



# HO CHI MINH CITY SECURITIES CORPORATION

## Q1 2021 EARNINGS PRESENTATION

Ho Chi Minh City, April 26th , 2021



1. VN Index rose 7.9% QoQ in Q1 2021. ADV rose to VND19,022 billion, up 64% QoQ and 302% YoY.
2. HSC Q1 revenue was VND738 billion, increasing 142% YoY. PBT was VND401 billion, up 219% YoY.
3. HSC maintained leading positions across its key businesses: #3 in securities service and #2 in derivatives within which we were the market leader in Covered warrants.
4. Total assets reached VND14,961 billion at end of Q1. The margin loan balance rose to VND8,876 billion, #2 in the market.
5. HSC received approval for a rights issue to raise VND2,135 billion in new equity in Q3
6. HSC was joint bookrunner on the placement of US\$150m of ACB, the largest block trade in Vietnam YTD

## Q1 HIGHLIGHTS



<p>Net revenue (VND bn)</p> <p><b>738</b></p> <p>142% YoY</p>	<p>Profit before tax (VND bn)</p> <p><b>401</b></p> <p>219% YoY</p>	<p>Total assets (VND bn)</p> <p><b>14,961</b></p> <p>139% YoY</p>
<p>Margin loan balance (VND bn)</p> <p><b>8,876</b></p> <p>150% YoY</p>	<p>Earnings per share (VND)</p> <p><b>1,055</b></p> <p>26% YoY</p>	

# Q1 BUSINESS RESULTS

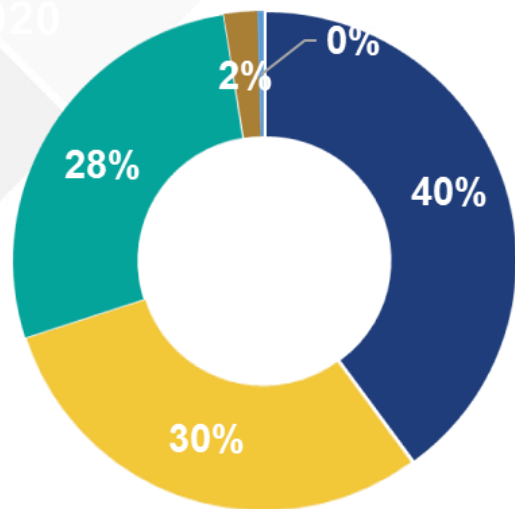


	Q1/2021	Q1/2020	% Change	Plan 2021	% Plan 2021
<b>Income statement (VND million)</b>					
Revenue	737,848	304,599	142%	<b>2,668,634</b>	28%
Operating expenses	336,147	178,491	88%	<b>1,465,326</b>	23%
<b>Profit before tax</b>	401,700	126,108	219%	<b>1,203,308</b>	33%
<b>Profit after tax</b>	321,805	100,979	219%	<b>962,646</b>	33%
<b>Balance sheet (VND million)</b>					
<b>Total assets</b>	14,961,790	6,263,688	139%	<b>20,000,000</b>	75%
<b>Total equity</b>	4,762,168	4,402,877	8%	<b>6,984,641</b>	68%
<b>Financial indicators</b>					
Return on average asset (ROAA)	2.3%	1.5%		5.9%	
Return on average equity (ROAE)	7.0%	2.3%		17.1%	
Outstanding shares	305,041,845	305,350,173	0%	457,562,768	67%
Earnings per share (EPS-VND)	1,055	331	219%	2,093	50%
Book value per share	15,612	14,419	8%	15,184	103%

# REVENUE STRUCTURE



Revenue (VND million)	Q1 2021	Q1 2020	% Change	Plan 2021	% Plan 2021
Securities Services	294,526	107,282	175%	1,035,791	28%
Margin Lending	222,065	116,325	91%	973,236	23%
Proprietary Investments	202,803	75,945	167%	564,607	36%
Financial Advisory Services	15,638	1,387	1028%	80,000	20%
Other revenues	2,816	3,660	-23%	15,000	19%
<b>Total revenue</b>	<b>737,848</b>	<b>304,599</b>	<b>68%</b>	<b>2,668,634</b>	<b>28%</b>

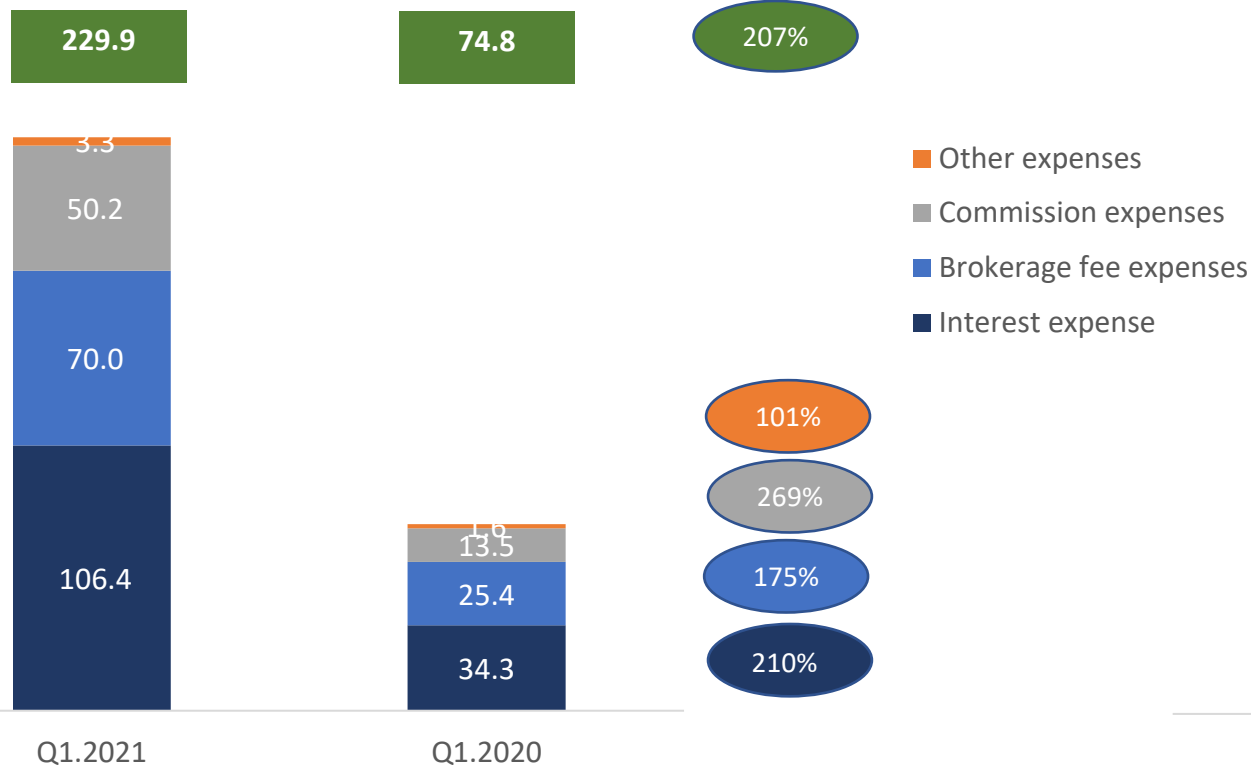


- **Securities Services** posted 175% revenue growth in Q1. HSC remained the leader in the institutional client segment with 25% market share.
- **Margin Lending** revenue rose 91%, driven by increasing demand from the market
- **Proprietary Investments** revenue rose 167%
- **Financial Advisory Services** revenue increased 1028% in Q1, a sharp recovery after a Covid-affected 2020

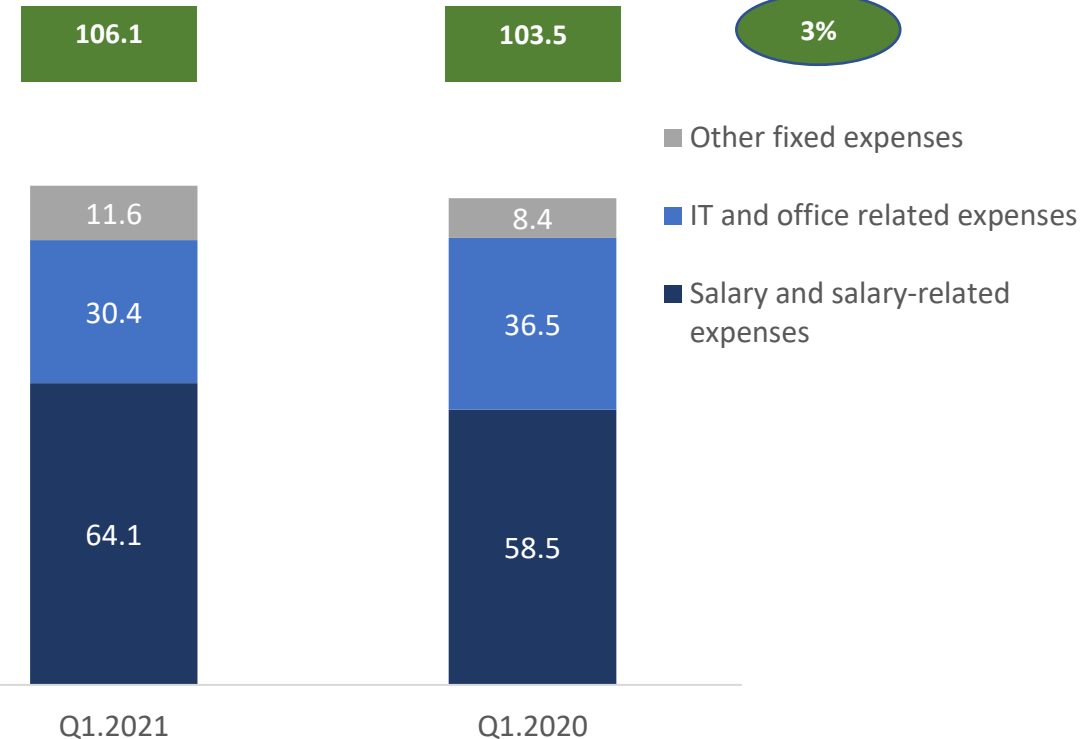
# COST STRUCTURE



## Variable expenses (VND bn)



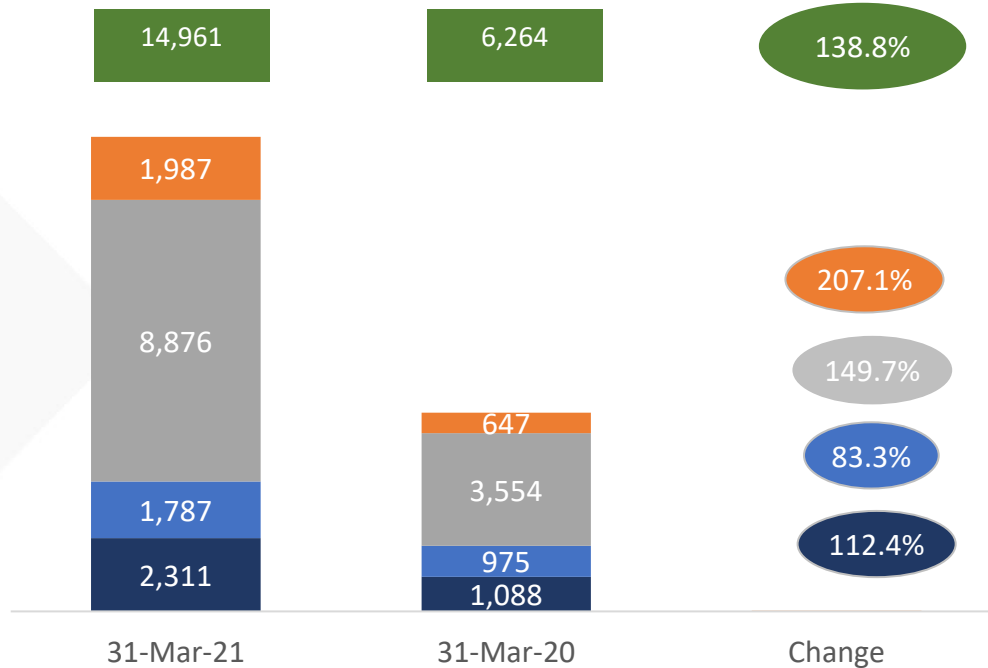
## Fixed expenses (VND bn)



- Total **Operating Expenses** in Q1 increased by 88%
- **Variable Expenses** were up 207%, driven by increasing interest expenses
- **Fixed Expenses** broadly flat, up 3%

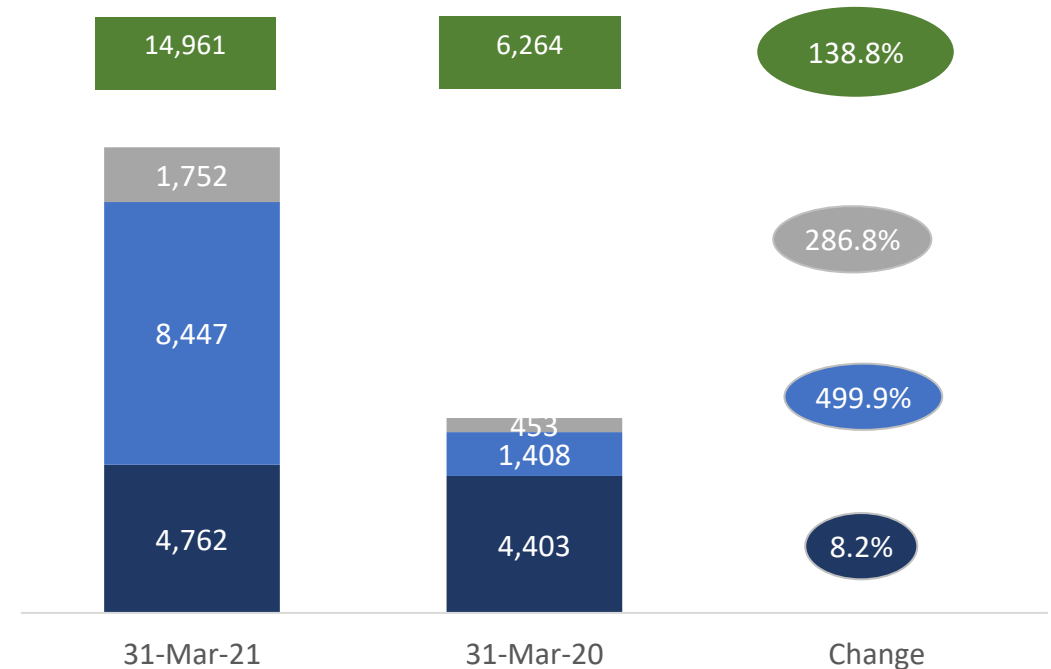
## Assets Allocation (VND bn)

■ Cash ■ Financial assets ■ Margin loan ■ Other assets



## Equity and Liabilities (VND bn)

■ Shareholders' equity ■ Short-term loan ■ Other short-term payables



**Total Assets** increased 139% on higher margin lending.

**Short-term loan** increased to VND8,447 billion, close to statutory limit of 2x equity.



**THANK YOU!**

