



Company Profile

VNDIRECT SECURITIES CORPORATION

November 2017



OVERVIEW

Owner's Equity: **VND 2,375bn**

6 Branches

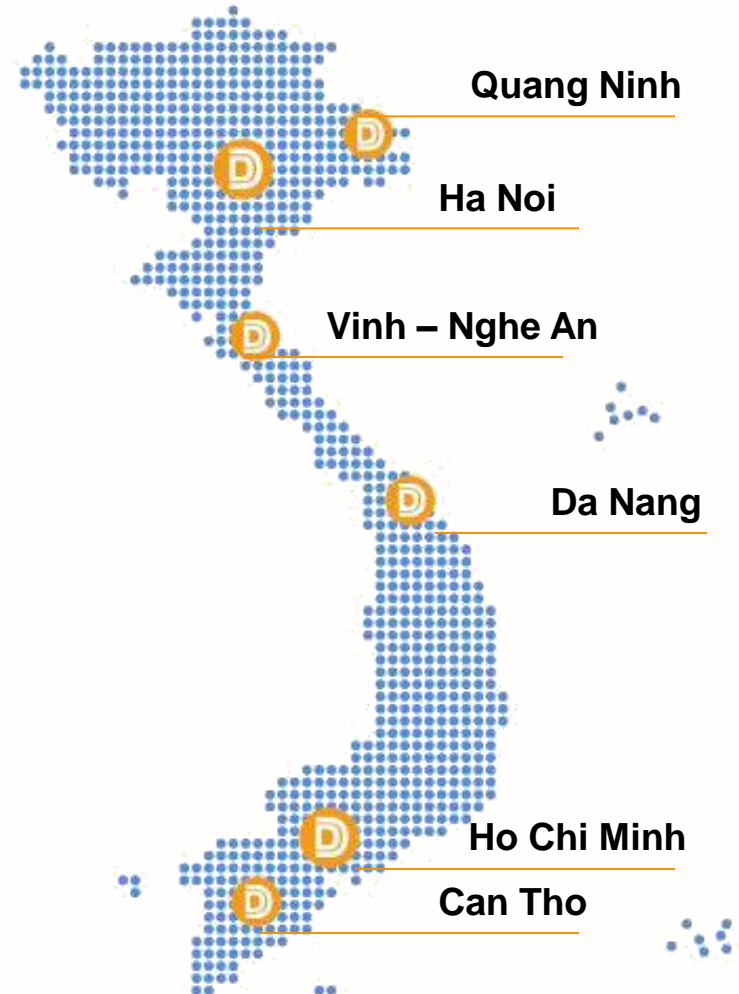
697 Employees

Over **360** Brokers

AUM: **VND 30,176bn**

Managing **127,660** Trading Accounts

Brokerage Market Share Among
Top 3 HNX and HSX



(as at 30/09/2017)

VISION – MISSION – CORE VALUES

VNDIRECT Securities Corporation was founded in 2006. After 11 years of establishment, VNDIRECT has affirmed the success of a securities company with retail orientation, offers comprehensive services to every investor, from individual to institutional and from domestic to international investors.



VISION

To become the most trusted service gateway for all financial investment and asset management needs of all investors.



MISSION

Build VNDIRECT to be a place where the art of technology, the art of transparent corporate management and the art of teamwork are combined, where all challenges are transformed into business opportunities, where real-time market information supports the right decision and where the right services meet the right needs.



CORE VALUES

Commitment to Integrity

Devotion of Services

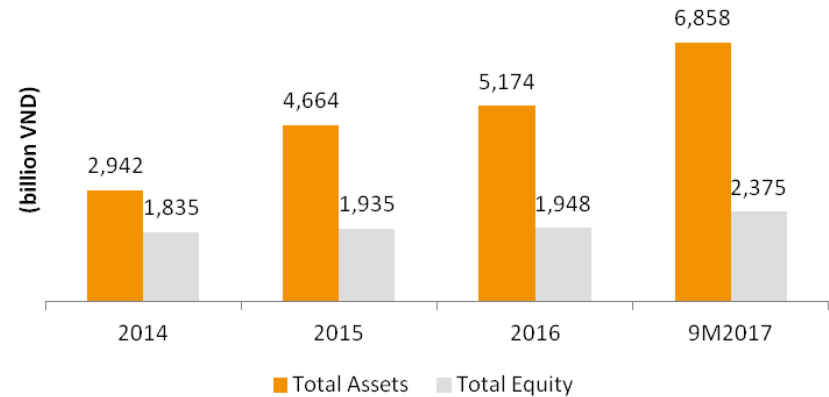
Shared Knowledge

Positive Attitude

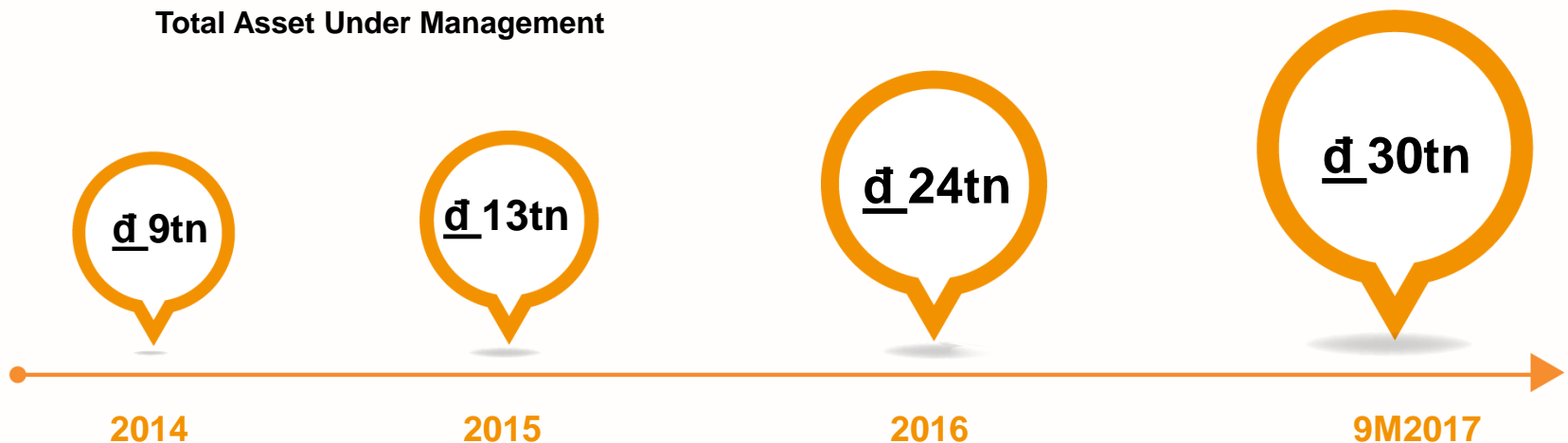
Our licensed business activities:

Depository
 secur**I**ties brokerage
 prop**R**ietary trading
 portfolio manag**E**ment
Corporate finance
 underwri**T**ing

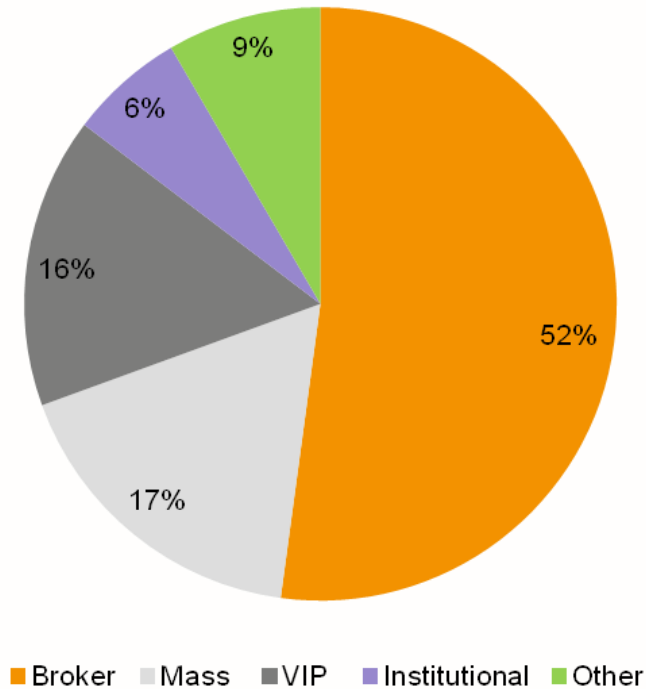
Total Assets & Total Equity



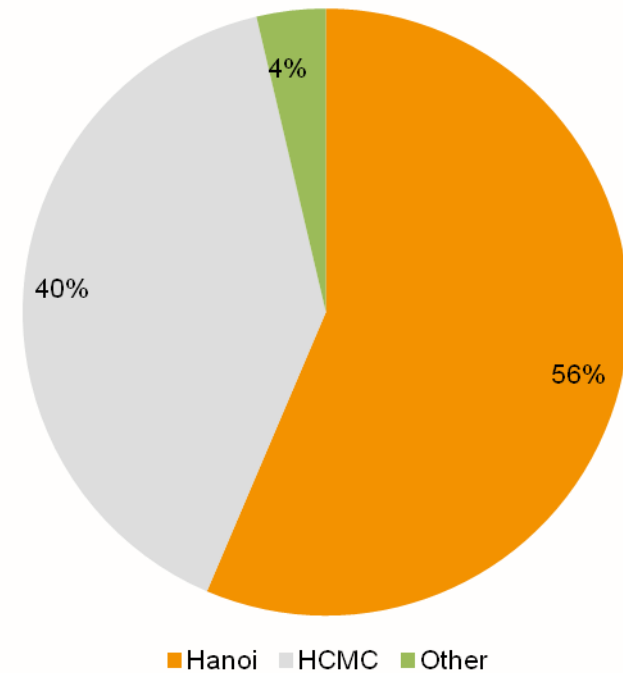
Total Asset Under Management



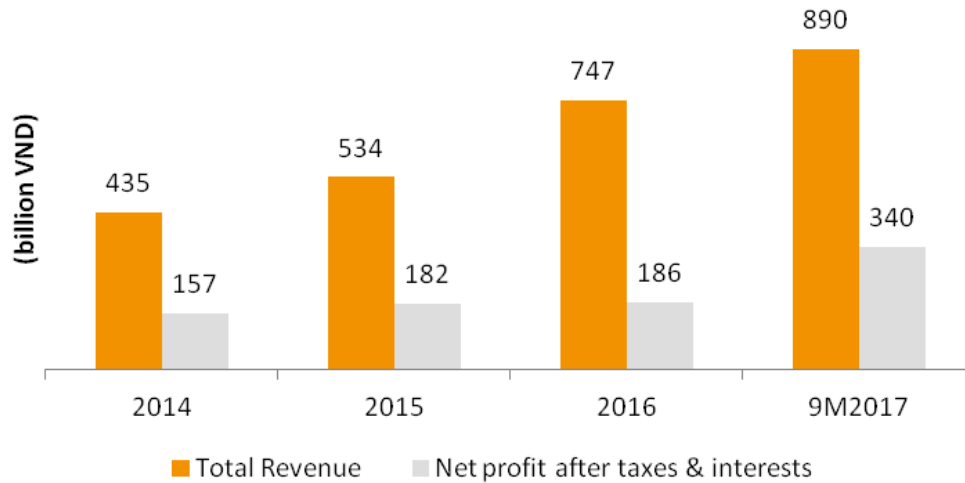
Breakdown by Type



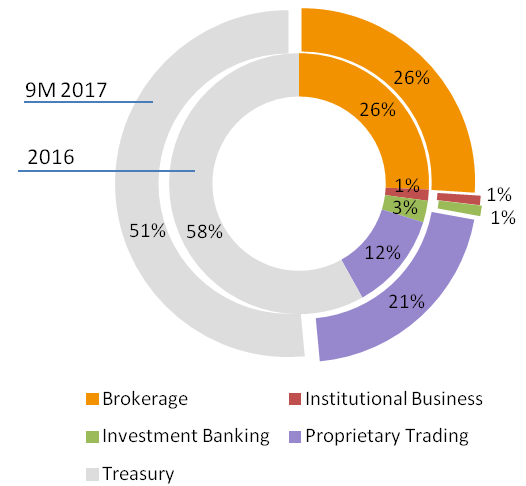
Breakdown by Region



Total Revenue & Net Profit



Total Revenue Breakdown



Return to Equity

8.57

9.39

9.56

14.32

(%)

Earning per Share

1,496

1,120

1,232

2,150

(đ)

2014

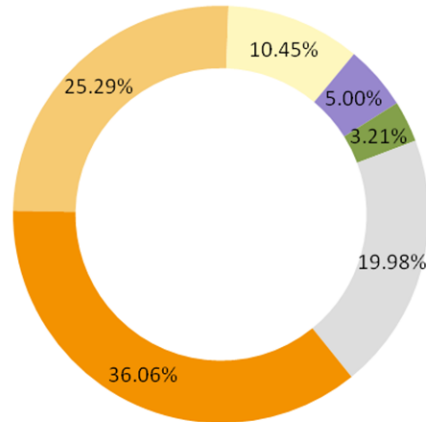
2015

2016

9M17

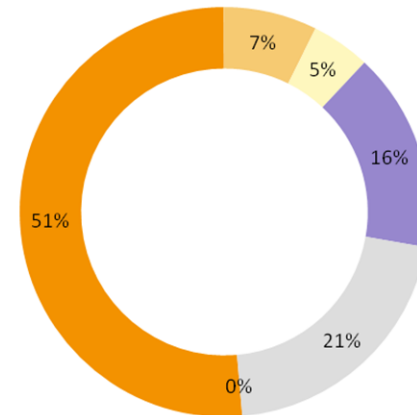
Shareholders Structure

- IPA Securities Investment Fund Management Ltd
- PYN ELITE FUND (NON-UCITS)
- VI (VIETNAM INVESTMENTS) FUND I, L.P
- PXP VIETNAM EMERGING EQUITY FUND LIMITED
- Individual Investors
- Other Institutional Investors

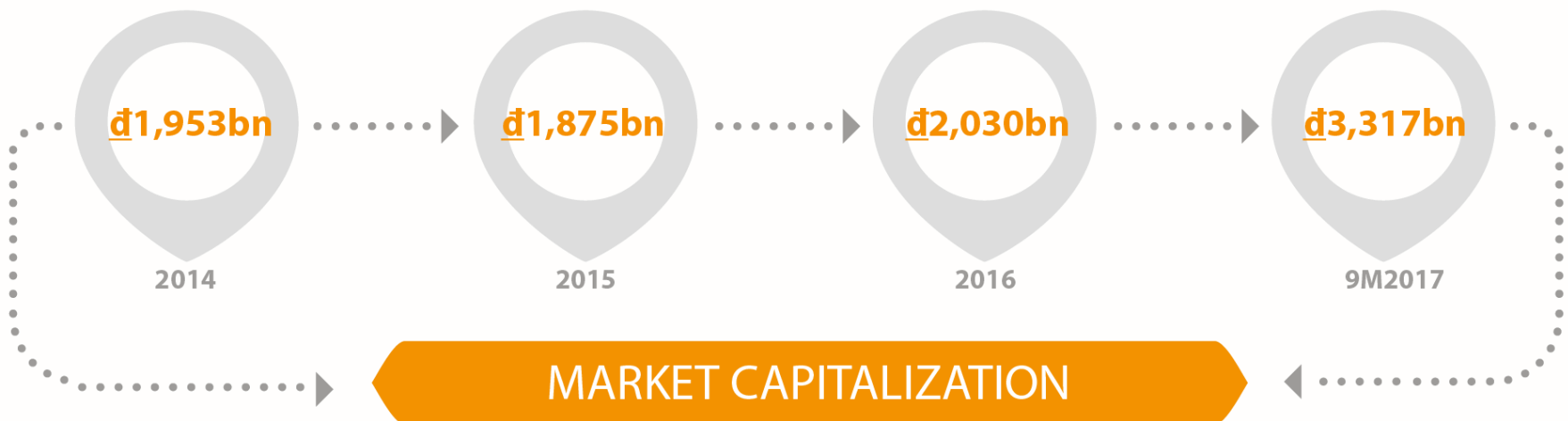


Shareholders Structure

- Vietnam
- Asian countries other than Vietnam
- UK & Ireland
- North America
- Continental Europe
- Australia



(as at 30/09/2017)





COMPETITIVE ADVANTAGES



EXCEPTIONAL HUMAN RESOURCES

697 is the number of VNDIRECTORS. Internal and external training programs are frequently provided. VNDIRECT is a place where wisdom converges to spread success.



LEADING TECHNOLOGY

Since our establishment in 2006, technology has always been the first priority of VNDIRECT. Our system, trading platform and many other applications are developed and managed in-house.



DIVERSIFIED PRODUCTS & SERVICES

VNDIRECT's customers, both retail and institutional, have a wide range of products and services to choose from. We believe diversified products and excellent customer service are the key to becoming "first choice of every investor".

Since the beginning of establishment and development, VNDIRECT has been continuously nurturing and developing our **human resources, technology, products and services**. And in return, these key elements have become our **competitive advantages** which bring us through **the rise and fall of the financial market**. Continuing to strengthen these competitive advantages is **the development strategy and vital mission** for the next ten years of VNDIRECT.



Mrs. Huong Pham Minh

Chairwoman

- Mrs. Huong is one of the leading experts with more than 20 years of experience in investment, corporate finance, risk management and monetary & capital market in Vietnam; she has become the chairwoman of the Board since 2010
- In November 2006, she and her partners founded VNDIRECT Securities Corporation, and under her management, the Company has been growing significantly
- Before that, Mrs. Huong served as the General Director of Saigon Securities Incorporation (SSI) for 3 years (2003 – 2005) and as Forex Trading Director at Citibank Vietnam from 1994 to 2002
- Ms. Huong holds a Master degree in Information Technology at Kiev Polytechnic University – the former USSR



Mr. Giang Nguyen Hoang

Member of the Board cum CEO



Mr. Hien Vu

Member of the Board



Mr. Quang Pham Le Nhat

Member of the Board



Mr. Christopher B.B. Beselin

Member of the Board()*

(*) independent member



Mrs. Huong Pham Minh
Chairwoman of the Board



Mr. Giang Nguyen Hoang
Member of the Board cum CEO



Mr. Thach Vu Tran
Chief Operating Officer



Mrs. Huong Vu Nam
Chief Financial Officer



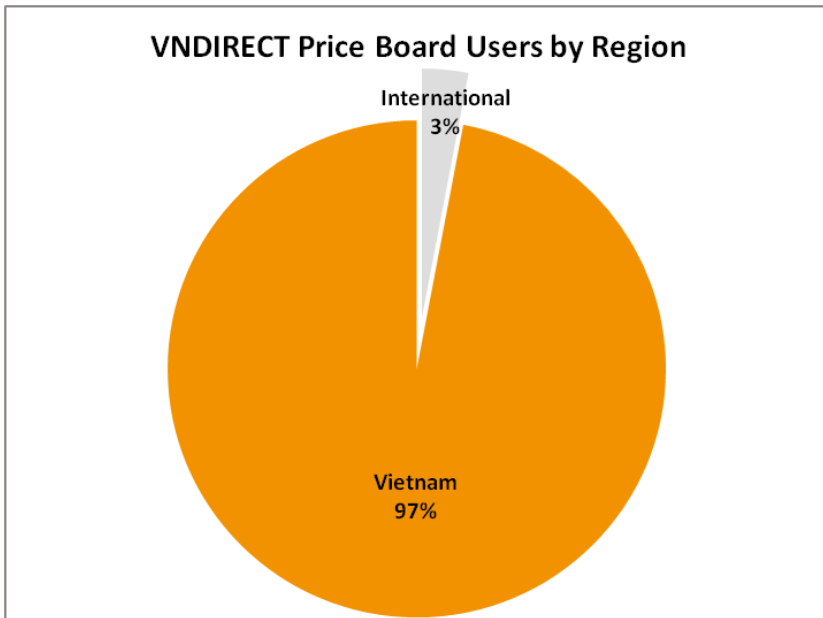
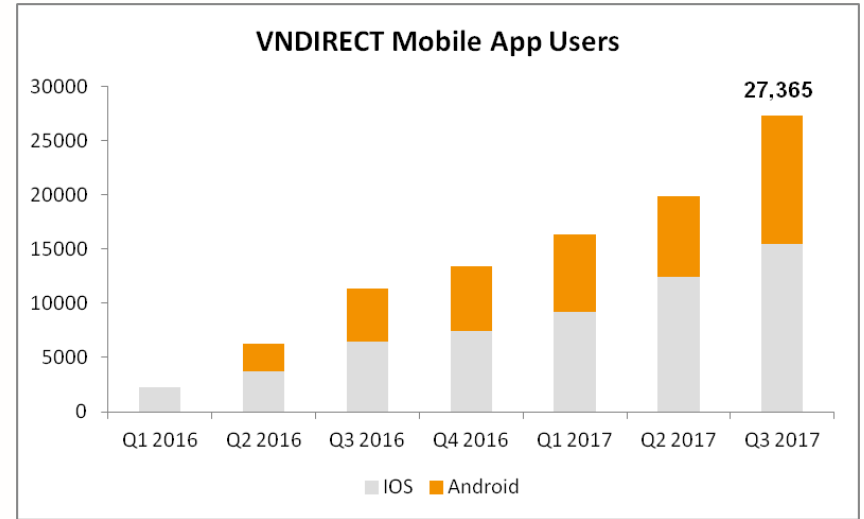
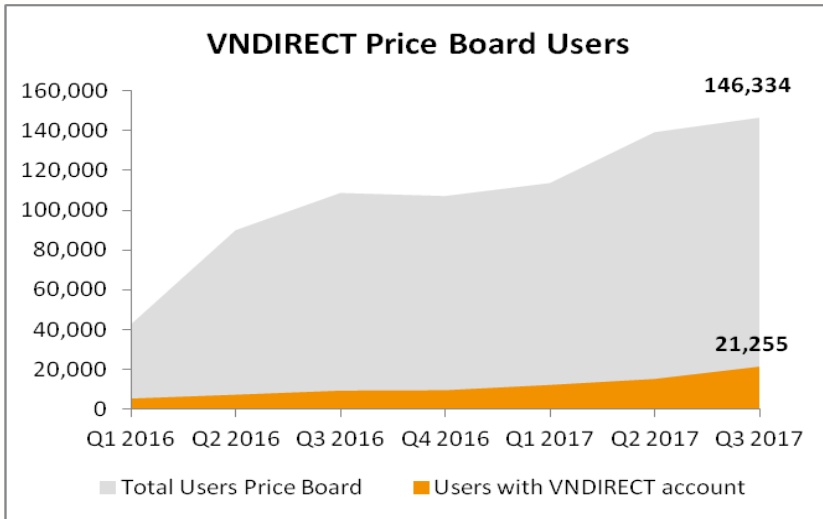
Mr. Chau Hoang Minh
Chief Technology Officer



Mr. Tuan Le Anh
Director of HCM Branch



Mrs. Ninh Nguyen Ha
Chief Accountant



HA NOI

HO CHI MINH

INTERNATIONAL

Three main servers intelligently direct users based on their locations to achieve the fastest speed and best customer satisfaction.



Order processing speed

5,000 orders/s

½ processing speed of HNX



Average latency time

0.04s

fastest in the market



Several

Free

Trade Supporting Applications



Outstanding technology products developed and managed in-place



ORS Real-time orders processing and risk managing system



Datafeed Free application updates data to analyse in AmiBroker



STOCKBOOK Social network about stocks and other investment



D-RATING Fundamental Analysis in 5 seconds



Investor Services

Retail Brokerage

- Investment advisory
- Portfolio management
- Sales & Trading
- Research & Analytic tools
- Margin loans
- Cash management

Investment Banking

- Equity Capital Market
- Debt Capital Market
- Merger and Acquisition
- Corporate Finance Advisory

Institutional Clients

- Sales & Trading
- Block trade
- Equity sales
- Research
- Corporate access

Asset Management

- Investment advisory
- Wealth management
- Cash management

VNDIRECT offers a full range of financial services from Investment Banking, Sales & Trading to Asset Management.

We provide high quality services and constantly dynamic and innovative products that actively support customers in their daily trading activities.

DIRECT ACCOUNT

BROKER ACCOUNT

PREMIER ACCOUNT

CORPORATE ACCOUNT

FINANCIAL PRODUCTS

MARGIN

FIXED MARGIN

SMART T+

CASH ADVANCES

ANALYSIS PRODUCTS

COMPANY RATINGS

E-BROKER

B-LIGHT

V-TRADE

TRANSACTION SUPPORTS

OTP

SMS DIRECT

CONDITIONAL ORDERS

24/7 MONEY TRANSFER



RETAIL BROKERAGE AND RESEARCH COVERAGE

	2014	2015	2016	Q3/17
Brokerage Share on HNX	7.00%	8.10%	9.35%	8.12%
Brokerage Share on HSX	5.80%	5.67%	6.12%	8.15%
Total Employees	514	593	657	697
Total In-house Brokers	286	332	349	350+

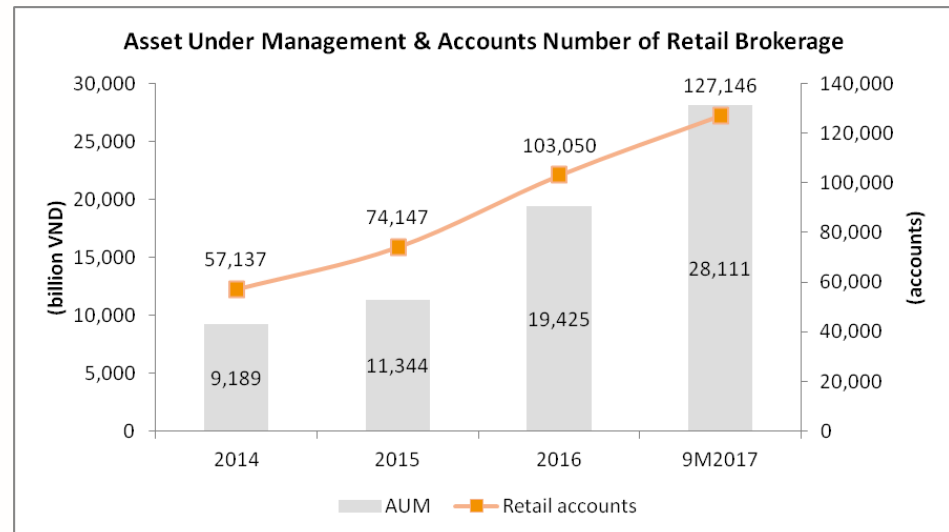
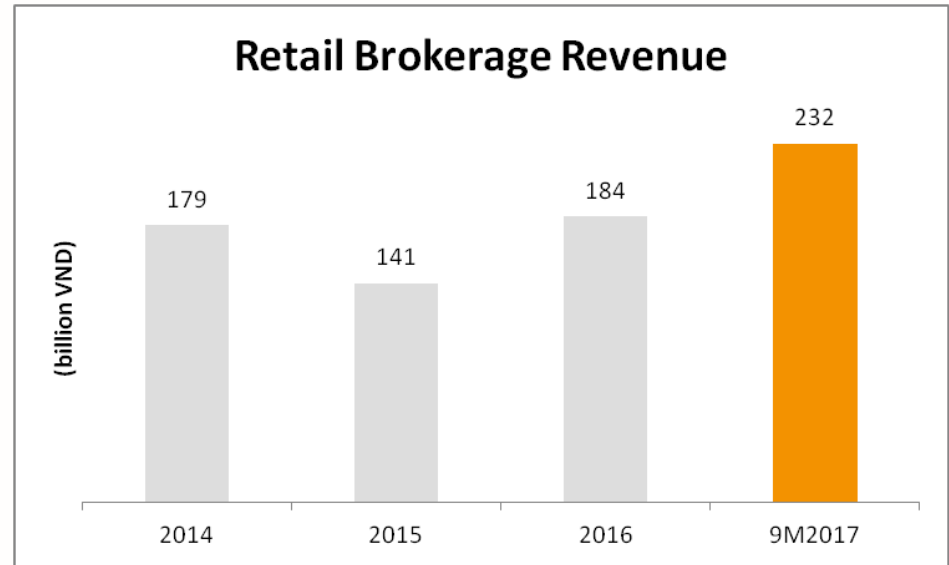
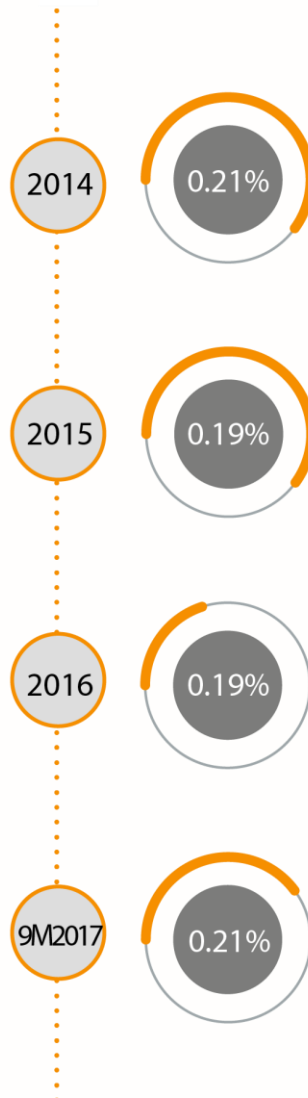
- With the retail orientation, retail brokerage is one of our core business activities with revenue making up a large part of total revenue.
- Retail brokerage market share has been improving overtime, thereby reinforces the Company's position of top 3 on both bourses among over 100 securities companies in Vietnam market.
- In 2017, the strategy for retail brokerage switches from growing sale force to developing quality of brokers. Training sessions on in-depth analysis, management, advisory and other skills are provided to brokers on a frequent basis by both internal and external experts.

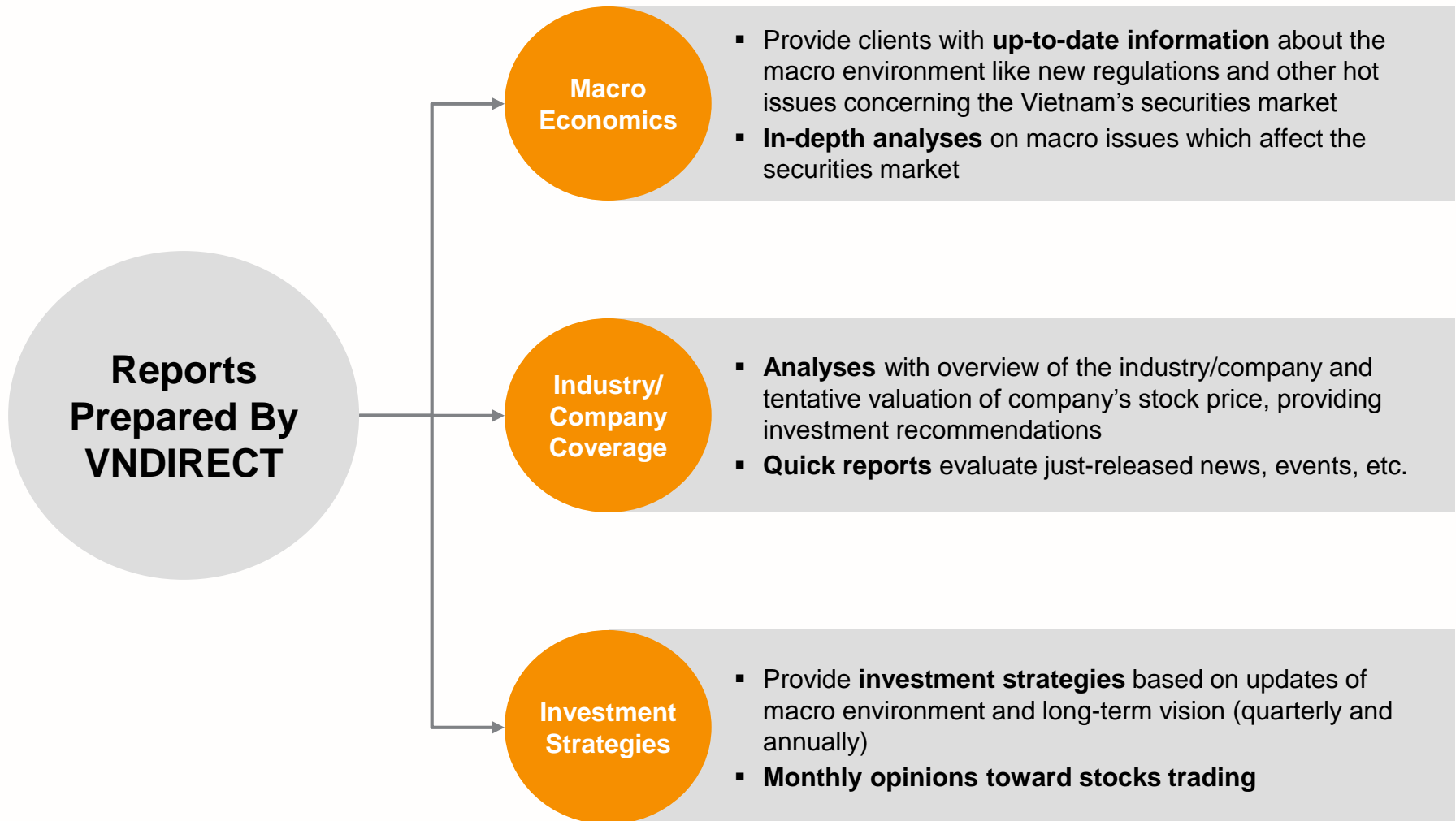
- Average brokerage fee is significantly competitive

- Retail brokerage revenue in 9M2017 increased 63.5% compared to the same period last year, reaching VND232bn.

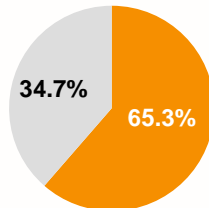
- The 2014-2016 CAGR of AUM of Retail Brokerage Department is 45.4%. AUM as at 30th Sep 2017 was over VND28tn.

Average Brokerage Fee





Wide Coverage



VND's Research Team has covered **71** stocks, equivalent to **65.3%** of total market capitalization



2016: **94** reports
9M2017: **82** reports

A Team Of 15 Experienced Persons

2 analysts in charged of Macro Economics & Investment Strategies

12 analysts in charged of Industry/Company reports, covering a number of industries

Logistics



Banking, Insurance



Construction Materials



Oil & Gas



Pharmaceutical



Real Estate



Rubber



Sugar



Utilities



Automotive



F&B



With a strong execution team covering a variety of stocks and industries in the market, VNDIRECT's Research Team has been able to deliver valuable recommendation: price of stocks recommended by the team has increased 20.9% pa on average.



**INVESTMENT, BUSINESS FINANCE,
TREASURY ACTIVITIES & RISK MANAGEMENT**

INVESTMENT BOARD

• Total five members, including : Chairwoman, Vice Chairman, CEO, CFO, one member from IPAAM, Head of Securities Investment Division.

• Investment Board is in charge of : Giving advices to the BOD on investment activities , capital allocation, approving short and long-term securities investment, issuing policies and approving proprietary investment.

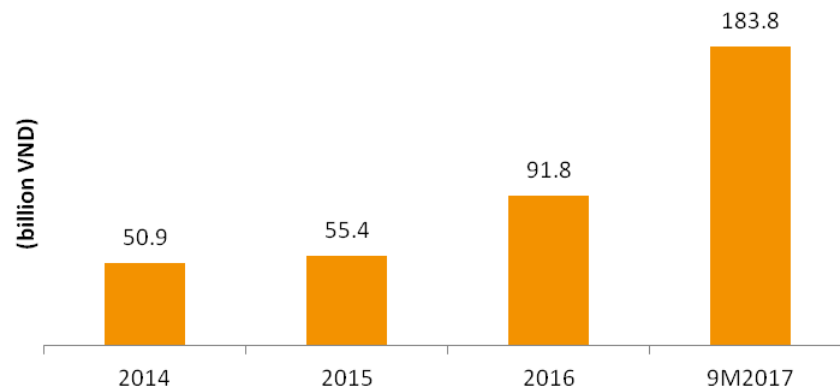
IPA ASSET MANAGEMENT

- VNDIRECT acquired IPA Asset Management on 4th Jan 2017.
- Providing investment trust services, investment consultancy, portfolio management, corporate investment, project investment for financial institutions, institutional investors, investment funds and individual investors.

SECURITIES INVESTMENT DIVISION

- A team of 12 members with strong experience in analysis, model building and trading.
- The division operates in following areas: short-term trading portfolio management, investment services and derivatives.

Revenue of Securities Investment Division



Before 1st Jan 2017, gain from financial assets at FVTPL include only 1&3. Due to the change in Vietnamese accounting standard, from 1st Jan 2017 on, gain from financial assets at FVTPL include all 1, 2 & 3. Gain from revaluation of financial assets in 9M2017 is 33.4 billion VND.

1. Gain from disposal of financial assets at fair value through profit and loss (FVTPL)
2. Gain from revaluation of financial assets at FVTPL
3. Dividend, interest income from financial asset at FVTPL

Sectors of major investment:

Banking & Insurance

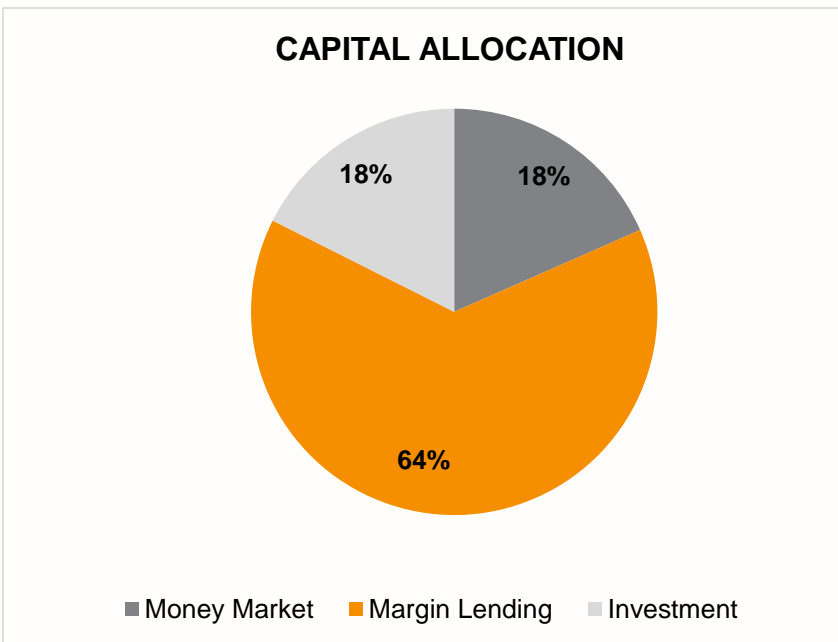
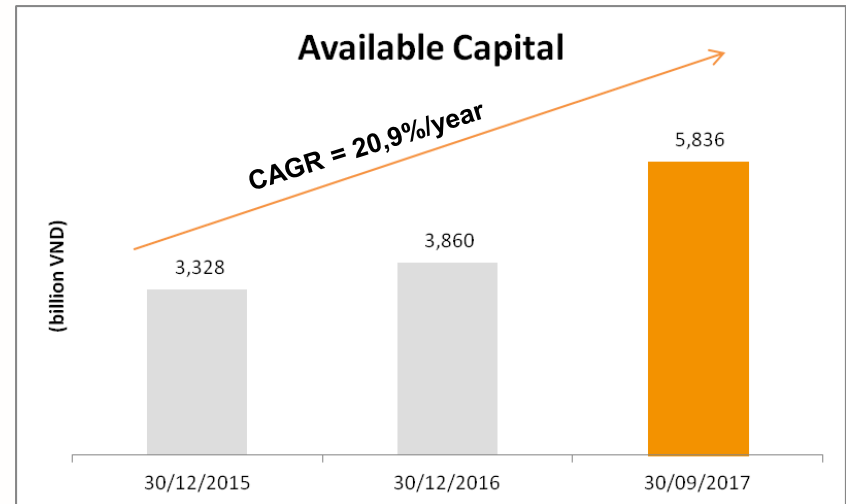
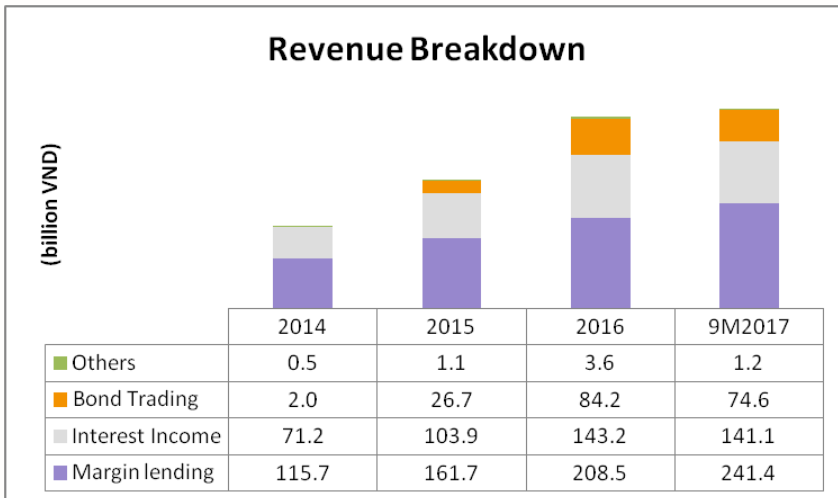


Real Estate



Consumer Goods





Raising addition capital via **issue** and **distribute** corporate bonds which worth **VND 200 billion**

For the year 2017, the estimated return on investment (**ROI**) for each individual business segment is as following:

- **Margin Lending:** **18.91%;**
- **Money Market:** **10.61%;**
- **Investment:** **24.90%.**

Network with more than 40 financial institutions

VNDIRECT maintain a good relation with a large number of well-known financial institutions and we will keep expanding our network at both domestic and international levels.

VietinBank

MARITIME BANK

BIDV

VPBank

Vietcombank

HDBank

FE CREDIT

Sacombank

TECHCOMBANK

In-house risk management team of 5 experienced members

Market Risk

- Proprietary investment portfolio: Our company maintains a moderately small investment portfolio compared to total asset
- Customers' stock portfolio held as collateral for margin loans: VNDIRECT identifies business targets of margin financing, identifies risk appetite for services, and builds an optimal portfolio balancing between revenue generating need, competitiveness and risk management need
- Margin lending portfolio is reviewed monthly at normal market condition. Any stock involved with abnormal situation will be reviewed immediately.

Credit Risk

- At VNDIRECT, Credit risk management is focused on activities of Treasury Department
- The list of financial institutions was regularly updated, maintained collective and various. Cash in banks was reasonably allocated and conformed to the credit line approved in advance

Liquidity Risk

- Currently, cash flows are monitored on a daily basis and comprehensively reported to Board of Management as well as Risk Management Department.
- Actual cash flow is checked with market to ensure no interruption in payments. At the same time, the business units also prepare contingent plans for unforeseeable risk incidents

The Company as a whole, from each individual employee to departments and divisions, follows an efficient risk management process

Operational Risk

- There is a clear segregation of duty, cross-checking between individuals and departments, strengthening internal monitor to timely detect errors
- Raise awareness of compliance by staff training, continuous dissemination of general process and rules directly related to the work of each department and promote professional ethics
- All systems are assured to be backed up and secured and security system is periodically inspected

Legal Risk

- An in place legal department which consists of four members to ensure that all activities strictly comply with all government law and the Company Charter.
- In addition to full and regularly updated system processes, the company understands the importance of compliance culture and communication of that to each employee

Reputational Risk

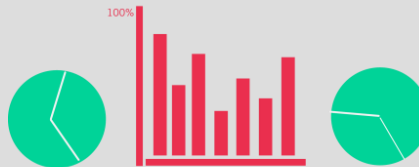
- With VNDIRECT's code of conduct, together we overcame various crisis such as the 2014 incident about our trading platform
- We strive for transparency, straight forwardness and timely response

APPROVED SECURITIES LIST

The list comprises:

1. Lending room
2. Margin loan rate
3. Maximum lending price.

It is reviewed on a regular basis and can be easily found on VNDIRECT website



RISK CONTROL PARAMETER

A risk management parameter called RTT is applied to each individual trading account.

RTT is the quotient between collaterals and debts

RISK WATCH SYSTEM

Risk Management team is currently working closely with technology department to build a risk watch system that daily tracks financial risks (i.e.: price volatilities, liquidity).





**INSTITUTIONAL BUSINESS:
INSTITUTIONAL BROKERAGE & INVESTMENT BANKING**



Extensive Coverage

- VNDIRECT and CIMB combined research covered more sectors in Vietnam than other local players
- VNDIRECT and CIMB combined strength of more than 150 research analysts.

=> Actively covering over 1,100 stocks in ASEAN

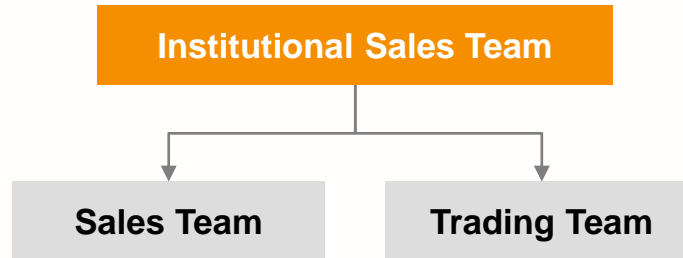
Distribution reach

- As the fifth largest banking group in ASEAN, CIMB has around 39,000 staff.
- Beyond 15 ASEAN countries, CIMB also has presence in China & Hong Kong, India, Sri Lanka, Korea, the US and the UK.

Ranking & Awards

- CIMB is ranked among the top banks in ASEAN.
- CIMB was awarded
 - the 2016 Islamic Bank of the Year – Global award by The Banker magazine, Best Bank 2016
 - Best Investment Bank in Malaysia 2016 by Finance Asia Country Awards
 - And many others.

Our partnership with CIMB since 2013 and other international brokerage firms allows us to combine our deep local presence with their regional distribution network.



**A Team Of 11 Members With International Experience
And Strong Network With Foreign Institutions**

STRONG EXPERTISE

Channels used:

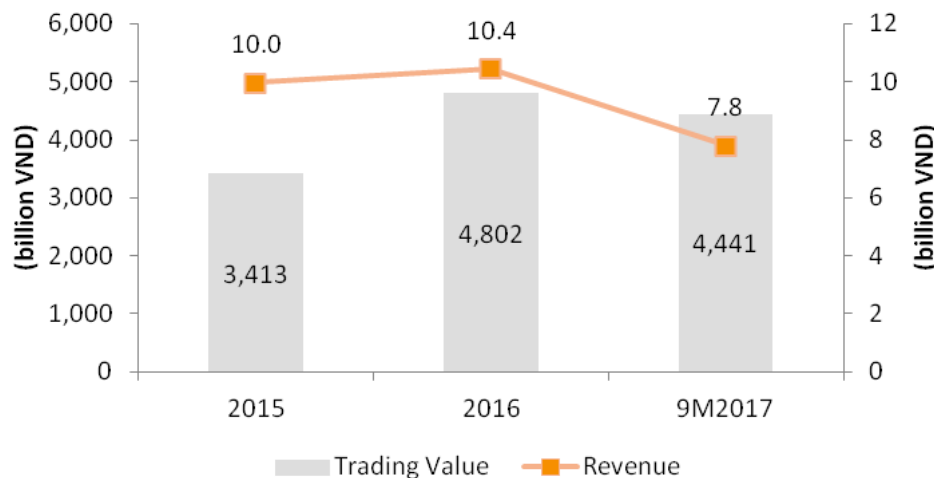
- Online trading
- Trading via Bloomberg FIX/EMSX
- Manual trading via traders

Types of order instruction:

- Limit or Better, Careful Discretion
- % in line with market
- Good-till-cancelled

Arrange corporate visits upon requests

IC's Trading Value & Revenue



COMPREHENSIVE SERVICES

- Sales & Trading
- Block trade
- Equity sales
- Research
- Corporate access
- White-labeling Platform

INSTITUTIONAL CLIENTS LOCATION



	2014	2015	2016	9M2017
DOMESTIC INSTITUTIONAL ACCOUNTS NUMBER	191	244	375	429
INTERNATIONAL INSTITUTIONAL ACCOUNTS NUMBER	39	71	84	85

Manufacturing

Energy, Oil & Gas

Real Estate & Infrastructure

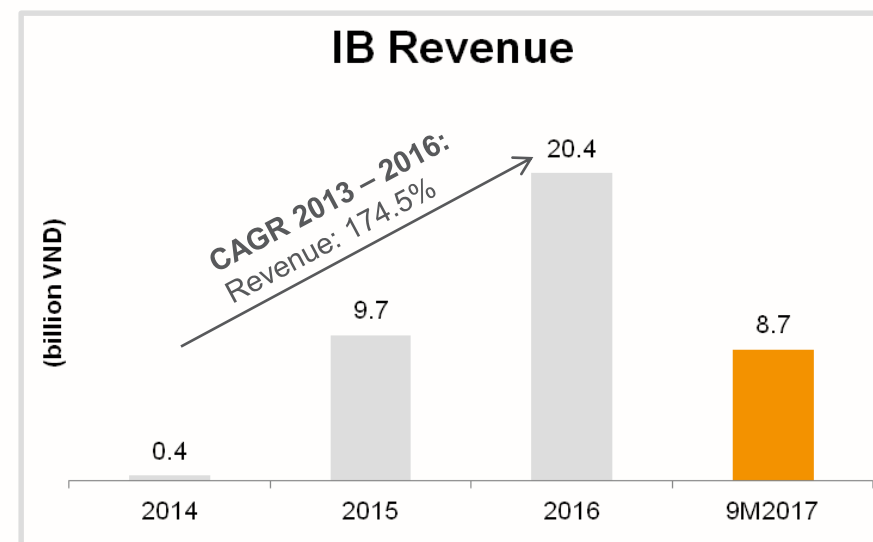
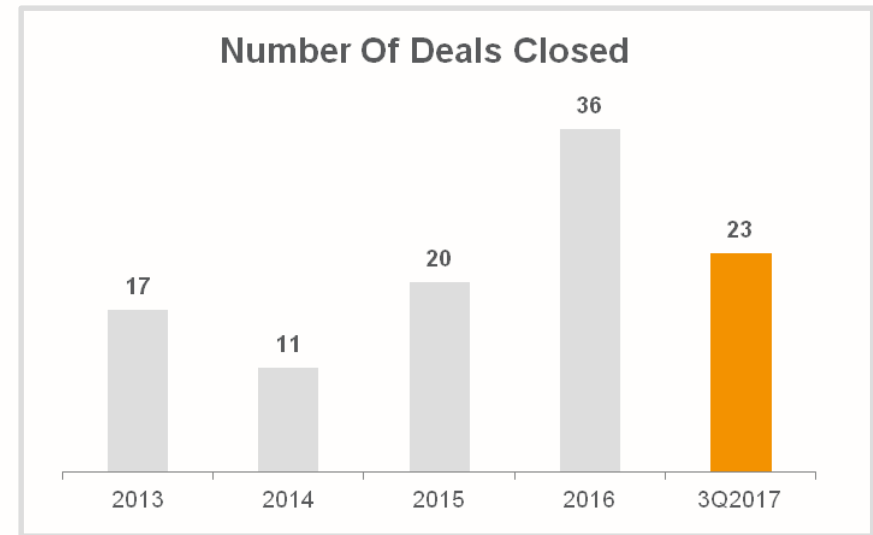
Alcoholic Drinks & Beverages

Construction & Construction Materials

Automotive

Financial Institutions

Others



<p>Energy</p> <p>Vinaconex P&C JSC (VCP)</p> <p>Charter Capital: VND456 billion</p> <p>Registering for trading on UPCoM</p>	<p>Real Estate</p> <p>SCID JSC (SID)</p> <p>Charter Capital: VND1,000 billion</p> <p>Registering for trading on UPCoM</p>	<p>Construction</p> <p>Ha Long Consultant & Investment JSC</p> <p>Charter Capital: VND316 billion</p> <p>HOSE listing</p>	<p>Consumer Goods</p> <p>HaiHa Confectionery JSC (HHC)</p> <p>Charter Capital: VND164.3 billion</p> <p>IPO</p>	<p>Minerals</p> <p>Vinacomin Coc Sau Coal JSC (TC6)</p> <p>Charter Capital: VND324.9 billion</p> <p>Bonus shares issuance</p>	<p>Agriculture</p> <p>Sunstar Investment JSC</p> <p>Charter Capital: VND660 billion</p> <p>HOSE listing</p>
<p>Construction Materials</p> <p>Hoa Cam Concrete JSC (Intimex)</p> <p>Charter Capital: VND44 billion</p> <p>Shares issuance</p>	<p>Banking</p> <p>Vietnam International Bank (VIB)</p> <p>Charter Capital: VND5,644.4 billion</p> <p>Registering for trading on UPCoM</p>	<p>Electronics, Telecom</p> <p>Vinh Khanh (VKC)</p> <p>Charter Capital: VND200 billion</p> <p>Equity Underwriting</p>	<p>Construction Materials</p> <p>CMC JSC</p> <p>Charter Capital: VND201.6 billion</p> <p>ESOP issuance</p>	<p>Beer & Beverages</p> <p>Hanoi – Thai Binh Beer JSC (BTB)</p> <p>Charter Capital: VND76.9 billion</p> <p>Registering for trading on UPCoM</p>	<p>Food & Beverages</p> <p>CJ Freshway LLC</p> <p>Charter Capital: US\$9.6 million</p> <p>Buy-side consultancy</p>
<p>Automotive</p> <p>Haxaco JSC (HAX)</p> <p>Charter Capital: VND142.3 billion</p> <p>Shares issuance</p>	<p>Pharmaceutical</p> <p>Danapha Pharmaceutical JSC</p> <p>Charter Capital: VND130.2 billion</p> <p>Public offering</p>	<p>Pharmaceutical</p> <p>Traphaco JSC</p> <p>Charter Capital: VND345.5 billion</p> <p>Shares issuance</p>	<p>Beer & Beverages</p> <p>Sai Gon – Nghe Tinh Beer JSC (SB1)</p> <p>Charter Capital: VND105 billion</p> <p>Registering for trading on UPCoM</p>	<p>Rubber</p> <p>Tan Bien Rubber JSC (RTB)</p> <p>Charter Capital: VND1,200 billion</p> <p>Registering for trading on UPCoM</p>	<p>Food & Beverages</p> <p>Mekong Capital</p> <p>Vietnam-focused Private Equity firm</p> <p>Sell-side consultancy</p>

In 2016 and 1H2017, VNDIRECT IB completed more than 54 deals with total of 1.3 billion shares being issued, listed, and registered for trading.



Chris Freund
Partner
Mekong Capital

“ This is to **thank you** for the excellent job you did arranging the exit of [REDACTED]. This was obviously a challenging case and the outcome was really excellent, and above my expectations. We are very proud of this exit, and really appreciate VNDIRECT’s role in preparing the materials, finding the buyers and getting it completed.

We recognize that you’ve helped us on some of our more difficult cases, [REDACTED] and [REDACTED], included. We appreciate that.

Hopefully we can work together on some other opportunities that both the fundamentals and the level of cooperation from the company is high. ”



**Tuyet
Nguyen Thi**
Company Owner
Minh Dat Food
Company

“ VNDIRECT assisted us to connect to many potential investors, both financial and strategic in the region.

VNDIRECT advisory team has assisted us during the whole process, including valuation and especially negotiation of structure and terms of the transaction with the potential investor which has brought great value to our Company’s shareholders as well as growth potential for the Company itself.

We highly appreciate the role as well as the result that VNDIRECT advisory team has delivered and we look forward to further cooperation with the team in the future.”

No.	ITEMS (billion VND)	2016 Results	2017 Plan	% increase compared to 2016 result	9M2017 Results	% Completed Plan
1	Revenue	690	866	26%	890	103%
2	Expenses	462	582	26%	493	85%
3	Profit before taxes	227	284	25%	397	140%
4	Net profit	186	231	24%	340	147%

VNDIRECT

W I S D O M T O S U C C E S S

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Thank you