are the figures in the audited financial statements for the year ended 31 December 2018.

NORMAL PRODUCTION AND BUSINESS CYCLE

The Company's normal production and business cycle is carried out for a time period of 12 months.

NUMBER OF EMPLOYEES

As at 31 December 2019, the Company has 884 employees (as at 31 December 2018: 947 employees).

SUBSIDIARIES

As at 31st December 2019, the Company has one (02) subsidiaries, in which, one (01) is owned directly and one (01) indirectly as below:

Name	Established under	Business area	Charter capital	% ownership
I.P.A Securities Investment Fund Management Ltd Co.	License No. 30/UBCK-GP on 4/3/2008, Adjusted license No.02/GPDC-UBCK 8/3/2017	Securities investment, fund management and securities portfolio management	100 billion dong	100%

CONSOLIDATED FINANCIAL STATEMENT

Name	Established under	Business area	Charter capital	% ownership
IVND Ltd Co.	Business registration No. 0108599981 on 24/01/2019	Information portal	20 billion dong	100% (*)

* Indirectly owned through I.P.A Securities Investment Fund Management Ltd Co.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING YEAR

BASIS OF PREPARATION CONSOLIDATED FINANCIAL STATEMENT

The separate financial statement are prepared in accordance with Vietnamese Accounting Standards, the accounting regime applicable to securities companies issued by the Ministry of Finance attached to Circular No. 210/2014/TT- BTC ("Circular 210") dated 30 December 2014; Circular No. 334/2016 / TT-BTC ("Circular 334") dated 27 December 2016 amending, supplementing and replacing Annexes 02 and 04 of Circular 210 and legal regulations relating to financial reporting.

The accompanying separate financial statements are not intended to present the financial position, results of operations, cash flows and changes in equity in accordance with generally accepted accounting principles and practices in countries other than Vietnam. These separate financial statements are not intended for use by those who are not aware of Vietnam's accounting principles, procedures and practices applicable to securities companies.

MEASUREMENT BASIS

The consolidated financial statements, except for separate statement of cash flows, are prepared on accrual basis using the historical cost method, except for financial assets at fair value through profit or loss and available-for-sale financial assets to be disclosed in Note 3. The cash flow statement is prepared using the indirect method.

FINANCIAL YEAR

The financial year of the Company begins from 01 January to 31 December. These consolidated financial statements are prepared for the financial year from 1st January 2019 to 31st December 2019.

ACCOUNTING AND REPRESENTATION CURRENCY

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for the purpose of preparation and presentation of consolidated financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these separate financial statements, are as follows:

BALANCE SHEET

The consolidated financial statements include the Company's financial statements and the financial statements of the Company controlled by the Company (subsidiaries) prepared for the fiscal year ended on 31st December, 2019. This control is achieved when the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The operation results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal.

In case of necessity, the financial statements of subsidiaries are adjusted so that the accounting policies applied at the Company and its subsidiaries are the same.

All transactions and balances between companies within the same group are eliminated when the financial statements are consolidated.

Non-controlling interests include the value of non-controlling interests at the date of initial business combination and the portion of non-controlling interests in the fluctuation of total equity. from the date of business combination. Losses incurred in subsidiaries must be allocated in proportion to the controlling interest of the shareholder, even if the loss is greater than the contribution of non-controlling shareholders in the subsidiary company's net assets.

CONSOLIDATED BUSINESS

The assets, liabilities and contingent liabilities of subsidiaries are measured at their fair values at the acquisition date. Any excess between the purchase price and the total fair value of the property purchased is recognized as goodwill. Any shortage between the purchase price and the total fair value of purchased assets is recognized in the income statement for the year in which the subsidiary is purchased.

Non-controlling interests at the date of initial consolidated business are determined on the basis of the proportion of non-controlling shareholders in the total fair value of recognized assets, liabilities and contingent liabilities.

GOODWILL

Goodwill on the consolidated financial statements is the excess between the cost of the consolidated business and the interest of the Company in the total fair value of the company's assets, liabilities and contingent liabilities. Subsidiaries at the date of carrying out the investment operation. Negative differences (gains from cheap purchases) are immediately recognized in the consolidated statement of income.

Goodwill from acquisition is presented separately as a separate asset on the consolidated balance sheet and is amortized on a straight-line basis over 10 years. The carrying amount of the goodwill arising on acquisition of a subsidiary is reduced to the recoverable value when the Board of Directors determines that the goodwill cannot be fully recovered.

When selling subsidiaries, the residual value of unamortized goodwill will be accounted as profit / loss due to the sale of the corresponding company

FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Recognition

Financial assets and financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the financial assets and liabilities.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when It transfers the rights to receive the contractual cash flows In a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company derecognised a financial liability when its contractual obligations are discharged, cancelled or expire.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

CASH AND CASH EQUIVALENTS

Cash comprises cash at bank for the Company's activities, deposits for sales of underwritten securities and deposits for clearing and settlement of securities transactions of the Company. Cash deposits For securities transactions, clearing and settlement of securities transactions of customers are separated from the Company's accounts.

Cash equivalents are short-term investments with recovery or maturity of not more than three months, which are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value from the acquisition date at reporting date.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT/LOSS

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

- It is considered by the Board of Management as held for trading. A financial asset is

considered as held for trading if:

- It is acquired principally for the purpose of selling it in the near term;
- there is evidence of a recent pattern of short-term profit-taking; or
- a derivative (except for a derivative that is financial guarantee contract or a designated and elective hedging instrument).
- Upon initial recognition, it is designated by the Company as at fair value through profit or loss

Financial assets at fair value through profit or loss are initially recognised at cost which are the purchase prices of the financial assets (for unlisted securities) or at order matching prices on the Stock Exchanges (for listed securities).

Financial assets at fair value through profit or loss are measured at fair value with the gain or loss arising from the changes in fair value being recognised in profit or loss in the statement of Income.

For the securities listed on the Stock Exchanges, the fair values are the closing prices at the nearest trading date prior to the reporting date.

For the securities already registered for trading (shares registered on UPCOM), fair values are the average of closing prices at the nearest 30 trading date prior to the reporting date under the announcement of Stock exchange.

For the securities which are unlisted (OTC) and not yet registered for trading on UPCOM, the company follows the financial statement of issuing company at the reporting date in order to take into account the investment provision (if any)

For delisted securities and securities for which trading has been suspended or cancelled from the 6th day onwards, fair value shall be the book value at the latest balance sheet date.

Investments in equity instruments, including derivatives to be settled by equity instruments are stated at cost if there are no quoted prices and their fair values cannot be determined reliably.

HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity that the Company has the positive intention and ability to hold to maturity, other than:

- those that the Company, on initial recognition, designates as at fair value in the statement of income;
- those that the Company designates as available-for-sale; and
- those that meet the definition of loans and receivables.

Held-to-maturity investments are recognised initially at cost which includes purchase prices plus (+) transaction costs which are directly attributable to the purchase of such Investments such as brokerage fee, transaction fee, communication fee. Subsequent to Initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest rate less allowance for diminution in the value of financial assets (if any).

Financial assets shall be no longer classified as held-to-maturity Investments if in the current year or in the most recent two financial years a significant amount of held-to-maturity financial assets are reclassified or sold, unless the sales and reclassification meets either of the following conditions:

- Close to the maturity date, changes in the market interest rates do not cause material effect to the value of these financial assets;
- Such sales or reclassification is carried out after the Company has recovered a significant portion of the principal of these financial assets by or before the contractual payment date;
- Such sales or reclassification is related to a special event beyond the Company's control and such event is unforeseeable

AVAILABLE-FOR-SALES FINANCIAL ASSETS

Available-for sale Financial assets are debt securities and equity instruments of other entities that are designated as available-for-sale or as remaining financial assets.

Available-for-sale securities are initially recognised at cost of acquisition which includes purchase prices plus (+) transaction costs which are directly attributable to the purchase such as brokerage fee, transaction fee, communication fee.

Available-for-sale financial assets are measured at fair value with the gain or loss arising from the changes in fair value being recognised in equity (other comprehensive income).

The fair values of available-for-sale financial assets are determined using the method as described in section "Financial assets at Fair value through profit or loss" of this Note.

LOANS RECEIVABLES

Loans receivable are financial assets with fixed or determinable payments that are not quoted in an active market. Loans receivable of the Company comprise margin loans and advances to customers for the proceeds from selling securities.

Loans receivable are initially stated at cost and subsequently measured at amortised cost using the effective interest rate method, less allowance for doubtful debts made in accordance with the accounting policy described in section Receivables of this Note. The Company also makes general allowance for loans receivable at the rate of 0.75% of the total loans receivable.

For overdue loans that are irrecoverable, the Company carries out using provision against credit risk in accordance with the current prevailing regulations

CONSOLIDATED FINANCIAL STATEMENT

ACCOUNT RECEIVABLES

Receivables from sales of financial assets and services rendered and other receivables are stated at cost less allowance for doubtful debts.

Allowance for doubtful debts is made based on the overdue status of debts or expected losses on undue debts which may occur when an economic entity is bankrupted or liquidated; or debtor is missing, inning away, being prosecuted, under arrest, under a trial or pending execution of sentences or deceased.

Allowance for doubtful debts based on overdue status as follows:

Overdue status	Allowance rate
From six (6) months to less than one (1) year	30%
From one (1) year to less than two (2) years	50%
From two (2) years to less than three (3) years	70%
From three (3) yearn and above	100%

For overdue debts, the Company's Board of Management also assesses the expected recoverability of the debts to determine the allowance.

Allowance for doubtful debts based on the expected losses of undue debts is determined by the Company's Board of management after giving consideration to rhe recoverability of these debts..

TANGIBLE FIX ASSETS

Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises Its purchase price, import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use and costs of dismantling, removing items and restoring the site on which it is located. Expenditure incurred after tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul cost, is charged to the statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

	Years
Buildings and structures	10
Office equipment	3 - 10

INTANGIBLE ASSETS

Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 to 10 years.

CONSTRUCTION IN PROGRESS

Construction in progress represents the cost of office construction and software development that has not been completed. No depreciation is provided for construction in progress during the period of construction and completion.

INVESTMENTS IN SUBSIDIARIES

An associate is an entity over which the Company has significant influence and thar is neither a subsidiary nor joint venture. Significant Influence is the power to participate in the financial and operating policy decisions of the investee but not control or Joint control over those policies.

Income statements, assets and liabilities of associates are consolidated in the financial statements using equity method. The associated capital contributions are presented in the Balance Sheet at cost, which is adjusted for changes in VNDIRECT's capital contribution to the associate's net assets after the date of acquisition. The losses of an associate exceed VNDIRECT's capital contribution in that associate (including any long-term capital contribution that essentially constitutes the net investment of VNDIRECT in that associate) not recorded.

VNDIRECT ceased to record investment in associated companies at the time VNDIRECT has no longer significantly affected the investee company. If the remaining investment in an associate becomes normal financial assets, the investment is recognized at fair value and is considered as fair value (cost) at the date of initial recognition. VNDIRECT recognizes in revenue / expenses from financial activities in the consolidated income statement the difference of the fair value of the remaining investment plus the proceeds from the sale of equity in associated companies and the carrying amount of the investment at the time of stopping the equity method.

In case a member company of VNDIRECT conducts a transaction with an associate of VNDIRECT, unrealized profit / loss corresponding to the Company's capital contribution to the associate is excluded from the consolidated financial statement.

TRADE AND OTHER PAYABLES

Trade and other payables are stated at their cost.

PROVISIONS

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and It is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

BOND ISSUED

Straight bond

At initial recognition, straight bonds issued are measured at cost which is the proceed from issuance, net of issuance costs.

SHARE CAPITAL

Ordinary shares

Ordinary shares are stated at the issuing price less costs directly attributable to the issue of shares. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

Share premium

When share capital is contributed by shareholders, Me difference between the issuing price and the par value of shares is recognised In the share premium account under equity section

CONSOLIDATED FINANCIAL STATEMENT

Repurchase and reissue of ordinary steams (treasury shares)

When shares recognised as equity are repurchased, The amount of the consideration paid which includes directly attributable costs, net of tax effects, Is recognised as a reduction from equity. Repurchased shares are classified as treasury shares under equity. When treasury shares are sold for reissue subsequently, cost of the reissued shares is determined on a weighted average basis. Any difference between the amount received and the cost of the shares reissued is presented within share premium.

STATUTORY RESERVES

The Company allocates realised profit to statutory reserves annually in accordance with Circular No. 146/2014/TT-BTC dated 6 October 2014 of the Ministry of Finance as follows:

	Annual allocation	Maximum balance
Reserve to supplement charter capital	5% profit after tax	10% charter capital
Financial and operational risk reserve	5% profit after tax	10% charter capital

The reserve to supplement charter capital is used to supplement share capital as determined by the General Meeting of Shareholders.

The purpose of the financial reserve Is to cover the remaining losses/damages incurred during the normal course of business after such losses/damages have been covered by the compensation paid by the individuals or entitles who have caused them.

These statutory reserves are non-distributable and are recognised as part of owners' equity..

REVENUE AND OTHER INCOME

Gains/losses from sales financial assets

Gains/losses from sales of financial assets is recognised in the statement of income upon receipt of the matching order reports of securities trading transactions from Vietnam Securities Depository ("VSD") (for listed securities) and completion of the agreement on transfer of assets (for unlisted securities).

Dividend and interest income from financial assets

Dividend income recognised in the separate statement of income when the Company's right to receive dividends is established. Dividend is not recognised in respect of the shares traded from the ex-rights date.

In respect of share dividends, the Company only recognises the number of the shares and no revenue is recognised.

Interest income is recognised in the statement of income on a time proportion basis with reference to the principal outstanding and the applicable Interest rate.

Revenue from securities brokerage

Revenue from securities brokerage activities is recognised in the statement of income when the securities transactions of the customer have been processed.

Revenue from securities investment advisory and financial advisory

Income In proportion to the stage of completion of the transaction at the end of the annual accounting period. The stage of completion Is assessed by reference to world performed.

Revenue from securities custody

Revenue from securities custody service is recognised in the statement of income when services are rendered

OPERATING LEASE PAYMENT

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease.

INTEREST EXPENSE

Interest expense is recognised in the statement of Income on an accrual basis.

TAX

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that k relates to items recognised directly to equip, in which case It is recognised in equity.

Current tax Is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided Is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it 1s probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

SEGMENT REPORTING

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The primary format for segment reporting Is based on business segments.

RELATED PARTIES

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

NIL BALANCES

Items or balances required by Circular 334/2016/TT-BTC dated 27 December 2016 issued by the Ministry of Finance that are not shown in these separate financial statements indicate nil balances.

4. FINANCIAL RISK MANAGEMENT

OVERVIEW

The company has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk;

This note presents information about the Company’s exposure to each of the above risks, the Company’s objectives, policies and processes for measuring and managing risk.

The Company’s Supervisory Board oversees how Board of I Management monitors compliance with the Company’s risk management policies and procedures, and reviews the adequacy of the risk management policies in relation to the risks faced by the Company.

RISK MANAGEMENT FRAMEWORK

The Board of Management has overall responsibility for the establishment and oversight of the Company’s risk management framework. The Board of Management has established the Risk Management Committee, which is responsible for developing and monitoring the Company’s risk management policies. The Committee reports regularly to the Board of I Management on its activities.

The Company’s risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company’s activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations

The Company’s Supervisory Board is assisted in its oversight role by internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Supervisory Board.

CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company’s loans and receivables from customers, held-to-maturity investments and available-for-sale debt securities.

To manage the level of credit risk, the Company attempts to deal with counterparties of good credit standing, and when appropriate, obtains collaterals for other receivables. The management has established a credit policy under which each new customer is analysed individually for credit worthiness before the standard terms and conditions are offered.

Concentrations of credit risk that arise from groups of counterparties when they have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The major concentrations of credit risk arise from type of customer in relation to the Company’s advances to customers for the proceeds from selling securities and margin loans.

EXPOSURE TO CREDIT RISK

The total carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	Closing balance	Opening balance
Cash and cash equivalents	(i)	613.548.205.346	915.397.756.735
Held-to-maturity investments	(i)	5.652.913.266.339	5.471.330.000.000
Loans receivable	(ii)	2.887.072.098.158	2.582.474.306.127
Available-for-sale debt securities	(iii)	775.559.553.715	379.530.902.241
Account receivables	(ii)	218.251.353.208	160.096.745.070
		37.838.830.443	37.547.099.707
		10.185.183.307.209	9.546.376.809.880

Cash and cash equivalents and held-to-maturity investments

The cash and cash equivalents of the Company are mainly held with well-known financial institutions. The Board of Management does not foresee any significant credit risk from these deposits and does not expect that these financial institutions may default and cause losses to the Company.

Loans receivable and accounts receivable

The Company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. In response to the risk, management of the Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company’s standard payment and delivery terms and conditions are offered. Credit purchase limit is established for each customer, which represents the maximum receivable amount without requiring approval from the Board of Management. The limit is annually reviewed. Debtors with overdue balances are requested to settle the balances before further credit is granted. The Board of Management also requests collaterals based on its assessment of credit risk for each customer. Collaterals generally accepted are deposits and securities. The Board of Management monitors the market value of collaterals and requests more collaterals on the basis of agreements, and monitors the market value of collaterals when considering the adequacy of allowance for doubtful debts.

Loans receivable and other receivables that are neither past due nor impaired mainly relate to a wide range of customers of whom there was no recent history of default. Board of Management believes that those receivables are of high credit quality.

Available-for-sale debt securities

The Company limits credit risk by only investing in government bonds or debt bonds issued by economic entities with low credit risk.

LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation.

The financial liabilities with fixed or determinable payments have the following contractual maturities including the estimated interest payments:



Closing balance	Carrying value	Contractual cash flows	Within 1 year	From 1- 5 years	More than 5 years
	VND	VND	VND	VND	VND
Current liabilities					
Short-term borrowings	6,553,608,086,436	6,597,891,642,288	6,597,891,642,288	-	-
Short-term bonds Issued	700,000,000,000	719,823,621,918	719,823,621,918	-	-
Accounts payable for securities trading activities	513,386,234,368	513,386,234,368	513,386,234,368	-	-
Accounts payable to suppliers	563,459,180	563,459,180	563,459,180	-	-
Advances from customers	14,830,824,853	14,830,824,853	14,830,824,853	-	-
Short-term accrued expenses	62,924,952,518	62,924,952,518	62,924,952,518	-	-
Other financial liabilities	1,334,572,791	1,334,572,791	1,334,572,791	-	-
Long-term liabilities	403,641,000,000	599,221,292,460	11,087,671,233	90,631,565,578	497,502,055,649
Long-term bonds issued	8,250,289,130,146	8,509,976,600,376	7,921,842,979,149	90,631,565,578	497,502,055,649

Closing balance	Carrying value	Contractual cash flow	Within 1 year	From 1 – 2 year
	VND	VND	VND	VND
Current liabilities				
Short-term borrowings	6,012,344,898,307	6,027,011,882,617	6,027,011,882,617	-
Short-term bonds issued	726,562,200,000	794,639,432,858	794,639,432,858	-
Accounts payable for securities trading activities	152,425,291,772	152,425,291,772	152,425,291,772	-
Accounts payable to suppliers	2,382,421,715	2,382,421,715	2,382,421,715	-
Advances from customers	2,535,120,090	2,535,120,090	2,535,120,090	-
Short-term accrued expenses	92,417,509,353	92,417,509,353	92,417,509,353	-
Other financial liabilities	607,578,976	607,578,976	607,578,976	-
Long-term liabilities	500,000,000,000	589,222,222,222	44,611,111,111	544,611,111,111
Long-term bonds issued	7,489,275,020,213	7,661,241,459,603	7,116,630,348,492	544,611,111,111

CONSOLIDATED FINANCIAL STATEMENT

The Company manages its ability to meet the expected operational expenses and servicing its debts by investing its cash surpluses in short-term investments and maintaining several banking facilities.

MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and share prices will affect the Company's results of operations or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest rate risk

As at the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

	Closing balance	Opening balance
	VND	VND
Financial assets		
Cash and cash equivalents	613,548,205,346	915,397,756,735
Held-to-maturity investments	5,652,913,266,339	5,471,330,000,000
Loans receivable	2,887,072,098,158	2,582,474,306,127
Available-for-sale debt securities	775,559,553,715	379,530,902,241
Payment co Clearing Fund for derivative transactions	15,000,000,000	15,046,536,424
Deposits at Payment Support Fund	20,000,000,000	20,000,000,000
Deposits at Payment support Derivatives	-	3,997,020,093
	9,964,093,123,558	9,387,776,521,620
Financial liabilities		
Short-term borrowings	700,000,000,000	726,562,200,000
Short-term bonds issued	403,641,000,000	500,000,000,000
Long-term bonds issued	7,657,249,086,436	7,238,907,098,307

Equity security price risk

Equity security price risk is the risk that the market values of equity securities decrease as a result of changes in the values of individual securities. The equity price risk exposure arises from the Company's financial assets at fair value through profit or loss.

Financial assets at FVTPL of the Company are affected by market price risk arising from the uncertainty in the fluctuation of the future market value of these securities. Market price risk is managed by diversifying the investment portfolio and careful selection of securities within specified limits.

As at 31 December 2019, market value of listed equity shares of the Company was 1,225.8 billion VND (31st December 2018: VND 820.1 billion VND). If the market value of these securities increased or decreased by 10% as at 31 December 2019 assuming that all other variables remained constant, profit after tax of the Company would have increased or decreased by VND 98.1 billion (31 December 2018: 10%, Increased or decreased by 65.5 billion VND).

CURRENCY RISK

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

SEGMENT REPORTING

SEGMENT REPORTING BY GEOGRAPHICAL AREA

All of the Company's business activities are performed in Vietnam.

SEGMENT REPORTING BY BUSINESS SEGMENTS

The Company comprises the following main business segments:

- Brokerage: Securities brokerage activities for customers, securities investment advisory and custody services.
- Proprietary trading: Securities trading activities of the Company.
- Treasury: Granting margin loans and advances to customers for the proceeds from selling securities; bank deposits.



	Brokerage services		Proprietary trading		Treasury		Total	
	Closing balance	Opening balance	Closing balance	Opening balance	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND	VND	VND	VND	VND
Segment assets	7,500,000,000	7,500,000,000	2,025,970,527,273	1,068,525,736,593	9,228,334,751,855	9,028,277,334,639	11,261,805,279,128	10,104,303,071,232
Unallocated assets	-	-	-	-	-	-	315,229,048,883	430,338,248,770
Total assets	7,500,000,000	7,500,000,000	2,025,970,527,273	1,068,525,736,593	9,228,334,751,855	9,028,277,334,639	11,577,034,328,011	10,534,641,320,002
Segment liabilities	-	-	513,386,234,368	152,425,291,772	7,815,136,830,121	7,399,286,175,577	8,328,523,064,489	7,551,711,467,349
Total liabilities	-	-	513,386,234,368	152,425,291,772	7,815,136,830,121	7,399,286,175,577	8,328,523,064,489	7,551,711,467,349

	Proprietary trading		Proprietary trading		Treasury		Total	
	Closing balance	Opening balance	Closing balance	Opening balance	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND	VND	VND	VND	VND
Operating revenue								
- Gains from financial asset at FVTPL and derivatives	-	-	279,673,321,665	250,194,815,933	-	-	279,673,321,665	250,194,815,933
- Interest from held – to – maturity investments	-	-	-	-	391,388,941,607	289,295,366,105	391,388,941,607	289,295,366,105
- Interest income from loans and receivables	-	-	-	-	407,908,597,611	434,877,326,930	407,908,597,611	434,877,326,930
- Gains from available for sales assets	-	-	20,345,546,486	4,811,965,659	-	-	20,345,546,486	4,811,965,659
- Revenue from brokerage services	335,409,939,972	520,182,829,564	-	-	-	-	335,409,939,972	520,182,829,564
- Revenue from underwriting and issuance agent services	23,726,357,435	17,870,966,190	-	-	-	-	23,726,357,435	17,870,966,190
- Revenue	24,316,979,055	3,707,799,209	-	-	-	-	24,316,979,055	3,707,799,209
- Revenue from custody	12,904,794,156	11,198,531,803	-	-	-	-	12,904,794,156	11,198,531,803
- Other operating income	1,303,462,537	3,238,791,819	-	-	4,900,091,350	3,110,453,455	6,203,553,887	6,349,245,274
- Financial income	-	-	-	88,662,183,838	4,852,262,131	6,735,179,900	4,852,262,131	95,397,363,738
Total revenue	397,661,533,155	556,198,918,585	300,018,868,151	343,668,965,430	809,049,892,699	734,018,326,390	1,506,730,294,005	1,633,886,210,405

	Brokerage services		Proprietary trading		Treasury		Total	
	Closing balance	Opening balance	Closing balance	Opening balance	Closing balance	Opening balance	Closing balance	Opening balance
Operating revenue	VND	VND	VND	VND	VND	VND	VND	VND
- Loss from financial asset at FVTPL	-	-	98,651,048,060	382,465,198,184	-	-	98,651,048,060	382,465,198,184
- Reversal of/Allowance made for financial assets, write-off of doubtful debts and impairment loss on financial assets	-	-	-	-	34,061,302,931	(3,539,230,029)	34,061,302,931	(3,539,230,029)
- Expenses for securities brokerage	154,992,042,374	216,277,272,321	-	-	-	-	154,992,042,374	216,277,272,321
- Expenses for securities investment advisory services	-	136,409,943	-	-	-	-	-	136,409,943
- Expenses for securities custody services	14,251,552,041	14,759,679,422	-	-	-	-	14,251,552,041	14,759,679,422
- Differences in exchange rate not incurred	-	124,000,000	-	-	3,152,293,051	-	3,152,293,051	124,000,000
- Interest expenses	-	-	-	-	436,245,477,652	286,523,253,543	436,245,477,652	286,523,253,543
- Gain/Loss in associates companies	-	(5,465,614,355)	-	-	-	-	-	(5,465,614,355)
Total expenses	169,243,594,415	225,831,747,331	98,651,048,060	382,465,198,184	473,459,073,634	282,984,023,514	741,353,716,109	891,280,969,029
Segment operating results	228,417,938,740	330,367,171,254	201,367,820,091	(38,796,232,754)	335,590,819,065	451,034,302,876	765,376,577,896	742,605,241,376
Unallocated expenses							309,408,701,929	305,130,942,810
Results from other activities							455,967,875,967	437,474,298,566
Other income							26,832,041,932	745,047,906
Other expenses							3,248,941,320	220,307,437
Current corporate income tax							96,892,431,199	64,862,737,763
Profit after tax							382,658,545,380	373,136,301,272

CASH AND CASH EQUIVALENTS

	Closing balance	Opening balance
	VND	VND
Cash at banks for VNDTRECT's activities	611,404,173,497	507,385,277,118
Deposits for clearing and settlement of securities transactions	144,031,849	12,479,617
Cash equivalents (*)	2,000,000,000	408,000,000,000
	613,548,205,346	915,397,756,735

(*) These are bank deposits with original periods not exceeding 3 months.

VOLUME AND VALUE OF TRANSACTUONS DURING THE YEAR

	Volume of transactions	Value of transactions
	Đơn vị	VND
Of VNDIRECT	738,673,802	245,370,231,989,200
Shares	105,671,338	3,422,357,362,444
bonds	612,422,381	239,899,981,219,756
Other securities	20,580,083	2,047,893,407,000
Of Investors	9,586,098,720	654,746,738,017,341
Shares	9,441,346,029	161,886,868,799,741
bonds	1,350,003	139,502,351,100
Other securities	143,402,688	492,720,366,866,500

FINANCIAL ASSETS

A) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT/LOSS

	Closing balance		Opening balance	
	Cost	Fair value (*)	Cost	Fair value (*)
	VND	VND	VND	VND
Financial assets at fair value through profit/loss				
Shares and fund units	1,488,731,482,164	1,494,861,717,504	1,081,821,591,490	1,089,324,365,595
Total	1,488,731,482,164	1,494,861,717,504	1,081,821,591,490	1,089,324,365,595

(*) The fair value of financial assets at FVTPL represents the historical cost and the upward difference of financial assets at FVTPL. The downward difference of financial assets at FVTPL is recognised in the allowance for diminution in value of financial assets in Note 10.

At 31 December 2019, 700,000 shares of LTG shares with value of 50,480 million VND (as at 31st December 2018: 15,761,118 ABB shares, 494,700 VGG shares and 700,000 LTG shares with total fair value of VND 139,264 million VND were pledged with banks as security for loans granted to the Company (Note 20).

B) HELD-TO-MATURITY INVESTMENTS

	Closing balance		Opening balance	
	Cost	Fair value	Cost	Fair value
	VND	VND	VND	VND
Held-to-maturity investments				
Term deposits with terms to maturity				
- Under 1 year	5,547,838,125,244	Not applicable	5,371,330,000,000	Not applicable
- Above 1 year	105,075,141,095	Not applicable	100,000,000,000	Not applicable
Total	5.652.913.266.339		5,471,330,000,000	

As at 31 December 2019, included in these term deposits was VND 5,571,800 million which was pledged with banks as security for loans granted to the Company (31 December 2018: VND 5,218,000 million VND) (Note 20) and 34.100 million VND was pledged with banks as security for warrant's settlement granted to the Company.

C) LOAN RECEIVABLES

	Closing balance		Opening balance	
	Cost	Fair value	Cost	Fair value
	VND	VND	VND	VND
Loan receivables				
Margin loans	2,776,651,113,041	(**)	2,456,280,458,266	(**)
Advances to customers for proceeds of selling securities	110,420,985,117	(**)	126,193,847,861	(**)
Total	2,887,072,098,158		2,582,474,306,127	

D) AVAILABLE-FOR-SALES FINANCIAL ASSETS

	Closing balance		Opening balance	
	Cost	Fair value	Cost	Fair value
	VND	VND	VND	VND
Available-for-sales financial assets				
Equity securities	7,500,000,000	(**)	7,500,000,000	(**)
Government bonds	494,225,000,000	494,225,000,000	148,490,500,000	148,490,500,000
Credit institutions' bonds	75,200,000,000	75,200,000,000	-	-
Corporate bond	105,452,730,115	105,452,730,115	29,669,435,442	29,669,435,442
Certificate of deposit	100,681,823,600	100,681,823,600	201,370,966,799	201,370,966,799
Total	783,059,553,715		387,030,902,241	

(**) The Company has not determined fair values of these financial instruments because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards, accounting regime for enterprises and accounting guidance applicable to securities companies. The fair values of these financial instruments may differ from their carrying amounts.



MOVEMENTS IN FAIR VALUES OF FINANCIAL ASSETS MEASURED AT FAIR VALUE											
	Cost	Market value/Fair value	Revaluation difference		Revaluation value						
			Increase	Decrease							
			VND	VND		VND	VND	VND			
I. Financial assets at FVTPL						Unlisted shares	566,169,314,452	459,551,221,868	3,084,889	(106,621,177,473)	459,551,221,868
Listed shares	819,652,402,063	662,840,313,051	4,454,250,451	(161,266,339,463)	662,840,313,051	An Binh Joint Stock Company	170,489,057,266	170,489,057,266	-	-	170,489,057,266
PTI	458,356,484,000	308,205,222,000	-	(150,151,262,000)	308,205,222,000	Loc Troi Joint Stock Company	113,805,051,300	50,479,932,533	-	(63,325,118,767)	50,479,932,533
MBB	72,631,190,021	70,383,102,400	-	(2,248,087,621)	70,383,102,400	Orient Commercial Joint stock bank	95,255,037,078	95,255,037,078	-	-	95,255,037,078
VHM	70,672,791,430	67,971,524,800	-	(2,701,266,630)	67,971,524,800	CIENCO4 Group	81,224,990,000	47,786,166,667	-	(33,438,823,333)	47,786,166,667
VIC	52,284,954,080	51,419,490,000	-	(865,464,080)	51,419,490,000	Viet Tien Garment Joint Stock Corporation	30,039,352,500	24,596,478,667	-	(5,442,873,833)	24,596,478,667
REE	47,013,682,478	48,658,480,200	1,644,797,722	-	48,658,480,200	I.P.A investment corporations	25,406,800,000	25,406,800,000	-	-	25,406,800,000
FPT	32,223,281,162	34,917,444,100	2,694,162,938	-	34,917,444,100	MBLand Corporation	20,250,000,000	20,250,000,000	-	-	20,250,000,000
PLX	25,529,047,290	24,808,672,000	-	(720,375,290)	24,808,672,000	Sai Dong investment and urban development JSC	15,468,710,000	15,468,710,000	-	-	15,468,710,000
VNM	13,576,219,494	13,264,224,000	-	(311,995,494)	13,264,224,000	PetroVietnam Oil Corporation	6,691,058,000	2,916,246,667	-	(3,774,811,333)	2,916,246,667
BMI	10,745,959,060	9,553,183,200	-	(1,192,775,860)	9,553,183,200	Bà Rịa urban services JSC	4,342,687,288	3,880,000,000	-	(462,687,288)	3,880,000,000
PVI	9,855,092,896	8,250,519,200	-	(1,604,573,696)	8,250,519,200	RICONS constructions JSC	3,007,525,000	3,007,525,000	-	-	3,007,525,000
Others	26,763,700,152	25,408,451,151	115,289,791	(1,470,538,792)	25,408,451,151	Others	189,046,020	15,267,990	3,084,889	(176,862,919)	15,267,990
Listed fund certificates	2,409,765,649	2,741,000,000	345,300,000	(14,065,649)	2,741,000,000		1,488,731,482,164	1,225,829,434,919	6,130,235,340	(269,032,282,585)	1,225,829,434,919
E1VFN30	1,490,065,649	1,476,000,000	-	(14,065,649)	1,476,000,000						
FUESSV50	919,700,000	1,265,000,000	345,300,000	-	1,265,000,000						
Unlisted fund certificates	100,500,000,000	100,696,900,000	1,327,600,000	(1,130,700,000)	100,696,900,000						
VNDAF	50,500,000,000	49,369,300,000	-	(1,130,700,000)	49,369,300,000						
CC_VNDBF	50,000,000,000	51,327,600,000	1,327,600,000	-	51,327,600,000						



	Cost	Market value/Fair value	Revaluation difference		Revaluation value
			Increase	Decrease	
	VND	VND	VND	VND	VND
II. Available for Sales financial assets					
Government bonds	494,225,000,000	494,225,000,000	-	-	494,225,000,000
Credit institutions' bond	75,200,000,000	75,200,000,000	-	-	75,200,000,000
Corporate bonds	105,452,730,115	105,452,730,115	-	-	105,452,730,115
Equity securities	7,500,000,000	Not applicable			
Certificates of deposits	100,681,823,600	100,681,823,600	-	-	100,681,823,600
	783,059,553,715				

ALLOWANCE FOR DIMINUTION IN VALUE OF FINANCIAL ASSETS

	Ending balance		Opening balance		Allowance/ (reserved) during the year
	Cost	Market value / Recoverable amount	Provision	Provision	
	VND	VND	VND	VND	
I. Financial assets at FVTPL					
Listed shares	733,251,566,504	571,985,227,040	161,266,339,464	128,379,442,424	32,886,897,040
PTI	458,356,484,000	308,205,222,000	150,151,262,000	118,540,470,000	31,610,792,000
MBB	72,631,190,021	70,383,102,400	2,248,087,621	-	2,248,087,621
VHM	70,672,791,430	67,971,524,800	2,701,266,630	-	2,701,266,630
VIC	52,284,954,080	51,419,490,000	865,464,080	-	865,464,080
PLX	25,529,047,290	24,808,672,000	720,375,290	-	720,375,290
Others	53,777,099,683	49,197,215,840	4,579,883,843	9,838,972,424	(5,259,088,581)
Listed fund certificates	1,490,065,649	1,476,000,000	14,065,649	94,579,829	(80,514,180)
E1VFN30	1,490,065,649	1,476,000,000	14,065,649	94,579,829	(80,514,180)
Unlisted fund certificates	50,500,000,000	49,369,300,000	1.130.700.000	2,275,600,000	(1,144,900,000)
VNDAF	50,500,000,000	49,369,300,000	1.130.700.000	2,275,600,000	(1,144,900,000)
Unlisted shares	236,287,778,606	129,666,601,134	106.621.117.472	138,505,263,380	(31,884,085,908)
Loc Troi Group JSC	113,805,051,300	50,479,932,533	63,325,118,767	52,252,144,300	11,072,974,467
CIENCO4 Group	81,224,990,000	47,786,166,667	33,438,823,333	14,880,000,000	18,558,823,333
Viet Tien Garment Joint stock Corporation	30,039,352,500	24,596,478,667	5,442,873,833	6,109,140,000	(666,266,167)
PetroVietnam Oil Corporation	6,691,058,000	2,916,246,667	3,774,811,333	1,828,858,000	1,945,953,333
Ba Ria Urban Services JSC	4,342,687,288	3,880,000,000	462,687,288	-	462,687,288

Others	184,639,518	7,776,600	176,862,918	63,435,121,080	(63,258,258,162)
	1,021,529,410,759	752,497,128,174	269,032,282,585	269,254,885,633	(222,603,048)
II. Loans Receivables	2,887,072,098,158	2,834,981,569,268	52,090,528,890	19,670,717,315	32,419,811,575
III. Available for sales financial assets					
Equity securities	7,500,000,000	5,858,508,644	1,641,491,356	-	1,641,491,356
HomeDirect Services JSC	7,500,000,000	5,858,508,644	1,641,491,356	-	1,641,491,356
Total	3,916,101,508,917	3,593,337,206,086	322,764,302,831	288,925,602,948	33,838,699,883

DIVIDENDS AND INTEREST RECEIVABLES FROM FINANCIAL ASSETS

	Số cuối năm	Số đầu năm
	VND	VND
Dividends receivables	292,860,300	1,698,900
Interest receivables from term deposits	122,691,501,823	36,229,493,376
Interest receivables from bonds	4,828,822,092	-
Interest receivables from loans	55,899,235,307	42,516,495,716
	183,712,419,522	78,747,687,992

OTHER RECEIVABLES

	Ending balance	Opening balance
	VND	VND
Receivables from former employees	1,963,775,333	1,963,775,333
Receivables from derivatives transactions	321,928,187	3,256,333,682
Other receivables	7,749,542,827	5,832,626,874
	10,035,246,347	11,052,735,889

ALLOWANCE FOR DOUTBFUL DEBTS

	Doubtful Debts		Allowance for Doubtful Debts		Made/(Reserved)
	Ending balance	Opening balance	Ending balance	Opening balance	
	VND	VND	VND	VND	
Current year					
Receivables from former employees	1,963,775,333	1,963,775,333	(1,963,775,333)	(1,963,775,333)	-
Other receivables	2,699,439,096	2,699,439,096	(2,699,439,096)	(2,699,439,096)	-
	4,663,214,429	4,663,214,429	(4,663,214,429)	(4,663,214,429)	-
Prior year					
Receivables from former employees	1,963,775,333	1,963,775,333	(1,963,775,333)	(1,963,775,333)	-
Other receivables	2,699,439,096	2,699,439,096	(2,699,439,096)	(2,699,439,096)	-
	4,663,214,429	4,663,214,429	(4,663,214,429)	(4,663,214,429)	-

PREPAID TAX

	Ending balance	Opening balance
	VND	VND
Short-term prepaid expenses		
Office rental	3,739,668,927	2,682,298,307
Software expenses	5,202,769,419	3,318,926,931
Other expenses	3,106,097,245	621,800,308
	12,048,535,591	6,623,025,546
Long-term prepaid expenses		
Office repair and renovation expenses	3,820,041,024	1,372,836,233
Other expenses	6,706,376,769	6,100,348,763
	10,526,417,793	7,473,184,996

TANGIBALE FIXED ASSETS

	Building and constructions	Office equipment	Total
	VND	VND	
COST			
Opening balance	24,184,557,012	83,598,444,974	107,783,001,986
Additions	-	765,106,274	765,106,274
Disposals	-	(67,590,000)	(67,590,000)
Reclassifications	(418,427,603)	418,427,603	-
Closing balance	23,766,129,409	84,714,388,851	108,480,518,260
ACCUMULATED DEPRECIATION			
Opening balance	11,366,250,164	42,407,611,618	53,773,861,782
Additions	2,466,732,354	10,376,446,507	12,843,178,861
Disposals	-	(57,898,334)	(57,898,334)
Reclassifications	(1,167,148,702)	1,167,148,702	-
Closing balance	12,665,833,816	53,893,308,493	66,559,142,309
NET BOOK VALUE			
Opening balance	12,818,306,848	41,190,833,356	54,009,140,204
Closing balance	11,100,295,593	30,821,080,358	41,921,375,951

As at 31st December 2019, the cost of tangible fixed assets includes 29.8 billion VND which have been fully depreciated but are still in active use (as at 31st December of 2018: 20.6 billion VND).

DEPOSITS AT PAMENT SUPPORT FUND

According to Decision No. 45/QD-VSD dated 22 May 2014 issued by the Vietnam Securities Depository, the Company is required to deposit an initial amount of VND120 million at the Vietnam Securities Depository and an annual contribution of 0.01% of the total value of brokered securities, which are listed in the Stock Exchanges in the previous year with the maximum of annual contribution of VND 2.5 billion to the Payment Support Fund and the maximum deposit balance of VND 20 billion.

As at 31st December 2019, deposits at Payment Support Fund during the year were as 20 billion VND.

OTHER LONG-TERM ASSETS

	Ending balance	Opening balance
	VND	VND
Deposits for purchase of real estates	80,000,000,000	50,000,000,000
Other deposits	1,870,960,625	1,000,184,625
Payment to Clearing Fund for derivative transactions	15,000,000,000	15,046,536,424
- Amount paid	15,000,000,000	15,000,000,000
- Interest allocated	108,695,512	46,536,424
- Amount withdraw	(108,695,512)	
	96,870,960,625	66,046,721,049

On 20th June, 2017, the Company officially became a general clearing member at Vietnam Securities Depository. Accordingly, the Company is eligible to provide clearing and settlement services for derivative trading under Decision No. 97/QD-VSD dated March 23rd, 2017 of Vietnam Securities Depository (" Decision 97 "). Also according to Decision 97, the Company made an initial contribution to the clearing fund for derivative transactions ("Offsetting Fund") with a value of VND 15 billion. Every month, Vietnam Securities Depository will assess the size of the Clearing Fund and re-evaluate the value of assets contributed to the Clearing Fund to determine the contribution obligations of the clearing members.

GOODWILL

	Ending balance	Opening balance
	VND	VND
Cost		
Opening balance	24,194,509,882	24,194,509,882
Ending balance	24,194,509,882	24,194,509,882
Accumulated amortization		
Opening balance	4,819,016,078	2,399,565,090
Allocation in the year	2,419,450,988	2,419,450,988
Closing balance	7,238,467,066	4,819,016,078
Book Value		
Opening balance	19,375,493,804	21,794,944,792
Ending balance	16,956,042,816	19,375,493,804



CONSOLIDATED FINANCIAL STATEMENT

SHORT-TERM BORROWINGS

Short-term borrowing	Opening balance VND	Increase in the year VND	Decrease in the year VND	Unrealized foreign exchanges differences VND	Closing balance VND
Borrowings from Banks	6,012,344,898,307	182,280,841,060,977	181,740,112,872,848	535,000,000	6,553,608,086,436
	6,012,344,898,307	182,280,841,060,977	181,740,112,872,848	535,000,000	6,553,608,086,436

As at 31 December 2019, these borrowings were secured by term deposits at banks of the Company amounting of VND 5,571,800 million, Unlisted shares with total fair value of 50.488 million VND (as at 31 December 2018: term deposits at banks of Lte Company amounting to VND 5,218,000 million VND, and unlisted shares with a total fair value of VND 191.317 million VND (Note 8). As at 31 December 2019, these borrowings bore annual interest rates ranging from 2.3% - 9.35% (as at 31 December 2018: 2.95% - 8.5%).

BOND ISSUED

Bond issued	Coupon %	Opening balance VND	Increase in the year VND	Decrease in the year VND	Closing balance VND
Short-term bonds	9.5%	-	500,000,000,000	-	500,000,000,000
Long-term bonds	9.3% - 9.8%	1,226,562,200,000	403,641,000,000	1,026,562,000,000	603,641,000,000
In which:					
Bonds with term maturity under 1 year		726,562,200,000			700,000,000,000
Bonds with term maturity over 1 year		500,000,000,000			403,641,000,000

In 2019, the Company issued 3,000,000 non-convertible bonds under private placement which were unsecured and had a 2-year term, floating interest rate with the first period interest rate of 9.5% per annum, par value of VND 100,000 per bond and 5 million non-convertible bonds which were unsecured and had a 1-year term, fixed interest rate of 9.5% per annum and par value of VND 100,000 per bond; 797.410 non-convertible bonds under private placement which were unsecured and had a 10-year term, floating interest rate with the first period interest rate of 9.8% per annum; 239,000 non-convertible bonds under private placement which were unsecured and had a 10-year term, floating interest rate with the first period interest rate of 9.8% per annum to add funds to margin lending, securities trading, securities underwriting activities and M&A activities. As at 31 December 2019, these bonds bore annual interest rates ranging from 9,5% - 9,8% (as at 31 December 2018: 8,8% – 9,3%).

ACCOUNTS PAYABLE FOR SECURITIES TRADING ACTTVITIES

	Ending balance VND	Opening balance VND
Payables to the Stock Exchanges	4,126,631,230	3,934,791,772
Payables for purchases of financial assets (i)	503,554,775,000	148,490,500,000
Payables related to warrant	5,704,828,138	-
	513,386,234,368	152,425,291,772

(i) This payable amount was paid on T+2 date.

SHORT-TERM TRADE PAYABLES

	Số cuối năm VND	Số đầu năm VND
Financial software JSC	310,707,500	1,711,800,000
Thang Tam Construction and Interior Décor Ltd	52,855,552	-
289 Consctruction JSC	51,616,350	-
AWA waterproof Ltd	46,496,182	46,496,182
Mrs. Nhu Thi Hai Van	-	602,700,000
Other domestic organizations	101,783,596	21,425,533
	563,459,180	2,382,421,715

TAX AND ACCOUNT PAYABLES TO THE STATE BUDGET

	Ending balance VND	Opening balance VND
Corporate income tax	41,638,434,319	19,547,932,530
Personal Income tax	11,221,755,880	16,335,075,295
Value added tax	438,019,049	166,119,949
	53,298,209,248	36,049,127,774

SHORT-TERM ACCRUED EXPENSES

	Ending balance	Opening balance
	VND	VND
Interest expense on loans from credit Institutions	21,414,887,416	15,306,486,479
Interest expense on issued bonds	40,392,077,417	76,389,270,638
Others payables	1,117,987,685	721,752,236
	62,924,952,518	92,417,509,353

BONUS AND WELFARE FUNDS

This fund is established by appropriating profit after tax as approved by shareholders in the General Meeting of Shareholders. This fund is used to pay bonus and welfare to employees in accordance with the Company's policies. Movements of bonus and welfare funds during the year were as follows:

	Ending balance	Opening balance
	VND	VND
Opening balance	14,861,782,005	6,306,441,561
Appropriation during the year (No 29)	12,544,746,138	41,858,845,261
Utilisation during the year	(12,964,218,150)	(33,303,504,817)
Ending balance	14,442,309,993	14,861,782,005

DEFERRED TAX LIABILITIES

	Closing balance		Opening balance	
	Tax rate	Value VND	Tax rate	Value VND
Deferred tax assets				
Gains from revaluation of financial assets at FVTPL	20%	19,788,798,902	20%	15,301,984,520
		19,788,798,902		15,301,984,520
Realized Deferred tax assets				
Gains from revaluation of financial assets at FVTPL	20%	1,226,047,068	20%	1,500,554,821
Gains from revaluation of warrant	20%	649,383,351	20%	-
		1,875,430,419		1,500,554,821

SHARE CAPITAL

Approved and issued share capital of VNDIRECT is:

	Closing balance		Opening balance	
	Number of shares	Par value VND	Number of shares	Par value VND
Authorized and issued shares capital	220,430,169	2,204,301,690,000	220,430,169	2,204,301,690,000
Treasury shares				
Ordinary shares	(11,864,808)	(118,648,080,000)	(11,864,689)	(118,646,890,000)
Outstanding shares				
Ordinary shares	208,565,361	2,085,653,610,000	208,565,480	2,085,654,800,000

The company has authorized and issued share capital:

Each ordinary share has a par value of VND 10,000 and is entitled to one vote at shareholders' meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

RETAINED PROFITS

	Ending balance	Opening balance
	VND	VND
Undistributed realised profits	1,036,985,671,200	794,851,251,780
Unrealised profits	(104,742,170,172)	(88,003,690,839)
- Foreign exchanges differences	535,741,671	826,465,928
- Revaluation of financial assets	(107,875,445,251)	(88,830,156,767)
- Revaluation of warrant	2,597,533,408	-
	932,243,501,028	706,847,560,941

Profit distribution to shareholders in the year

	Ending balance	Opening balance
	VND	VND
Opening balance		
Realised profit of the year	706,847,560,941	784,942,668,096
Charter capital supplementary reserve (i)	382,658,545,380	373,136,301,272
Financial and operating risk reserve (i)	(20,093,593,016)	(20,879,419,558)
Business Bonus Fund	(20,093,593,016)	(20,879,419,558)
(Note 26) (ii)	(12,544,746,138)	(41,858,845,261)
Corporate income tax Arrears (iii)	(437,758,123)	-
Cash dividends (iv)	(104,092,915,000)	(216,619,554,050)
Stock dividends	-	(150,994,170,000)
Ending balance	932,243,501,028	706,847,560,941

Temporarily appropriate for 2019 according to the Charter;

Business bonus fund 2018 based on the Decision of Chairman of BOM number 93-4/2019/QĐ-VNDS 1st March 2019;

Pay additional corporate income tax based on Decision number 49352/QĐ-CT-TKT8 on 25 June, 2019 of Tax Department of Hanoi;

Cash dividend rate of 5%/shares according to the Resolution of AGM number 185/2019/NQ-ĐHĐCĐ on 18 April, 2019.

GAIN/LOSS FROM SALES OF FINANCIAL ASSETS

A) GAIN FROM SALES FINANCIAL ASSETS AT FVTPL

No	Investment portfolio	Number of securities sold	Total sales proceed	Average cost of securities sold up to date of transaction	Gains from sale securities current year	Gains from sale securities prior year
			VND	VND	VND	VND
1	Listed shares	17,083,921	706,025,168,000	651,246,843,547	54,778,324,453	156,670,419,477
2	Unlisted shares	1,813,080	76,295,346,750	67,913,044,660	8,382,302,090	16,987,897,868
3	Listed bonds	111,978,500	12,309,717,136,000	12,284,025,700,000	25,691,436,000	14,409,677,452
4	Unlisted bonds and certificates of deposit	105,352,130	85,747,507,103,030	85,613,218,592,518	134,288,510,512	74,744,858,709
5	Future contracts	-	24,073,596,000	-	24,073,596,000	-
6	Listed warrant	4,168,830	11,823,512,353	8,051,466,700	3,772,045,653	-
					250,986,214,708	262,812,853,506



B. LOSS FROM SALES OF FINANCIAL ASSETS FVTPV

No	Investment portfolio	Number of securities sold	Total sales proceed	Average cost of securities sold up to date of transaction	Loss from sale securities current year	Loss from sale securities prior year
			VND	VND	VND	VND
1	Listed shares	19,842,177	583,093,225,493	612,179,215,958	29,085,990,465	143,582,573,300
2	Listed certificate of deposit	101,180	1,495,440,400	1,506,671,380	11,230,980	-
3	Unlisted shares	2,019,168	27,486,550,908	33,444,770,572	5,958,219,664	2,617,742,000
4	Listed bonds	46,870,000	4,891,460,040,000	4,899,675,560,000	8,215,520,000	4,429,147,500
5	Unlisted bonds and certificates of deposit	17,717,350	7,757,951,466,773	7,799,851,330,735	41,899,863,962	56,578,165,475
6	Future contracts	-	(6,037,944,000)	-	6,037,944,000	-
7	Listed warrant	3,686,340	11,766,678,323	17,556,786,251	5,790,107,928	-
					96,998,876,999	207,207,628,275

GAINS FROM REVALUATIONS OF FINANCIAL ASSETS

	Listed shares VND	Listed certificate of deposit VND	Unlisted shares VND	Unlisted certificate of deposit VND	Total VND
Cost	819,652,402,063	2,409,765,649	566,169,314,452	100,500,000,000	1,488,731,482,164
Market value/Fair value	662,840,313,051	2,741,000,000	459,551,221,868	100,696,900,000	1,225,829,434,919
Difference from revaluation at the end of the year	(156,812,089,012)	331,234,351	(106,618,092,584)	196,900,000	(262,902,047,245)
Difference from revaluation at the begin of the year	(127,548,813,904)	210,720,171	(132,138,417,795)	(2,275,600,000)	(261,752,111,528)
Adjusted difference current year	(29,263,275,108)	120,514,180	25,520,325,211	2,472,500,000	(1,149,935,717)
In which:					
- Positive Differences from revaluation of financial asset at FVTPL	3,623,621,932	40,000,000	(6,363,760,697)	1,327,600,000	(1,372,538,765)
- Negative Differences from revaluation/reserved of financial asset at FVTPL	(32,886,897,040)	80,514,180	31,884,085,908	1,144,900,000	222,603,048

DIVIDENDS AND INTEREST INCOME FROM FINANCIAL ASSETS, LIABILITIES AND LOANS

	Ending balance	Opening balance
	VND	VND
From financial assets at FVTPL	26,812,728,962	13,655,777,154
Dividend received	26,812,728,962	13,655,777,154
Held-to-maturity financial assets	391,388,941,607	289,295,366,105
From Term deposit at banks	391,388,941,607	289,295,366,105
From loans and receivables	407,908,597,611	434,877,326,930
From Margin loans	391,658,563,597	414,741,255,517
From advances to customers for the proceeds of selling securities	16,250,034,014	20,136,071,413
Available for sales financial assets	20,345,546,486	4,811,965,659
From bonds and certificates of deposits	20,345,546,486	4,811,965,659
	846,455,814,666	742,640,435,848

SECURITIES BUSINESS ACTIVITIES INCOME

	Ending balance	Opening balance
	VND	VND
Revenue from securities brokerage	335,409,939,972	520,182,829,564
- Revenue From listed securities and derivatives	335,149,259,961	519,989,880,183
- Revenue from Derivatives	-	-
- Other revenue from brokerage	260,680,011	192,949,381
Revenue from underwriting and issuance agency services	23,726,357,435	17,870,966,190
Revenue from securities investment advisory services	24,316,979,055	3,707,799,209
Revenue from securities custody services	12,904,794,156	11,198,531,803
Other operating revenue	6,203,553,887	6,349,245,274
- Revenue from asset management services and portfolio investment	1,303,462,537	3,238,791,819
- Others	4,900,091,350	3,110,453,455
	402,561,624,505	559,309,372,040

FINANCIAL INCOME

	Ending balance	Opening balance
	VND	VND
Interest income from demand deposits	4,852,262,131	5,908,714,023
	4,852,262,131	5,908,714,023

FINANCIAL EXPENSES

	Ending balance	Opening balance
	VND	VND
Realised differences foreign exchanges	3,688,034,722	-
Unrealised differences foreign exchanges	(535,741,671)	-
Interest expenses to banks and bond holders	430,700,989,688	281,091,753,676
Interest expenses for term deposits of investors	5,544,487,964	5,431,499,867
Gains from associates companies	-	(5,465,614,355)
	439,397,770,703	281,057,639,188

GENERAL ADMINISTRATION EXPENSES

	Ending balance	Opening balance
	VND	VND
Salary and related expenses	206,950,110,702	197,222,239,137
Stationery expenses	641,500,945	858,237,187
Tools and supplies expenses	4,907,287,704	3,931,150,070
Depreciation and Amortisation of Fixed assets	20,716,375,564	21,958,681,733
Taxes and fees	209,847,160	450,143,216
Out-sources services fee	73,564,128,866	78,291,040,479
Goodwill allocation (Note 19)	2,419,450,988	2,419,450,988
	309,408,701,929	305,130,942,810

CORPORATE INCOME TAX

	Ending balance	Ending balance
	VND	VND
Current income tax expenses		
Current year	101,004,369,983	93,825,594,709
(Income) Deferred income tax		
Deferred from temporary taxable differences	(4,111,938,784)	(28,962,856,946)
	96,892,431,199	64,862,737,763
Profit before tax	479,550,976,579	437,999,039,035
Adjustment for taxable income		
Less: Tax exempt income	33,478,856,957	86,784,460,600
- Dividends	26,812,728,962	13,655,777,154
- Gains/Loss from revaluation of financial assets at FVTPL	(1,372,538,765)	(26,273,814,727)
- Gains/Loss from revaluation of warrant	3,246,916,760	-
- Profits from bonus shares	4,791,750,000	5,283,699,980
- Gains from associate companies	-	5,465,614,355
- Gain after stop applying equity method	-	88,662,183,838
- Other	-	(9,000,000)
Add: Non-deductible expenses	58,949,730,294	117,420,703,889
- Gains/Loss from revaluation of financial assets at FVTPL	22,434,071,906	118,540,470,000
- Goodwill allocation	2,419,450,988	2,419,450,988
- Provision for margin loans	32,419,811,575	(3,539,230,029)
- Others	1,676,395,825	12,930
Taxable income	505,021,849,916	468,635,282,324
- Current taxable income	504,638,662,236	469,127,973,547
- Current taxable income of subsidiaries	383,187,680	(492,691,223)
Tax rate	20%	20%
Current corporate income tax	101,004,369,983	93,825,594,709
Temporary taxable differences	(20,559,693,911)	(144,814,284,727)
- Gains/Loss from revaluation of financial assets at FVTPL	(1,372,538,765)	(26,273,814,727)
- Gains/Loss from revaluation of warrants	3,246,916,760	-
- Gains/Loss from revaluation of financial assets at FVTPL	(22,434,071,906)	(118,540,470,000)

Tax rate	20%	20%
Deferred income tax (income)/Expenses arising from temporary taxable differences	(4,111,938,784)	(28,962,856,946)
Deferred income tax expenses	(4,111,938,784)	(28,962,856,946)

EARNING PER SHARES (EPS)

PROFIT WILL BE ATTRIBUTABLE TO COMMON SHAREHOLDERS AS BELOW

	Ending balance	Opening balance (adjusted)
	VND	VND
Profit to calculate EPS	382,658,545,380	373,136,301,272
Profits allocates to welfare and bonus fund (*)	-	(12,544,746,138)
Net profit attributable to common share holders	382,658,545,380	360,591,555,134

(*) At the date of this report, the Company has not reliably estimated the amount of profit that can be allocated to bonus and welfare funds at 31 December 2019 because the General Meeting Shareholders have not decided on the percentage of allocation to this fund for 2019. If the Company takes into account the bonus and welfare fund, net profit attributable to ordinary shareholders will decrease.

WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

	Ending balance	Opening balance
	Shares	Shares
Opening balance of ordinary shares	208,565,480	150,997,774
Influences from buy/sell treasury shares	(65)	(630,107)
Influences from stock issued to shareholders	-	15,099,417
Influences of additional ordinary shares issued in the year	-	44,138,207
Weighted average number of ordinary shares	208,565,415	209,605,291

EARNING PER SHARES (EPS)

	Ending balance	Opening balance (adjusted)
	VND/share	VND/share
Basic Earning per shares	1.835	1.720

SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

Lists of related parties

Related parties	Relationship
Pham Minh Huong	Chairwoman
Vu Hien	Member of BOD
Post and Telecommunication Joint Stock Insurance Corporation ("PTI")	Chairman of Board of Directors of the Company is a member of Board of Directors of the related party Associate companies (own directly and indirectly)
Vietnam National Apiculture Joint Stock Company	Legal representative of the Company is a member of Chairman of the related party
H&H investment Management Company Limited	Chairman of Board of Directors of the Company is a Chairman of Board of Directors of the related party
I.P.A Investments Group Joint Stock Company	Member of Board of Directors of the Company is a Chairman of Board of Directors of the related party
IPA Finance Co., Ltd	Member of Board of Directors of the Company is a Chairman of Board of Directors, major shareholder of the related party
Tra Vinh Rural Electricity Joint Stock Company	Member of Board of Directors of the Company is a member of Board of Directors of the related party
Bac Ha Energy Joint Stock Company	Member of Board of Directors of the Company is a Chairman of Board of Directors of the related party
Asian Pearl point Stock Company	Member of Board of Directors of the Company is a Chairman of Board of Directors of the related party
ANVIE Real Estate Company Limited	Member of Board of Directors of the Company is a Chairman of Board of Directors of the related party
HOMEEFOOD joint Stock Company	Member of Board of Directors of the Company is a Chairman of Board of Directors of the related party
HOMEDIRECT joint Stock Company	Member of Board of Directors of the Company is a Chairman of Board of Directors of the related party
IPA Cuu Long Trading and Investment Joint Stock Company	Member of Board of Directors of the Company is a Chairman of Board of Directors of the related party
Printing Mechanical Joint Stock Company	Member of Board of Directors of the Company is a Chairman of Board of Directors of the related party
Hol An Tourist Service joint Stock Company	Member of Board of Directors of the Company is a Member of Board of Directors of the related party

During the year, the Company entered into the following transactions with related parties as below:

	Current year	Prior year
	VND	VND
BOD, BOM, BOS		
Remunerations and bonus	4,495,000,000	14,913,000,000
I.P.A Investment Group JSC		
Office rental and office management fee	10,292,607,167	10,581,277,422
HOMEDIRECT Service JSC		
Bonds issues fee	-	2,900,000,000
Bond interest expenses	-	6,999,439
Interest paid on customer demand deposits	344,427	12,239,320
Other costs	120,000,000	120,000,000
I.P.A Finance Ltd		
Revenue from fees	25,020,113	28,736,553
Interest paid on customer demand deposits	365,591	1,523,447
VNDIRECT's dividends	28,094,177,000	56,188,354,000
Post and Telecommunication JSC (PTI)		
Dividend received		21,126,475,200
Revenue from fee	667,567,699	1,563,621,633
Interest paid on customer demand deposits	18,239,331	19,742,135
Bac Ha Energy JSC		
Interest paid on customer demand deposits	957,610	1,308,348
Asian Pearl JSC		
Interest paid on customer demand deposits	309,382	210,451
ANVIE Real estate Ltd Co.		
Interest paid on customer demand deposits	85,649	115,381
Revenue from fees	15,347	271,551
HOMEEFOOD JSC		
Interest paid on customer demand deposits	1,581	1,638
Buying Foods		150,455,468
Other Cost	-	18,039,481

Printing Mechanical Joint Stock Company

Rental fee		2,612,074,205
Interest paid on customer demand deposits	1,577,661	1,400,508
Revenue from fees	92,022	1,699,976

Mrs. Pham Minh Huong

BOD Remunerations	84,000,000	84,000,000
Interest paid on customer demand deposits	-	790,592
Revenue from fees	26,804,629	166,141,845
VNDIRECT pays dividends	3,046,868,025	1,343,736,050

Mr. Vu Hien

BOD Remunerations	84,000,000	84,000,000
Interest from bonds	6,568,839,060	2,603,978,120
Interest paid on customer demand deposits	1,338,235	2,850,260
Revenue from fees	4,315,671	6,415,077
VNDIRECT pays dividends	85,500	171,000

Bac Ha Energy JSC

Securities trading account	457,225	12,144,691,908
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Asian Pearl JSC

Securities trading account	2,190,665	322,843
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ANVIE Real estate Ltd Co.

Securities trading account	17,966,251	14,041,599
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HOMEFOOD JSC

Securities trading account	525,816	524,235
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Printing machinery JSC

Deposits for Land rental	500,000,000	500,000,000
Securities trading account	533,369,736	508,731,597

Mrs. Pham Minh Huong

Owning shares of the Company (par value)	64,144,590,000	64,144,590,000
Securities trading account	22,111,211	355,986,415

Mr. Vu Hien

Owning shares of the Company (par value)	1,800,000	1,800,000
Securities trading account	3,017,023,829	620,055,766
Owning bonds of the Company (par value)	-	6,293,800,000

Significant related parties balances as at the balance sheet date were as follows:

	Closing balance	Opening balance
	VND	VND
HOMEDIRECT JSC		
Contributed Capital	7,500,000,000	7,500,000,000
Securities trading account	9,546,144	130,916,841
I.PA Finance Ltd Co.		
Receipt of Equity investment	561,883,540,000	561,883,540,000
Securities trading account	42,861,053	23,580,113
Post and Telecommunication JS Insurance Corporation (PTI)		
Stock investment (par value)	132,160,550,000	158,053,960,000
Securities trading account	6,978,692	4,917,741,997
Hoi An Tourist Service JSC (HOT)		
Stock trading account	-	9,644,810,000

SUBSEQUENT EVENTS

No event occurring after the balance sheet date has materially affected or could materially affect the Company’s operations and the Company’s performance for the year ended 31 December 2019 that are required to present in the consolidated financial statements.


Nguyễn Thị Tuyền
Người lập


Nguyễn Thị Hà Ninh
Kế toán trưởng


Phạm Minh Hương
Chủ tịch HĐQT

Ngày 30 tháng 3 năm 2020
Hà Nội, CHXHCN Việt Nam

ĐẠI DIỆN CỦA CÔNG TY CỔ PHẦN CHỨNG KHOÁN VNDIRECT
Ngày 20/04/2020


Phạm Minh Hương
Chủ tịch HĐQT

ACTIONS



VNDIRECT SECURITIES JOINT STOCK COMPANY

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