



HO CHI MINH CITY SECURITIES CORPORATION

Q4 & FY2022 EARNINGS PRESENTATION

Ho Chi Minh City, Feb 8th 2023



1. The VN Index closed 2022 at 1,007, a decline of 11% QoQ and 33% YoY. Average trading value in Q4 declined to VND14,134 billion, down 11% QoQ, and 58% YoY. Average trading value for FY2022 was VND20,164 billion, down 24% YoY.
2. The market experienced extreme volatility in Q4 exacerbated by margin calls. Thanks to prudent risk management, HSC incurred no bad debts or trading losses. Neither was HSC involved in the fallout from the corporate bond market.
3. In Q4, HSC generated VND584 billion in revenue and VND159 billion PBT, down 39% and 43% YoY, respectively.
4. FY2022 revenue was VND2,854 billion, down 15% YoY. PBT for FY2022 reached VND 1,068 billion, down 25%.
5. Total assets were VND15,447 billion at end of FY2022.

SUMMARY



Q4 2022	Net revenue (VND bn) 584 -39% YoY	Profit before tax (VND bn) 159 -43% YoY	Margin loan balance (VND bn) 8,773 -22% YoY
FY 2022	Net revenue (VND bn) 2,854 -15% YoY	Profit before tax (VND bn) 1,068 -25% YoY	Earnings per share (VND) 1,865 -49% YoY

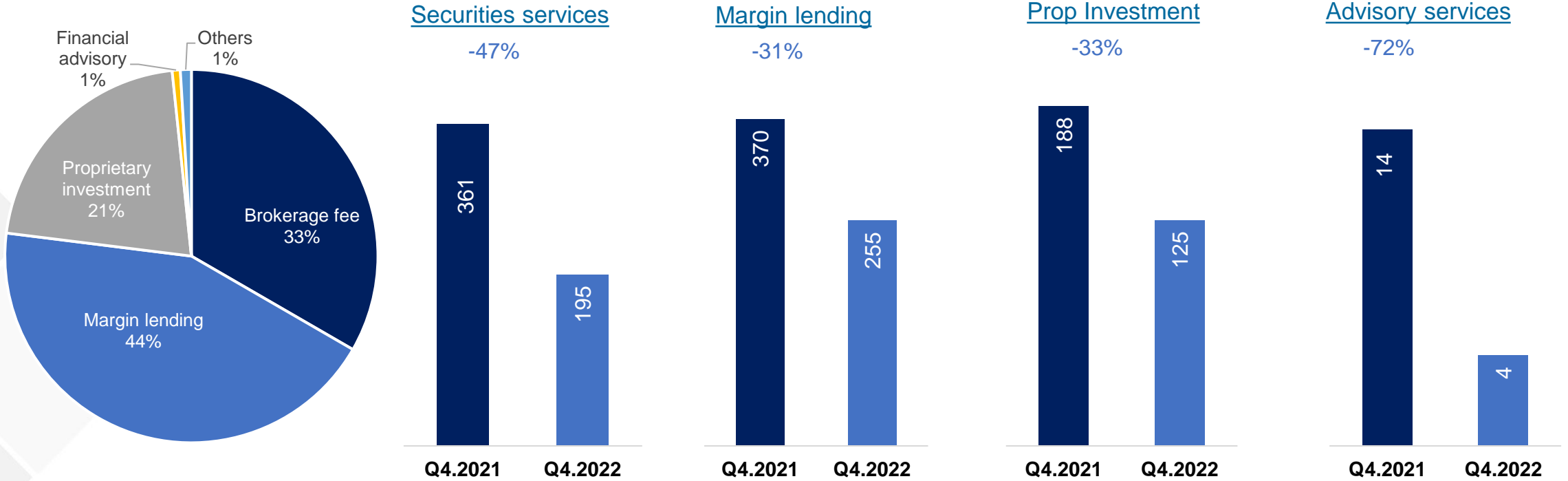
BUSINESS RESULTS



Business Results (VND bn)	Q4.2022	Q4.2021	+/-%	FY2022	FY2021	+/-%	FY2022 Plan	% completion
Total revenue (*)	584	957	-39%	2,854	3,368	-15%	3,592	79%
Operating expenses (*)	425	678	-37%	1,786	1,938	-8%	2,090	85%
Profit before tax	159	279	-43%	1,068	1,430	-25%	1,502	71%
Profit after tax	125	224	-43%	852	1,147	-26%	1,202	71%
Total assets	15,447	24,369	-37%	15,447	24,369	-37%	25,050	62%
Shareholders' equity	7,892	7,325	8%	7,892	7,325	8%	8,127	97%
Outstanding shares – share	457,211,949	457,211,949	0%	457,211,949	457,211,949	0%	457,211,949	
Earnings per share - VND	274	678		1,865	3,685		2,629	
Book value per share - VND	17,261	16,023	8%	17,261	16,023	8%	17,902	

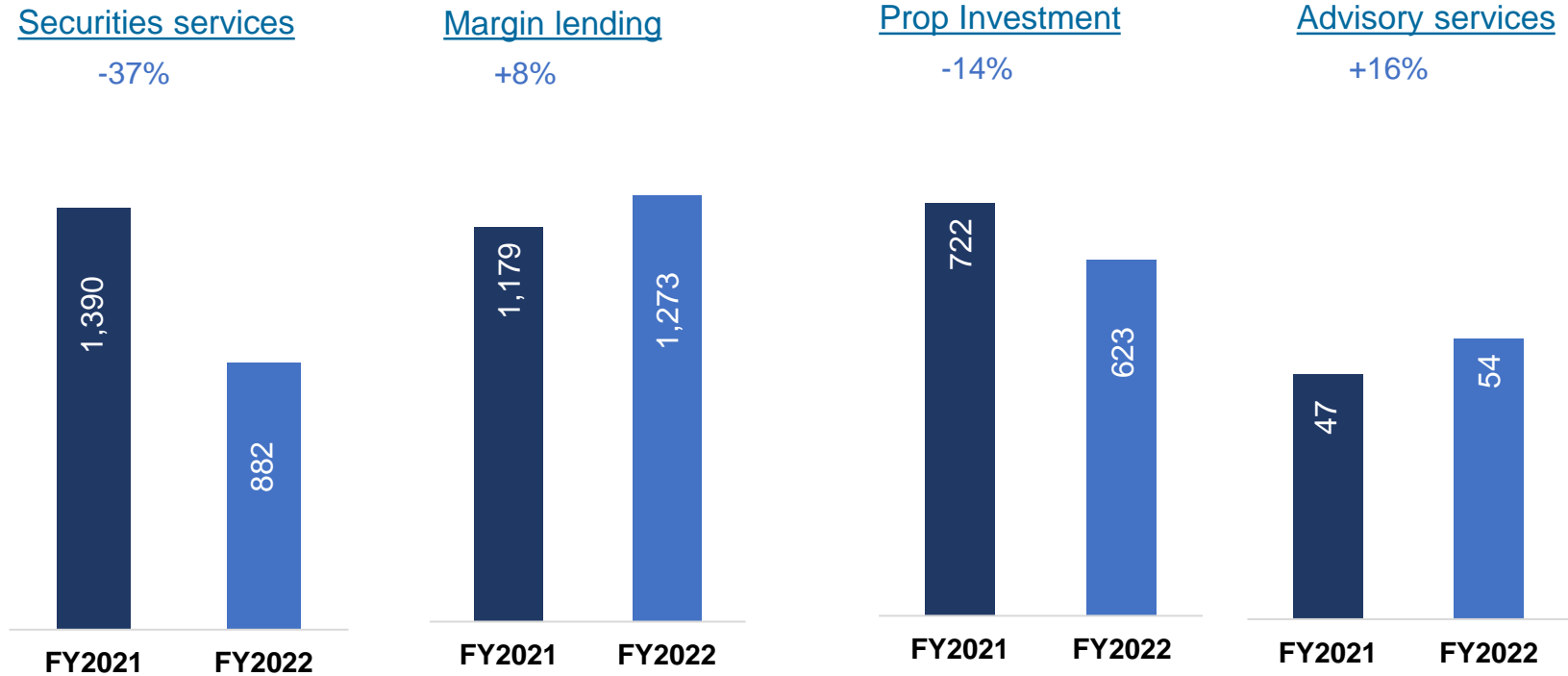
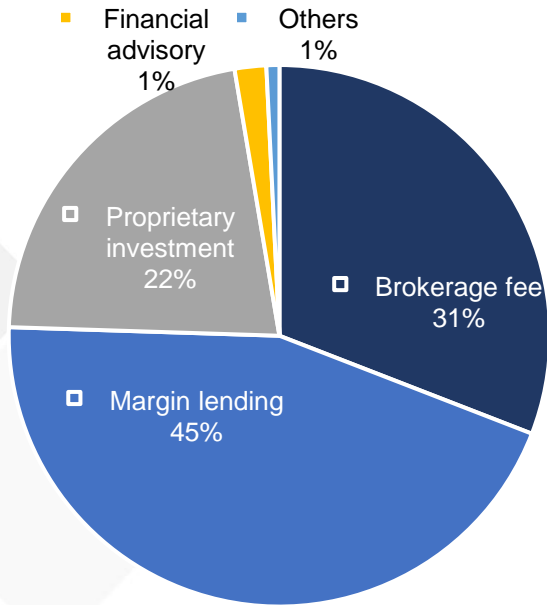
(*): Gains and losses arising from proprietary investments were netted off for comparative purposes

Q4.2022 - REVENUE STRUCTURE (VND bn)



- **Securities Services** revenue decreased 47% YoY on lower ADV.
- **Margin Lending** revenue decreased 31%
- **Proprietary Investment** revenue fell 33% on reduced risk appetite amidst difficult market conditions
- **Financial Advisory revenue** decreased 72% due to lack of deal completion in Q4.2022

FY2022 - REVENUE STRUCTURE (VND bn)

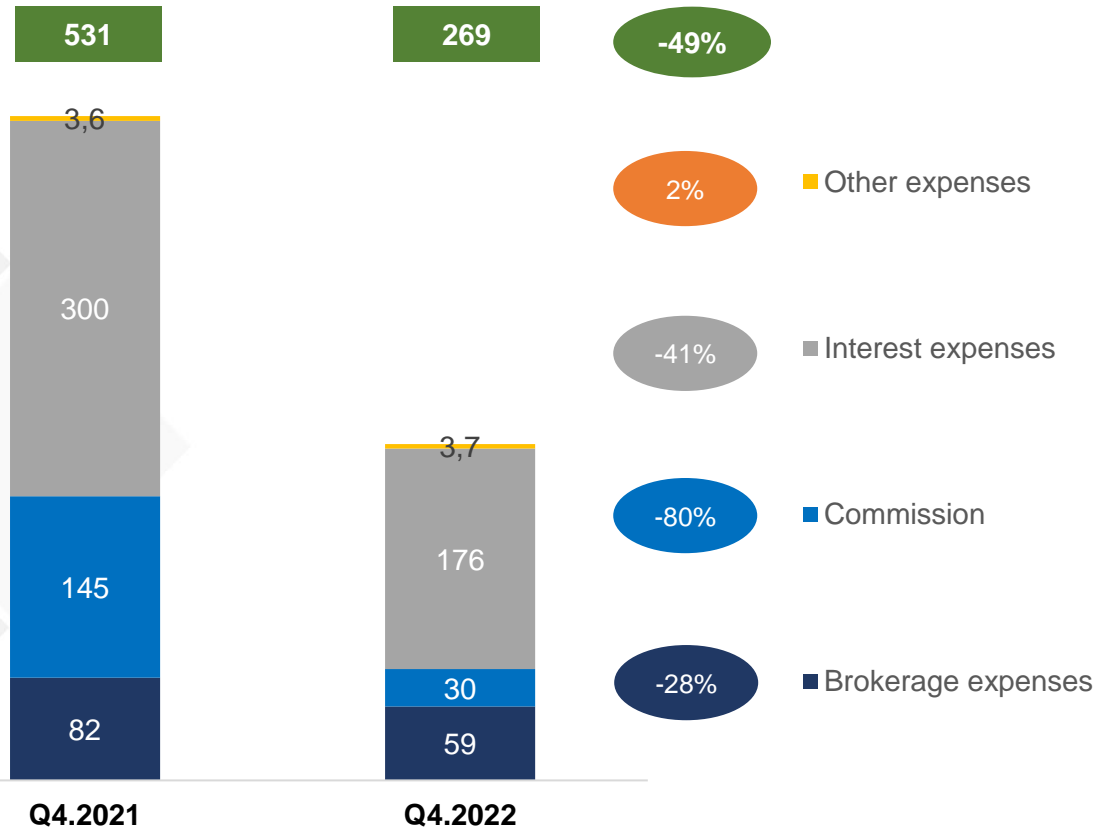


- **Securities Services** and **Proprietary Investment** revenue declined along with market activity
- **Margin Lending** up 8% YoY
- **IBD** revenue rose slightly YoY as M&A deals were booked

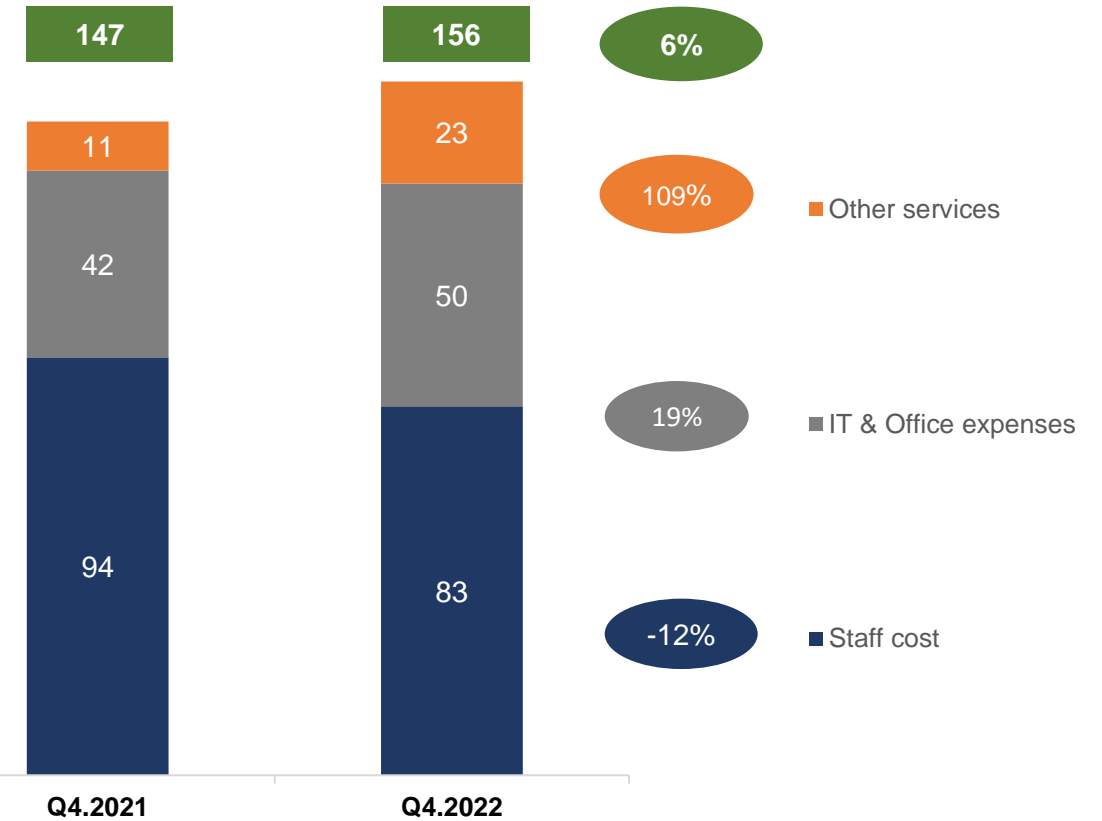
Q4.2022 – COST STRUCTURE



Variable Expenses (VND billion)



Fixed Expenses (VND billion)

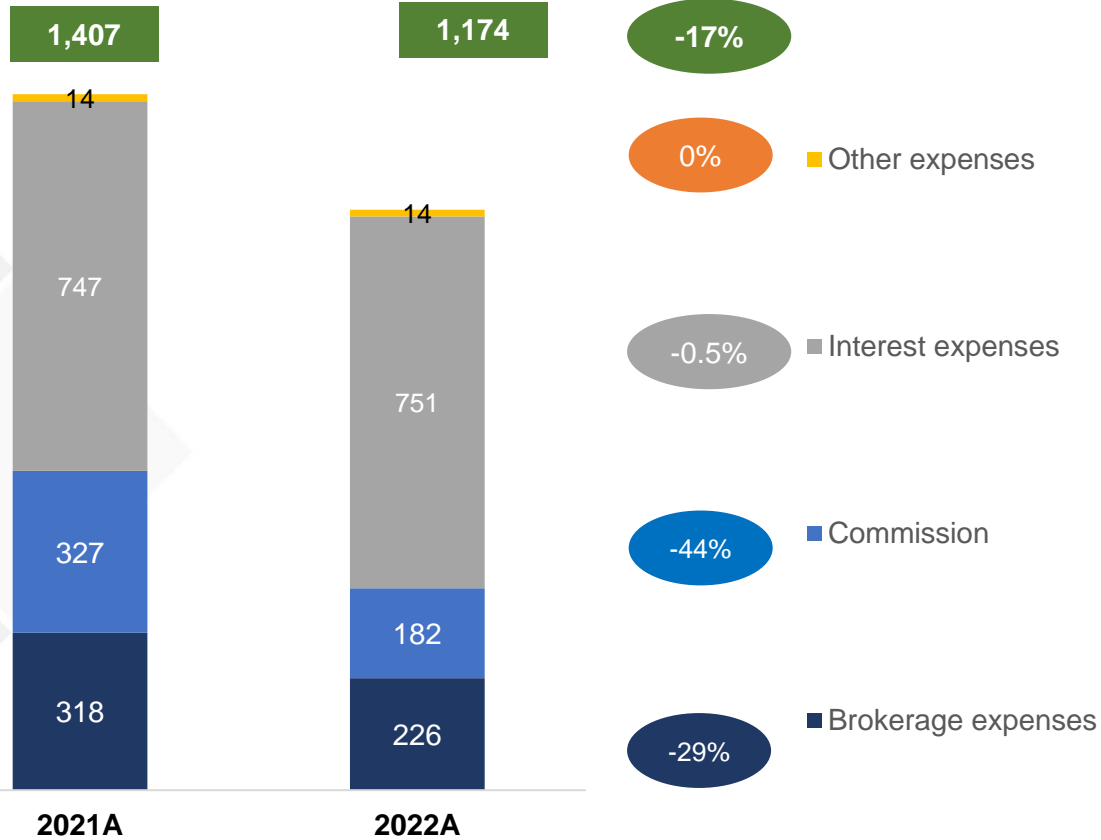


- Total **Operating Expenses** in Q4 decreased 37% YoY
- **Variable Expenses** decreased 49% on lower commission expense
- **Fixed Expenses** rose by 6%, moderated by lower compensation accruals

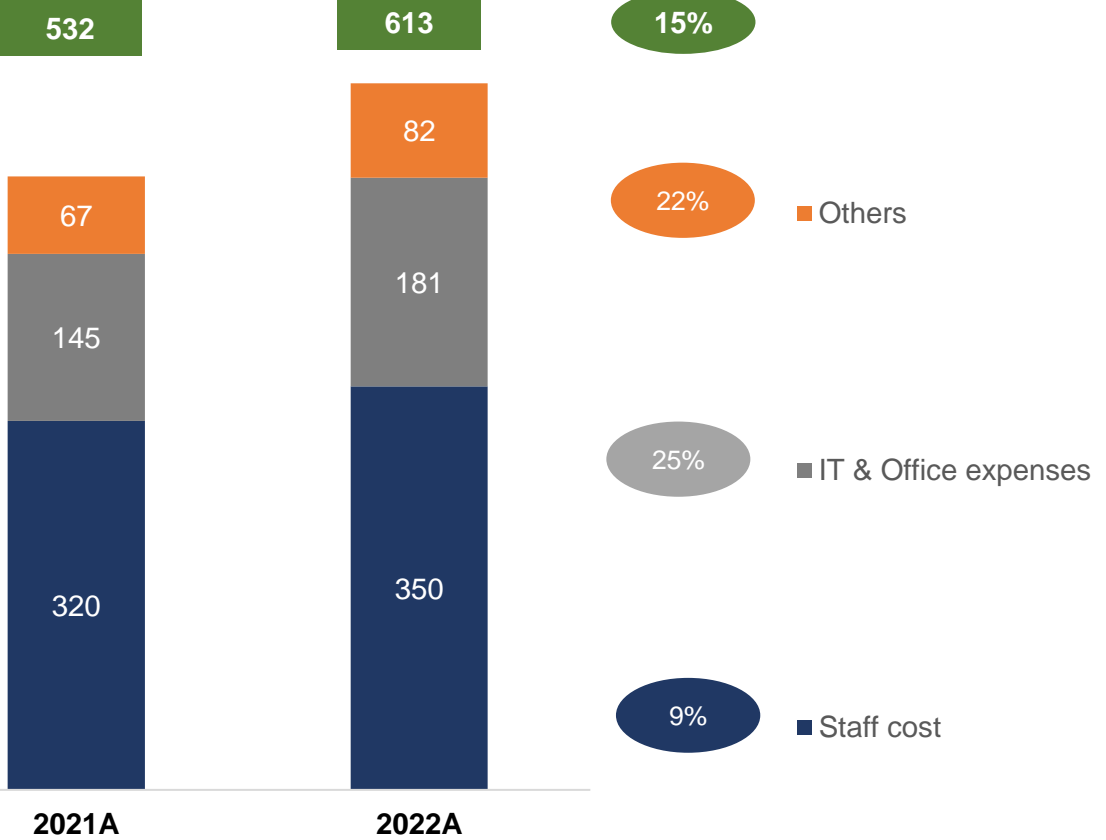
FY2022 – COST STRUCTURE



Variable Expenses (VND billion)



Fixed Expenses (VND billion)

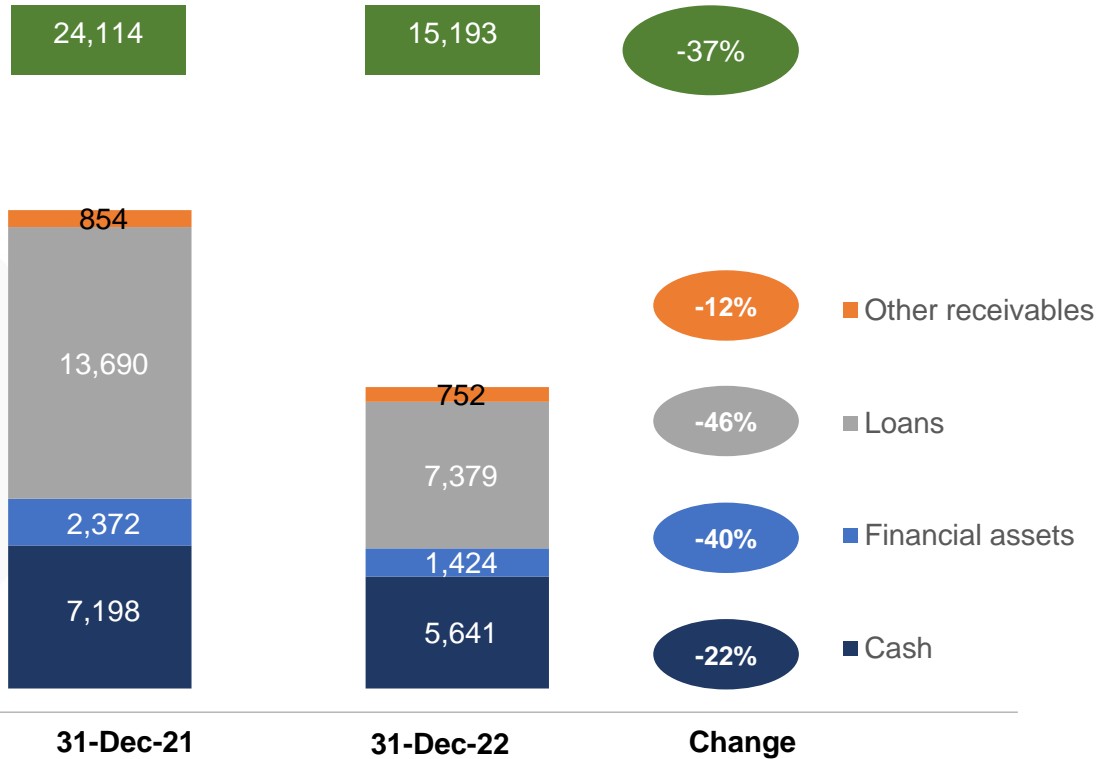


- Total **Operating Expenses** in FY2022 decreased 8% YoY
- **Variable Expenses** decreased 17% on lower commission and brokerage costs
- **Fixed Expenses** increased 15%, driven by investment in IT and digitalization

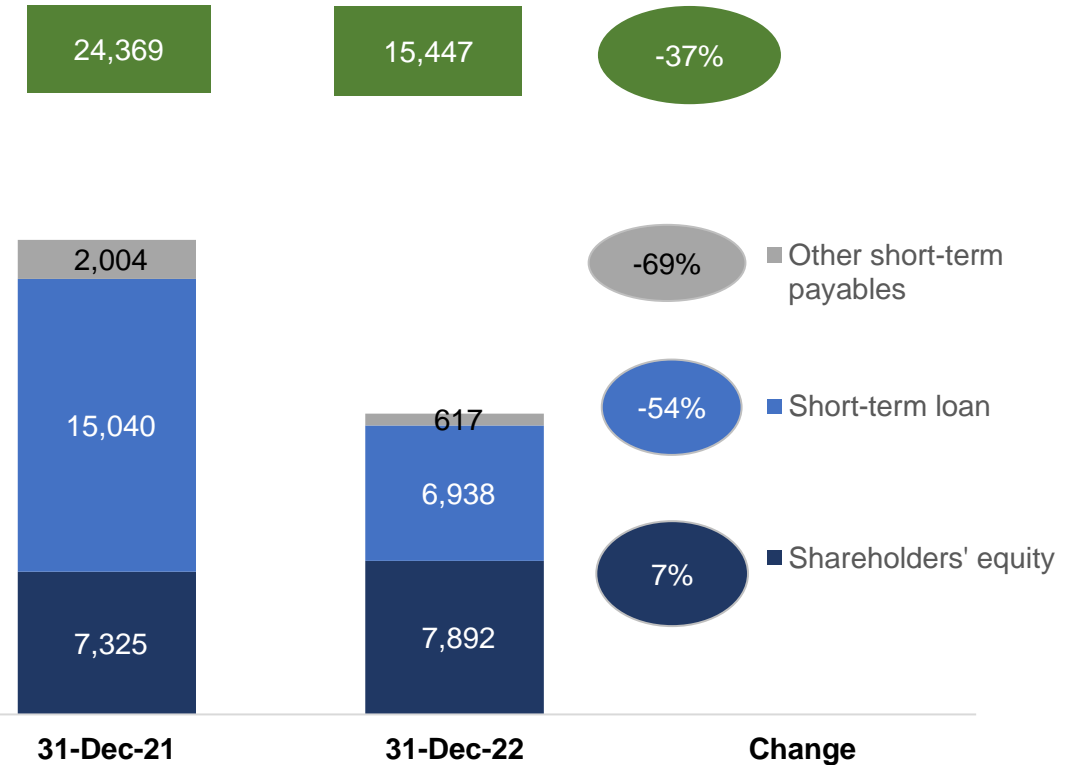
FINANCIAL POSITION AS OF 31/12/2022



Assets Allocation (VND bn)



Equity and Liabilities (VND bn)



Total Assets decreased 37% primarily on lower level of margin loans outstanding and reduction in proprietary trading activity.

Short-term loan decreased by 54%.



THANK YOU!

