

EARNINGS RELEASE

3Q2024

VNDIRECT SECURITIES CORPORATION



MARKET INSIGHTS

❖ **The VN-Index experienced a modest gain of 0.3% in September, thanks to:**

- The Fed slashed rates by 0.5% pts, bringing the Fed funds rate to 4.75%-5.00%.
- Positive 8M24 macro news for Vietnam, including IIP +9.5% YoY, and CPI moderated to 3.45% YoY in August.
- SBV slashed OMO rates to 4.0% p.a., demonstrating the will to support system liquidity.
- Circular 68/2024/TT-BTC was officially issued, allowing securities companies to offer non-prefunding services to foreign institutional clients.

❖ **The VN-Index also recorded some setbacks, including:**

- Investor pessimism following typhoon Yagi; liquidity in September in turn decreased 11.8% MoM.
- The SBV's willingness to implement more accommodative monetary policies to support the economy and the improving outlook of the real estate market.

❖ **Market upgrade efforts expected to bear fruit**

- On Sep 18, 2024, Circular 68/2024/TT-BTC could help Vietnam's stock market be upgraded to Secondary Emerging Market status by FTSE, with the announcement expected in March 2025.
- The VN-Index is now facing strong resistance at 1,300, and profit-taking will certainly accelerate. Adhering to discipline and portfolio risk management principles should be a high priority.
- Our stretch scenario of the VN-Index closing 2024 at 1,400 is more feasible following the Fed's initial 0.5% rate cut in its last meeting.

Source: VNDIRECT Research

FINANCIAL HIGHLIGHTS 9M24

Total Assets

VND **43,296** bil ▲ **4%**

Owner's Equity

VND **19,464** bil ▲ **18%**

Net Revenue Capital Market

VND **1,118** bil ▲ **65%**

Net Revenue Securities Services

VND **1,157** bil ▲ **4%**

Profit After Tax (PAT)

VND **1,467** bil ▲ **22%**

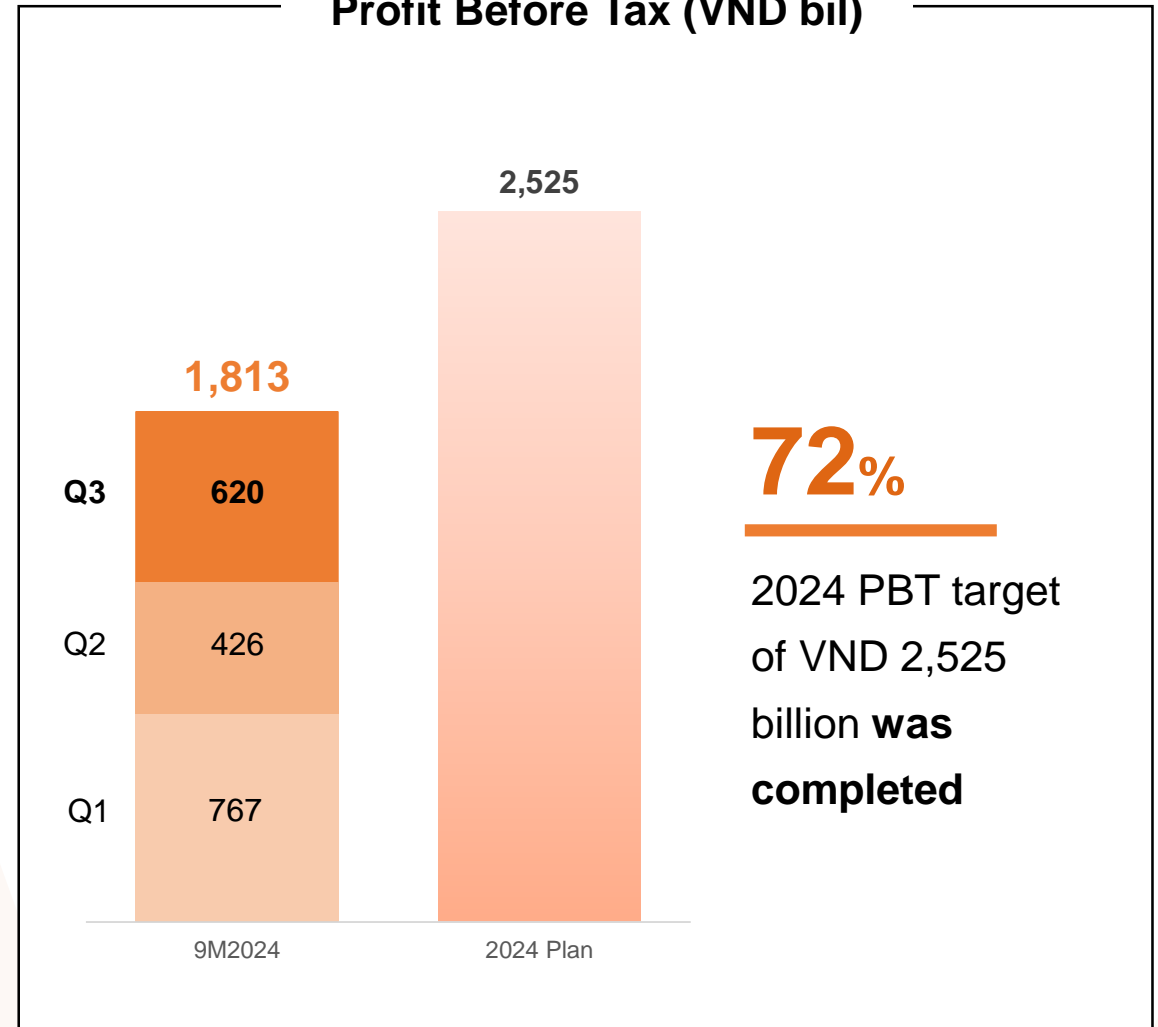
ROEA

13.3%

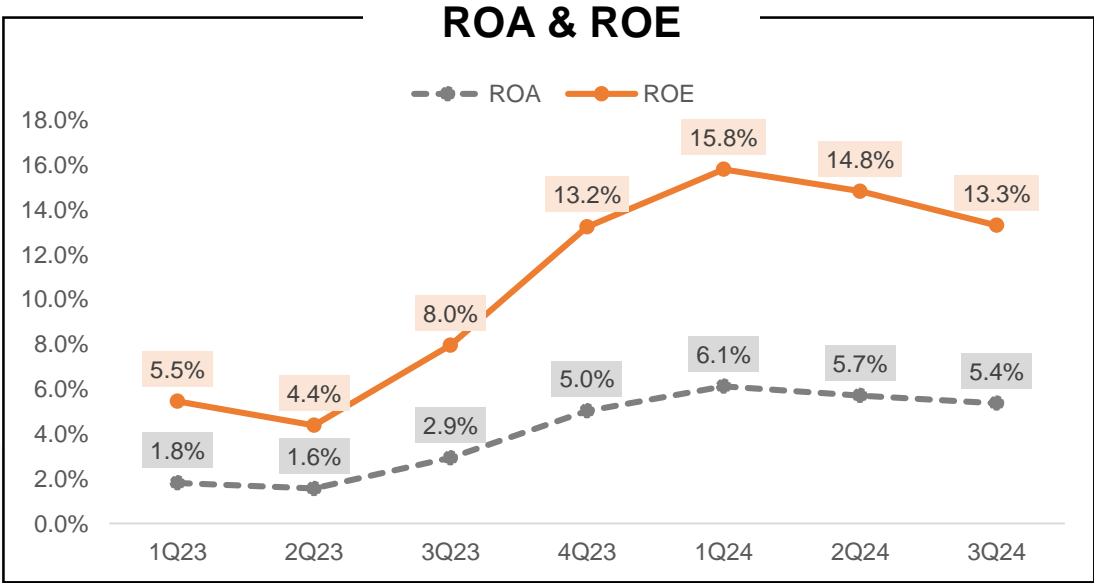
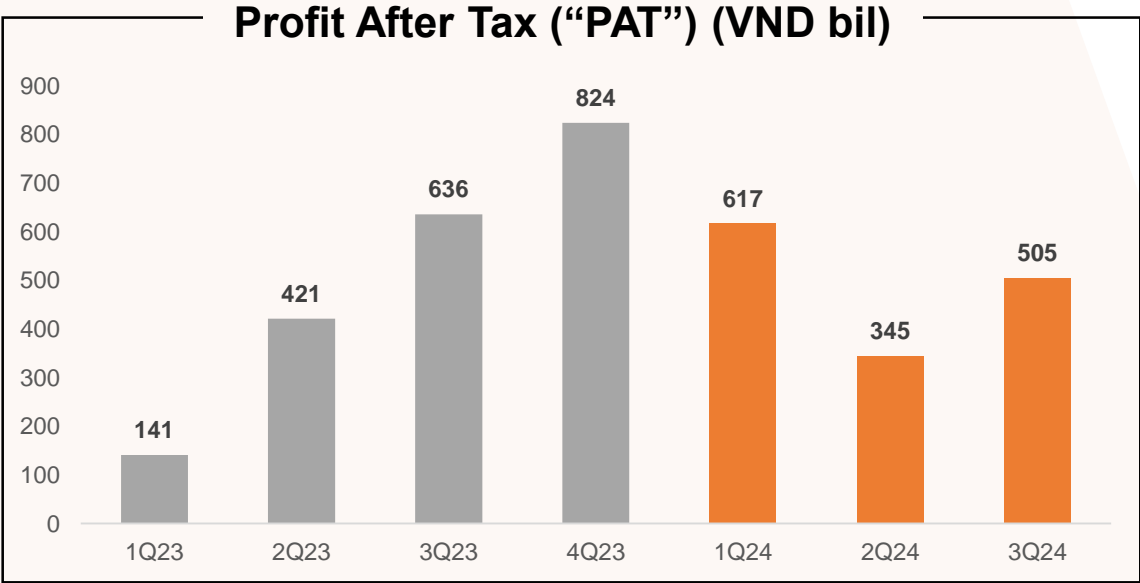
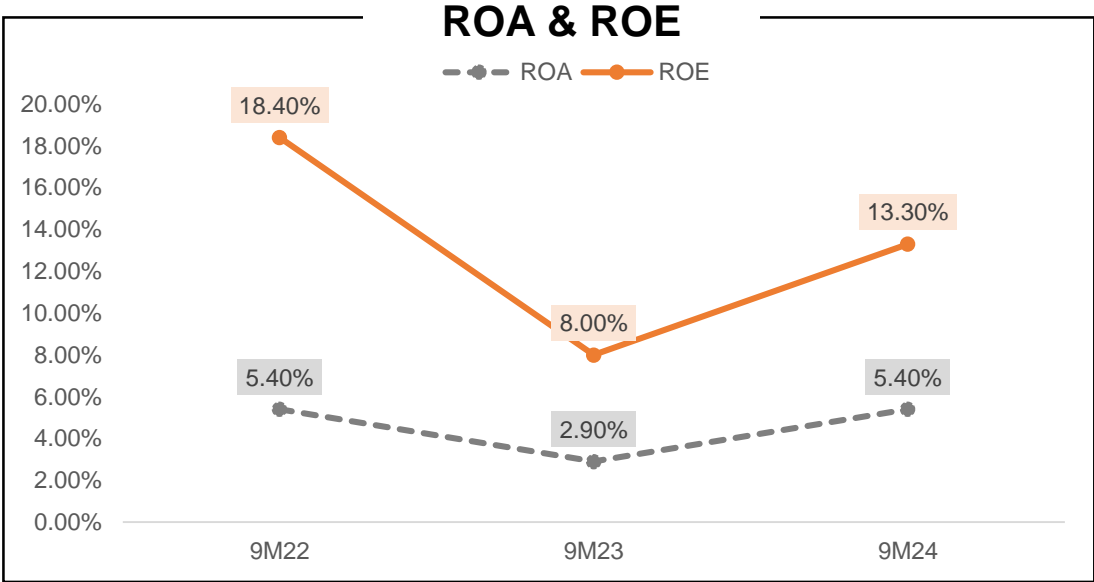
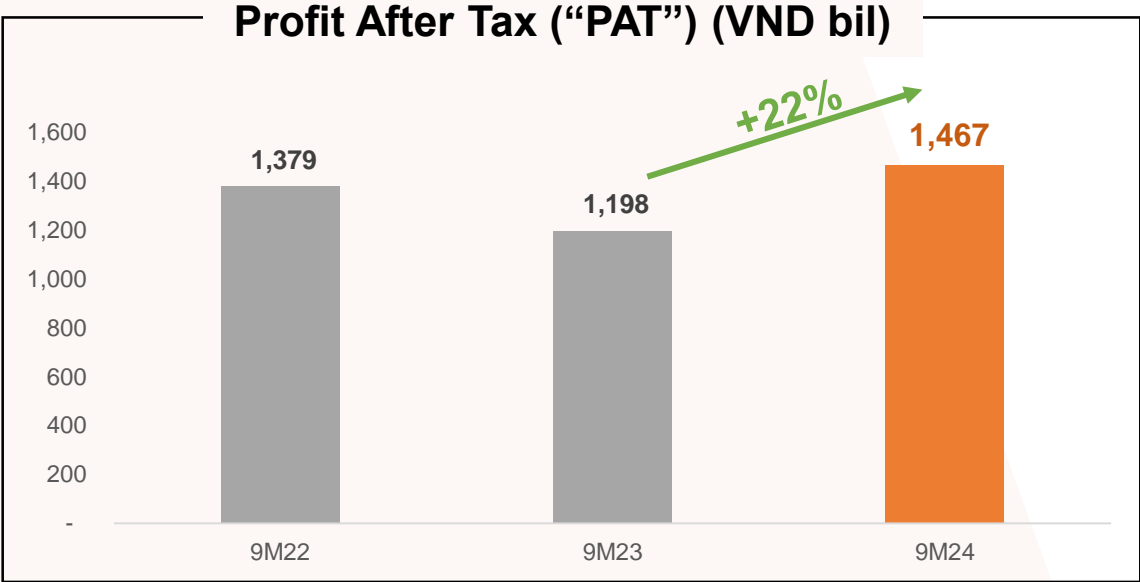
ROAA

5.4%

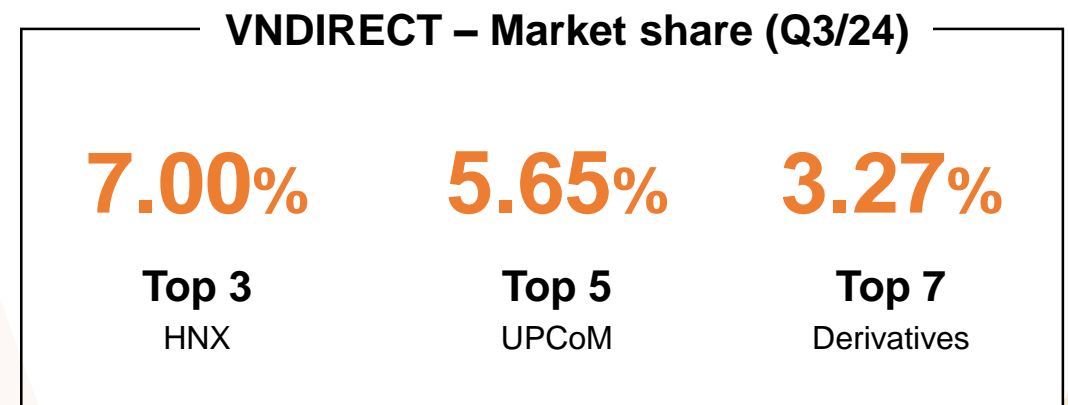
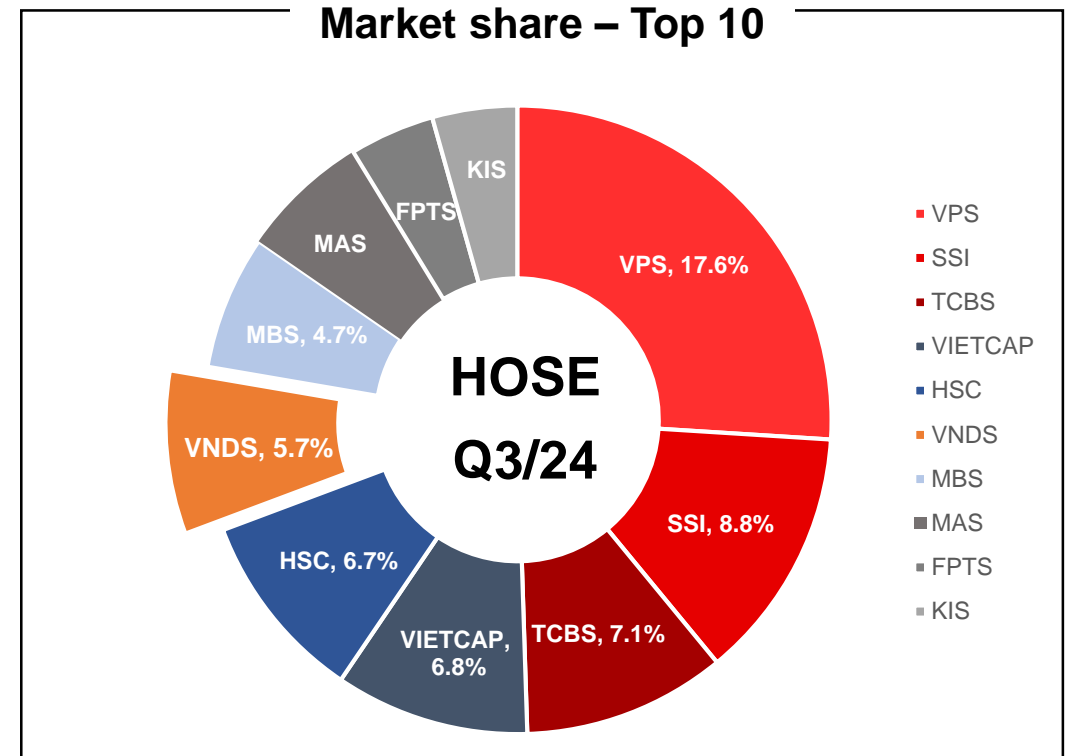
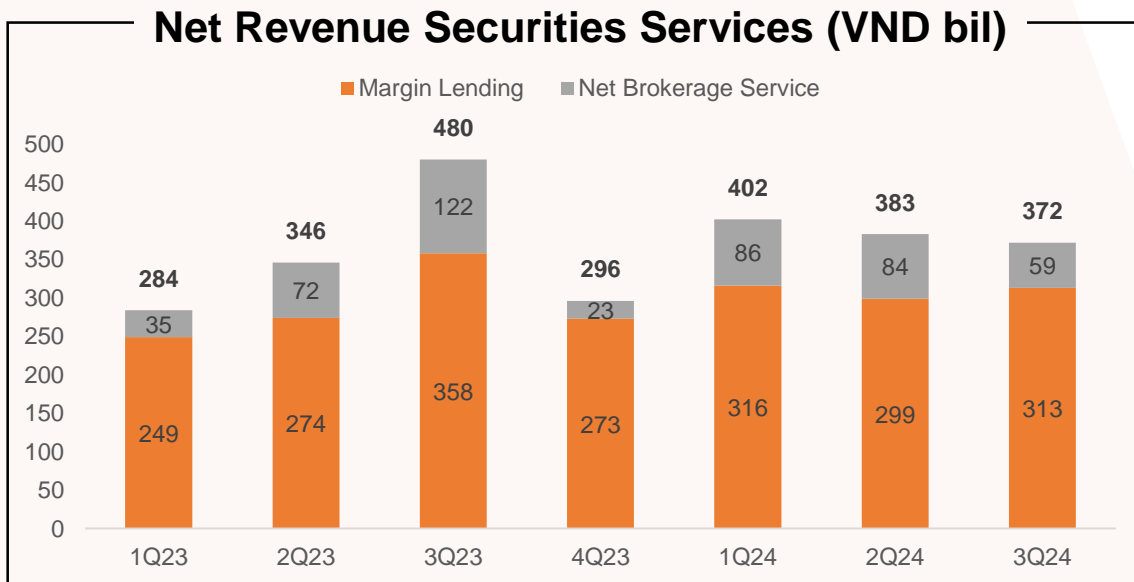
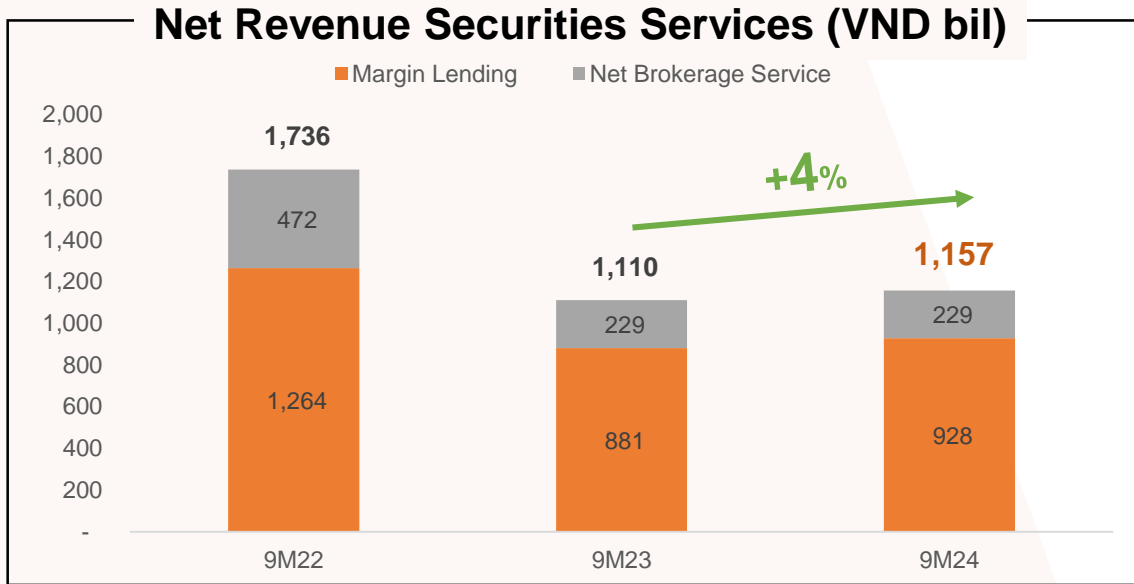
Profit Before Tax (VND bil)



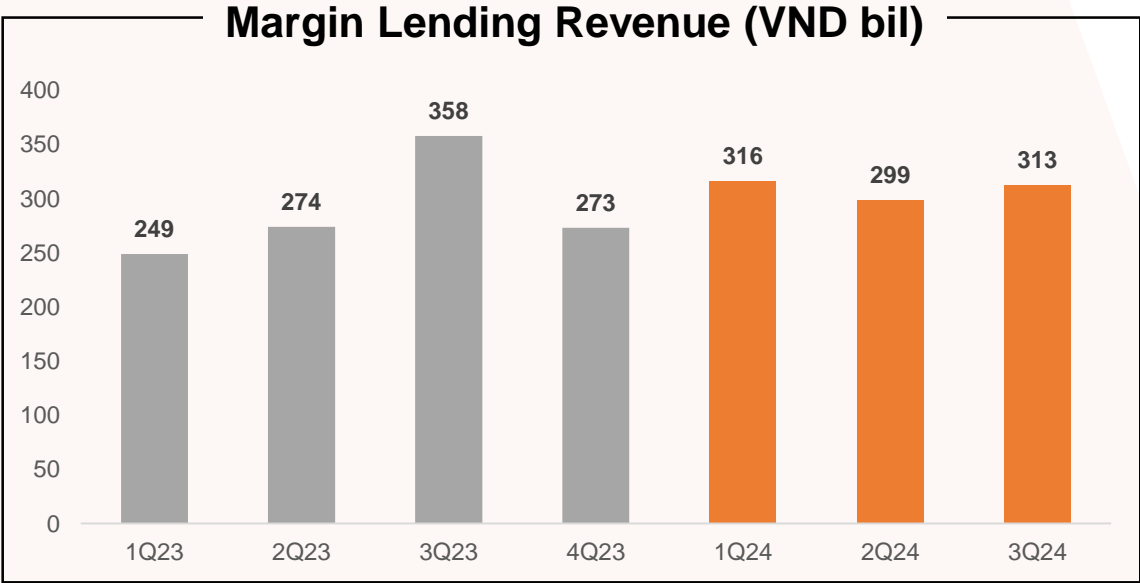
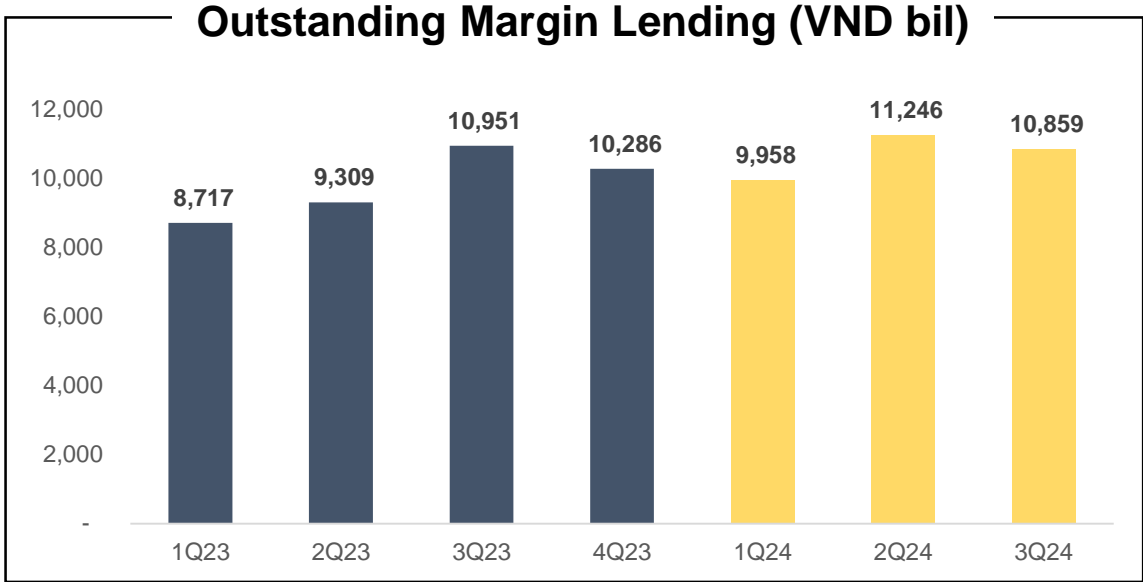
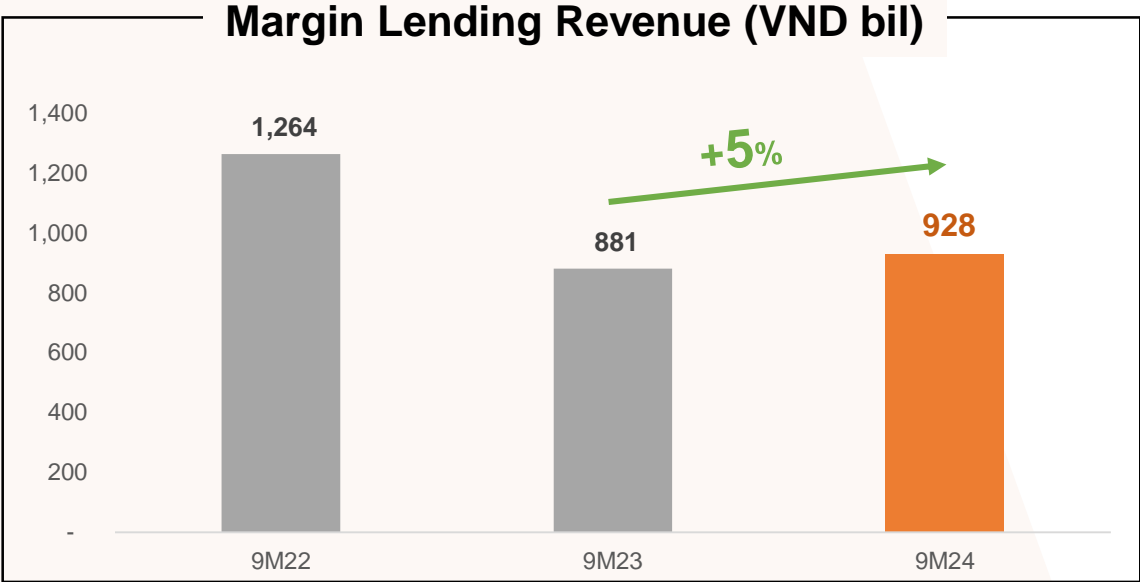
PROFIT AFTER TAX & EFFICIENCY RATIOS



SECURITIES SERVICES

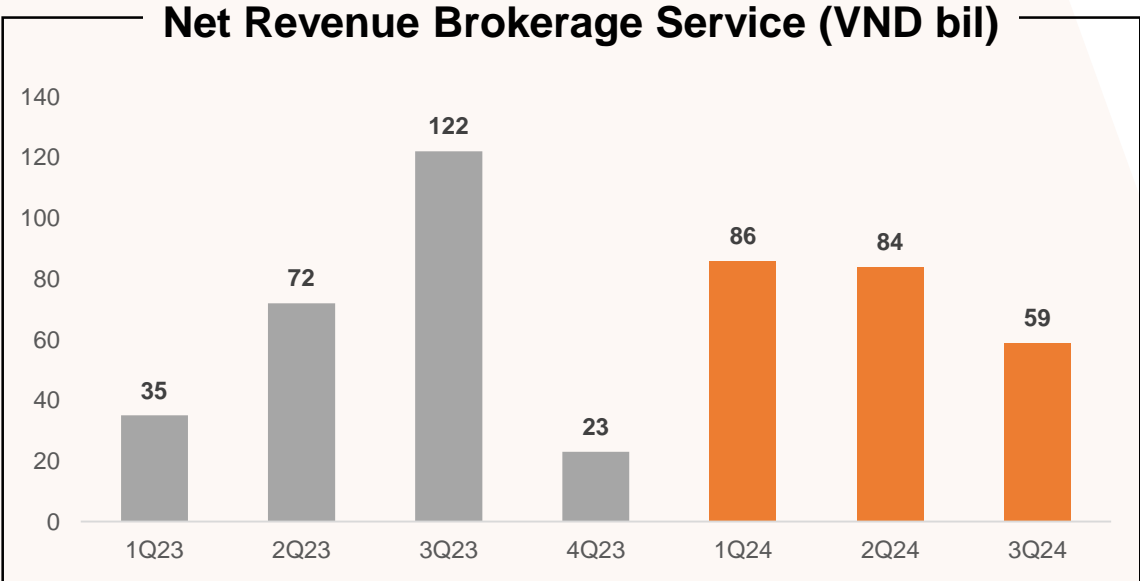
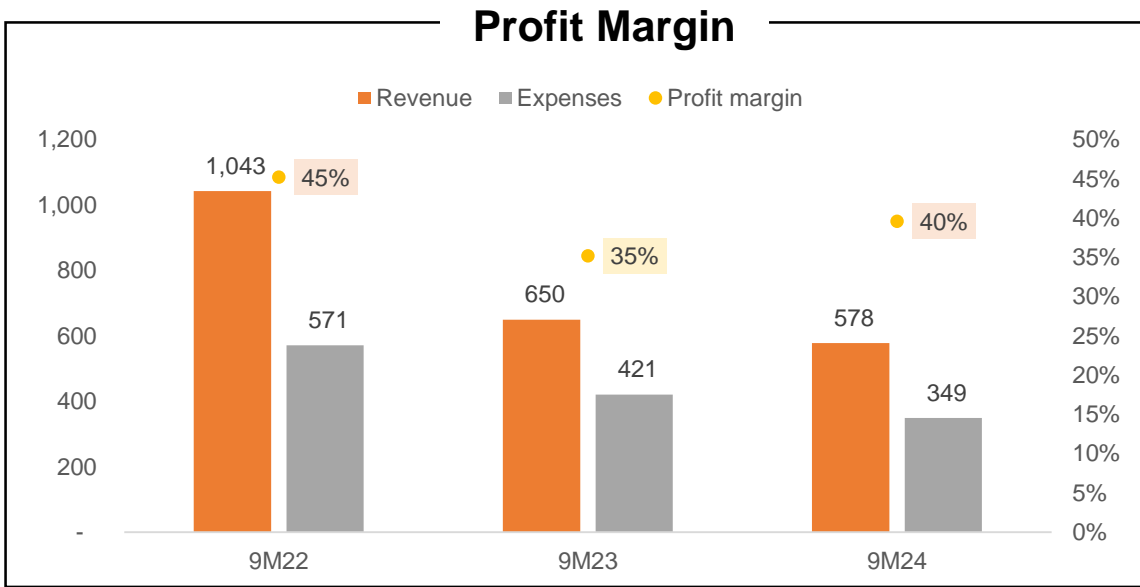
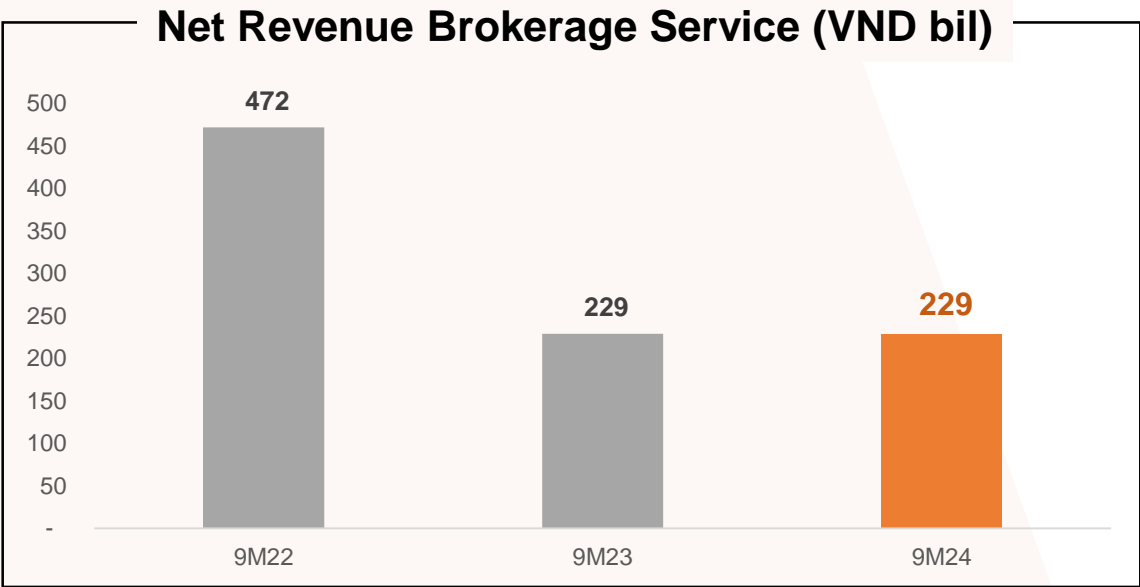


SECURITIES SERVICES – MARGIN LENDING



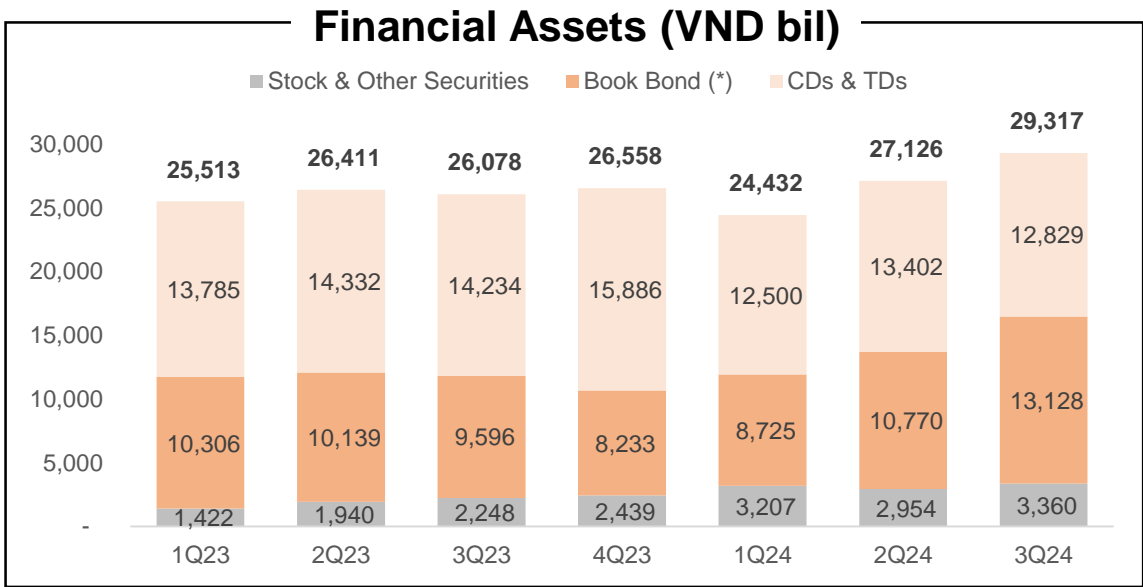
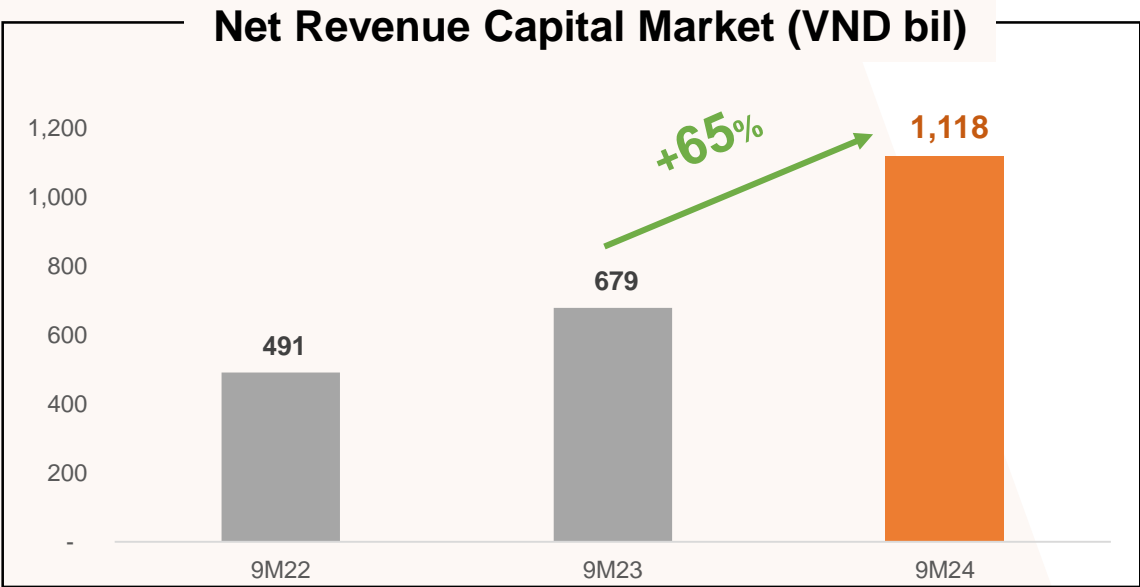
- ❖ Q3/24 margin revenue reached VND 313 billion, an increase of 5% compared to Q2/24. The accumulated figure for 9M24 was VND 928 billion, up 5% YoY. The interest margin declined as customers increasingly utilized margin lending service packages.
- ❖ Margin balance at the end of Q3/24 increased to nearly VND 11 trillion, equivalent to a 6% YoY growth.

SECURITIES SERVICES – BROKERAGE SERVICE

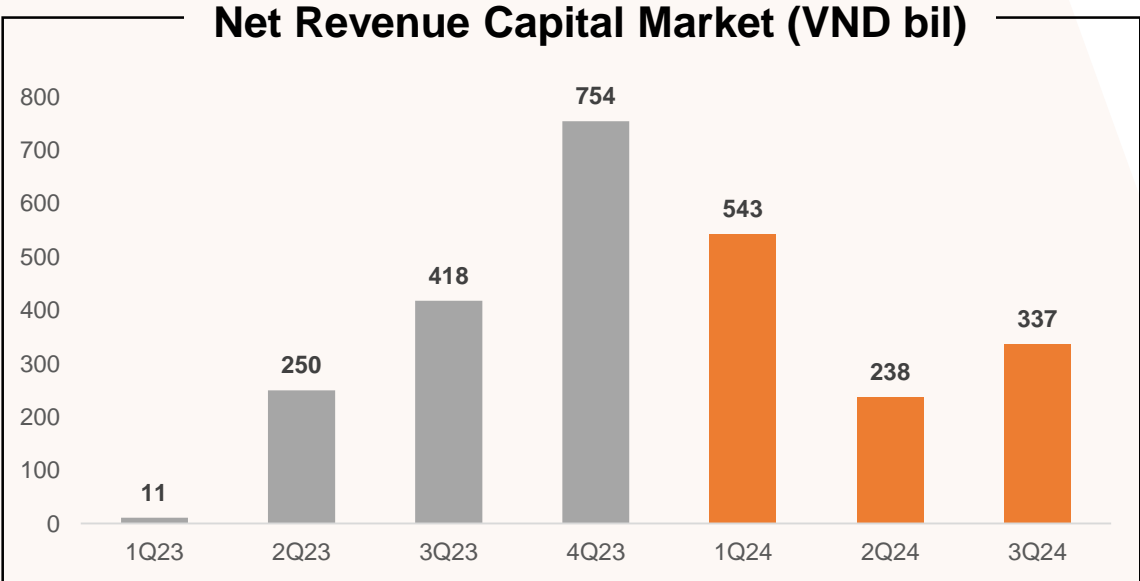


- ❖ Revenue from offline brokerage services (with securities brokers) accounts for a significant proportion, approximately 60%. However, this is also a channel with high costs.
- ❖ VNDIRECT is focusing on developing the online channel to optimize business results.
- ❖ While VND's clients are primarily individual investors, the significant decline in market liquidity in Q3/24 compared to Q2/24 affected the company's securities brokerage revenue, leading to a decrease in Q3/24 compared to Q2/24.

CAPITAL MARKET (“CM”)



(*) Book Bond includes Govi Bond



- ❖ The revenue from Capital Market (CM) segment continues to primarily derive from bond portfolios and CD&TD, which are also the two assets with the largest weighting in the FAs portfolio structure. In Q3/24, the CM profit reached VND 337 billion, a decrease of 20% YoY; however, the accumulated profit for 9M24 increased by 65% YoY, primarily driven by continued reductions in financial expenses and NIM growth.
- ❖ VNDIRECT has increased the proportion of government and FI bonds (mainly issued by state-owned banks), partially shifting from TDs, leading to the expansion of its Bond Book. This strategy leveraged rising bond prices and improved returns in a declining-rate environment, while effectively keeping the risk of its overall financial asset portfolio under control.



Q&A

This earnings release is intended primarily for informational purposes, but there are forward-looking statements in VNDIRECT's expectations, intentions or strategies that may involve multiple risk factors and uncertainty. These forward-looking statements, including the forecasts, estimates, projections, expectations, and assumptions of VNDIRECT, are subject to risks, uncertainties, and other unforeseeable or implicit factors, which is beyond the control of VNDIRECT, may cause actual results in business activities, financial activities, or positions and achievements of VNDIRECT to differ significantly from those expressed or implied in future views. Unless otherwise provided by law, VNDIRECT is disclaimed from responsibility for updating such forward-looking statements to reflect future events or situations. Readers of this report should not consider these statements as commitments about VNDIRECT's business results, position, achievements, and future events and are advised not to rely on them excessively.

Thank You

VNDIRECT SECURITIES CORPORATION

 No.1 Nguyen Thuong Hien – Hai Ba Trung – Ha Noi

 Website: <https://vndirect.com.vn>

 *Investor Relations Department*

 Email: ir@vndirect.com.vn

