

VIETNAM SECURITIES MARKET SECURITIES INDUSTRY AND EVEREST SECURITIES CORPORATION

Research Team – Jul 2021

VIETNAM SECURITIES MARKET

- Vietnam Economy 1H2021
- Vietnam Economy Outlook For 2H2021
- Vietnam Equity Market

SECURITIES INDUSTRY

- From Ups and Downs and Consolidation
- Market share and The top 10 largest
- Valuation and Performance

EVEREST SECURITIES CORPORATION

- Business Model
- Financials Performances
- Peer Comparison

VIETNAM'S MACRO ECONOMY – OUTLOOK FOR 2H2021

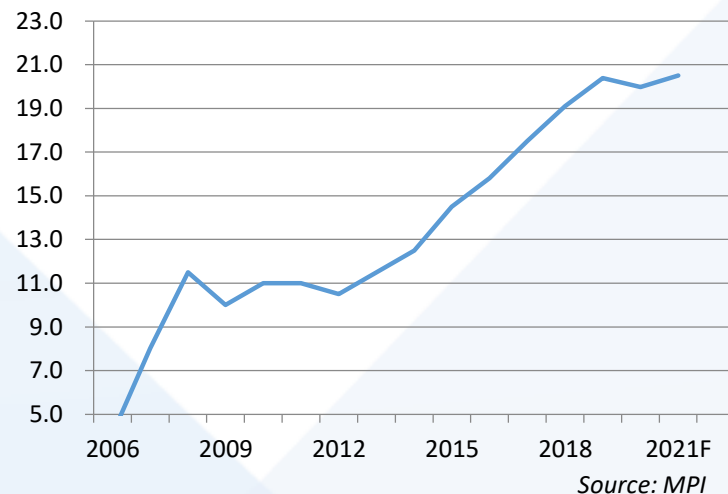
1H21 Vietnam's GDP growth picked up on easier year-ago comparison – 1H21 GDP growth came in at 5.64% y-o-y, and nominal GDP reached VND4,003.6trn (~US\$172.6bn).

1H21 FDI saw healthy inflows – As of June 21, 2021, FDI commitment accumulated to US\$13.7bn in 1H21, +12.0% y/y; while FDI disbursement increased to US\$9.2bn, +6.8% y/y. Of the commitments, 45.7% are due to be invested in manufacturing and processing, while 35% would go to gas, water and electricity distribution. During 1H21, Singaporean remained Vietnam's biggest foreign investors with US\$5.3bn, made up 38.7% of total committed capital; Japan run secondly with US\$2.3bn, accounted for 17.0% of total committed capital.

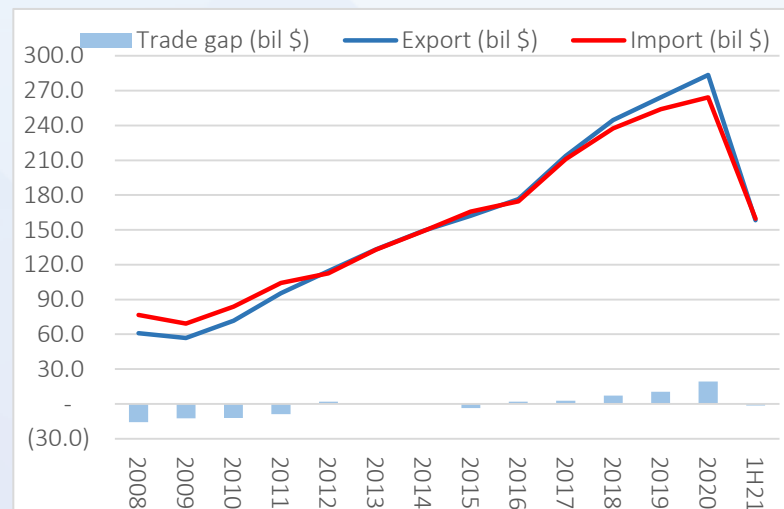
1H21 trade deficit widened to US\$1.3bn - In 1H21, export turnover accumulated to US\$158.4bn, +29% y/y. In the first half of 2021, Vietnam witnessed the strong shipments of mobile and accessories (US\$25.1bn), electronic devices, computers and components (US\$23.7bn), machineries (US\$17.0mm), and textiles (US\$15.2bn).

1H21 inflation pressures remained in well control and below SBV's inflation target of 4% – CPI in June 2021 added 0.19% m-o-m, +1.62% YTD and +2.41% y/y. Average 6-month CPI delivered at 1.47% y/y.

FDI disbursement (US\$ billion)



Trade Balance



VIETNAM'S MACRO ECONOMY – OUTLOOK FOR 2H2021 and 2022

The process of accelerating digital transformation after the pandemic will help the economy recover strongly and we are upbeat to forecast a growth rate of Vietnam economy about 6.5% for 2021 and 6.8% for 2022.

- The new growth drivers of the economy come from the flexible adaptation of the companies in the era of digital transformation after the pandemic.
- Gradually shifting from economic sectors that used to natural resources and labor intensive to higher value-added industries.
- Private sectors emerge as the leading enterprises which accelerate the digital transformation process to streamline businesses operation becoming more efficient, with more competitive products, and simultaneously contribute to the overall economic growth.
- Maintain expansionary monetary policy and flexible fiscal policy along with stimulus packages help accelerate the economic recovery. Focusing on public investment projects to attract international and domestic investment capital.

Macro Economy (%Y/Y)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021F
GDP	5.3%	6.8%	5.9%	5.3%	5.4%	6.0%	6.5%	6.2%	6.8%	7.1%	7.0%	2.9%	6.5%
Inflation (lạm phát)	6.5%	11.7%	18.1%	6.8%	6.0%	1.8%	0.6%	4.7%	3.5%	3.5%	3.6%	3.2%	3.5%
Trade Growth	-8.5%	23.5%	28.4%	13.7%	17.4%	12.0%	9.9%	7.2%	20.9%	13.5%	10.0%	5.7%	13.0%
Export (Xuất khẩu)	-6.9%	26.4%	33.0%	20.0%	16.5%	12.0%	8.6%	9.0%	21.0%	14.5%	12.0%	7.2%	10.0%
Import (Nhập khẩu)	-9.7%	21.2%	24.4%	7.9%	18.2%	12.0%	11.3%	5.5%	20.8%	12.5%	13.0%	4.0%	16.0%
US\$ bil (tỷ)													
Nominal GDP (Danh nghĩa)	106	113	135	156	171	186	192	202	217	313	335	344	368
FDI (Giải ngân)	10	11	11	10.5	11.5	12.5	14.5	15.8	17.5	19.1	20.4	20.0	20.5
Export (Xuất khẩu)	57	72	95	114	133	149	162	177	214	245	264	283	312
Import (Nhập khẩu)	69	84	104	112	133	149	166	175	211	238	254	264	291
Trade Balance	(12.4)	(12.1)	(8.9)	2.0	0.4	0.4	(3.6)	1.9	2.7	7.2	10.4	19.3	21.2
FX Reserves (Dự trữ)	14.1	12.4	9.0	21.9	25.0	34.0	37.0	41.0	51.5	60.0	69.0	92.0	100.0
% (y/y)													
Lending rate (Lãi suất)	10.1%	13.1%	17.0%	13.5%	10.4%	8.7%	7.8%	8.0%	8.5%	8.5%	9.0%	8.0%	7.5%
Credit growth (Tín dụng)	n/a	29.8%	10.9%	20.6%	12.5%	14.2%	17.3%	18.7%	18.1%	14.0%	13.0%	11.0%	12.0%
FX depreciation (Tỷ giá)	5.7%	9.1%	10.2%	1.5%	0.5%	1.0%	5.0%	3.0%	1.4%	2.4%	1.5%	0.0%	0.0%

VIETNAM'S SECURITIES MARKET –History and General Information

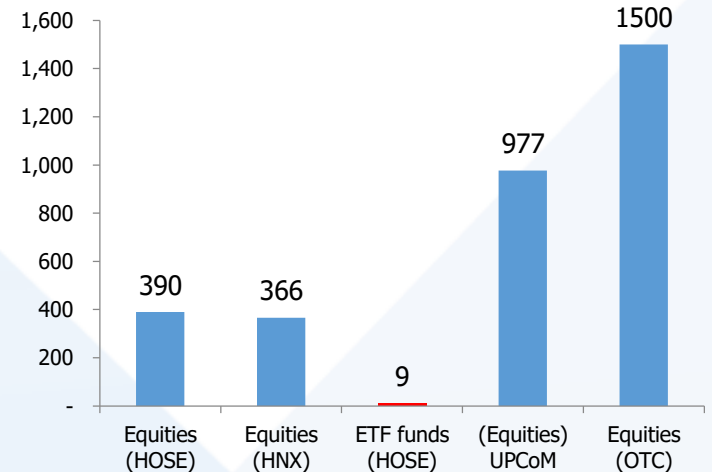
General Information: The Vietnamese securities market was officially established in 2000, which was quite late compared to other neighbor countries' securities market. The market was firstly located in Ho Chi Minh City, was named as Ho Chi Minh Stock Exchange (HOSE) in 2007. Initially, two equity issues were listed tickers REE and SAM and at present, there are nearly 400 companies and ETFs funds listed on HOSE and over 1,400 companies listed on Hanoi Stock Exchange (HNX and Upcom).

Market benchmark: HOSE has introduced several HOSE-based indices (based on price and total income) including VN30, VNMidcap, VNSmallcap, VN100 and VNAllshare, which are used as reference basis for different investment purposes.

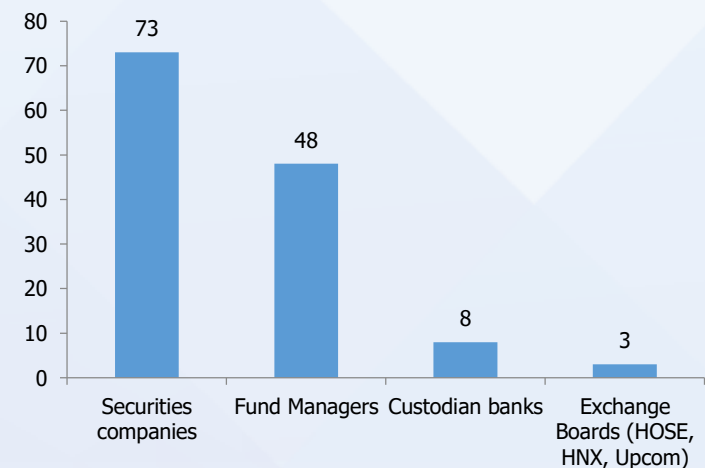
Market's participants: The participants of The Vietnamese securities market are: (1) issuers, including the government, companies, financial institutions; (2) individual investors and institutional investors, (3) the business organizations on the stock market, which are: (i) securities houses – who provide brokerage services, investment banking and Research reports, (ii) custodian banks and (iii) securities investment funds; (4) organizations related to the stock market, including stock exchanges (HOSE, HNX, Upcom, OTC), Vietnam Securities Depository (VSD).

There are 73 securities companies, 48 Fund Managers (managing over 100 equity & bond funds) and 8 custodian banks that mainly offer custody and depository services.

Number of companies and financials products listed



Business organizational Members of the Market



VIETNAM'S SECURITIES MARKET –General Information (continues)

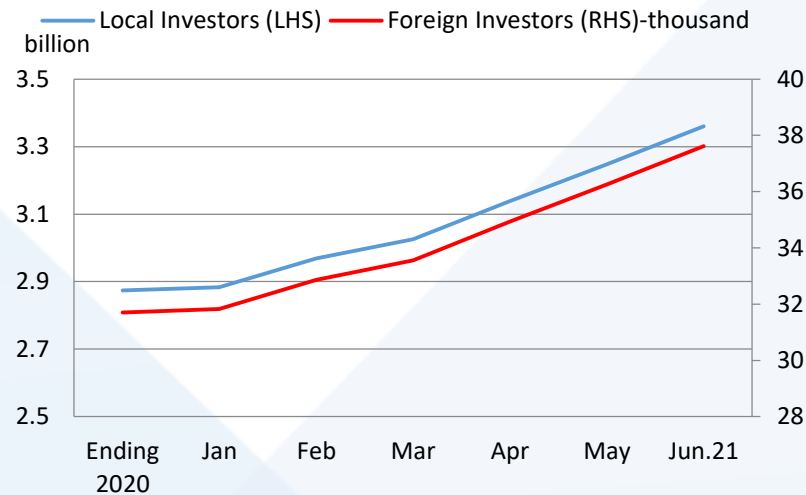
Securities products, services and mechanisms: Currently, the main securities products include shares, corporate bonds and government bonds, exchange traded funds' certificates (ETF Funds), and derivatives (forwards, futures contracts, and Covered warrant). In the coming time, the Government will deploy new products such as: derivatives (options contracts, and swaps), pension funds, and non-voting right shares.

Furthermore, the Government will also amend and provide new regulations and market mechanisms that aims at a more open and transparent environment for investors with: higher foreign room in listed enterprises, shorter settlement time of T+1 for stock and fund certificate trades and T+1 for bond transactions, intraday trading or short sale.

Securities companies offer various services that could meet customer demand including in-depth research, Securities services, capital/debt market services (advisory, underwriting, listing consultancy, Equitization...), corporate restructuring services, M&A services, private equity services (venture capital, growth capital, leverage buyouts...), margin loan, etc.

Securities Investors structure: There are around 3.4 million investors presently participating in the securities markets. According to the statistics of HOSE and HNX, individual investors account for 99% of investors structure, while institutional investors only occupy a very small proportion of 1%. Local investors are dominant components, who account for 98.8% of total investors. On the other hand, the amount of foreign investors is still humble which makes up 1.2% of the investors structure.

Cumulative number trading accounts of investor



Source: VSD

VIETNAM SECURITIES MARKET – Market cap from small to medium

Market capitalization:

As of July 2021, Vietnam's total market capitalization reached an average size of US\$267 billion (accounted for 80% of GDP; ten-times higher compared to 10 years ago).

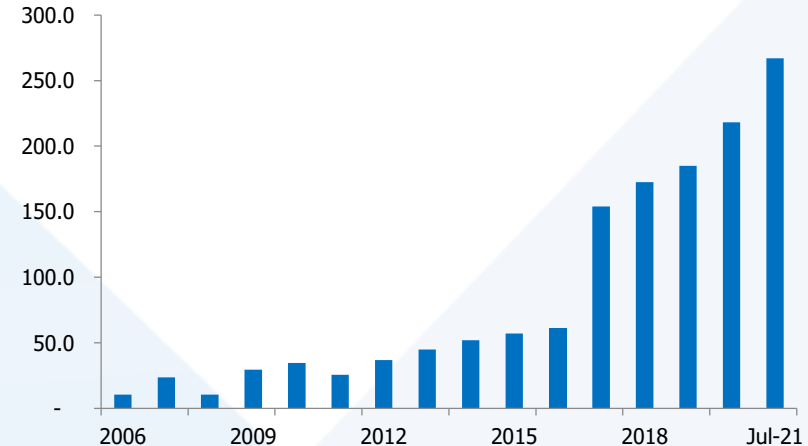
The market size grew fast as many high quality companies with large market capitalization came to list recently, especially the large commercial banks. The market itself still has more room to grow in the medium and long term period.

Market liquidity:

Although the trading value from 2020 back to the past was still very modest, but right after the happening of the pandemic, the market's daily turnover value and volume jumped sharply thank to enormous participation of retail investors, who spurred the entire stock market's melt-up.

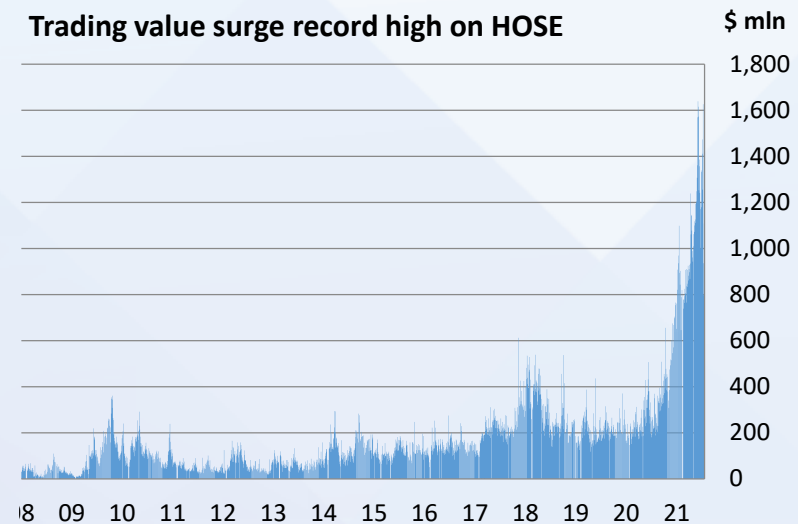
In line with the market euphoria and the slew of retail investors, the daily turnover value had reached the historic high ever, delivered at US\$1.2-US\$1.3 billion per trading day recently.

Market Capitalization of Vietnam Equity Market (US\$ bil)



Source: Bloomberg

Trading value surge record high on HOSE



\$ mln

1,800

1,600

1,400

1,200

1,000

800

600

400

200

0

8 09 10 11 12 13 14 15 16 17 18 19 20 21

VIETNAM'S SECURITIES MARKET – on the path of becoming emerging market

- The Vietnamese government, with the goal of maintaining medium and long-term economic growth, highly appreciates two important capital mobilization channels: securities and banks. Therefore, the securities market receives priority support from the government. On the other hand, thanks to the fundamental attraction of the Vietnamese economy, the stock market has also attracted the increasing attention and participation of listed companies, fund management companies, securities companies, investment companies, etc. investment, international investor community and local investors. Therefore, we fully believe that Vietnam's stock market is in a 10-year cycle (from 2018-2028) with strong development in terms of quality, resources and scale, being able to meet and match the needs of customers. in line with the potential for economic development in general and to meet the increasing investment needs of local and global investors in particular.
- In the short term, we also witness the significant improvement in the quality of market participants, both in terms of listed companies, investors and IT infrastructure. Therefore, we believe that the Vietnamese securities market will soon meet all the criteria of international rating agencies to be upgraded from frontier market to emerging market by 2023.

The Vietnamese stock market do its best to achieve emerging market status as soon as possible

- Although, the Vietnamese market still undervalued and is classified as a frontier market, all market participants, including: regulatory agencies, securities companies, fund managers and investors accelerated their aggressive preparation for one purpose: the country achieves emerging market status.
- Accordingly, in recent years, Vietnam's stock market has significantly improved the criteria (1) maintaining the average market capitalization/GDP ratio around 75%-90%, (2) liquidity the market reached > US\$1 billion per session, (3) There are more than 15 large-cap stocks, which market cap over US\$5 billion each one, that are multiple options for institutional investors, (4) upgrading the information technology infrastructure- expected Stock Exchanges will deploy and go live the KRX trading system by the end of 2021, (5) Improve and simplify the procedures for transferring money in and out of foreign indirect investment account to carry out investment activities in the Vietnam Stock Market.

= > Vietnam is currently a frontier market, but this promises a potential room to growth once the market is upgraded to emerging market status.

VIETNAM SECURITIES INDUSTRY

THE SECURITIES INDUSTRY- From Ups and Downs to Consolidation

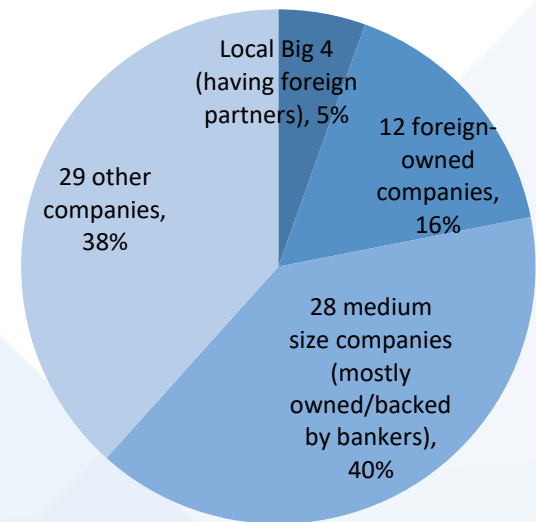
The number of securities companies have shrank from the peak of 105 companies to the current 73 companies. However, this number is still too many for a small-size market like Vietnam. In fact, there are many small and zombie securities companies that just barely keep operating even though they are insolvent, unable to meet their financial obligations (got very poor business performance) or nearly bankruptcy. These companies have only two options: (1) shut down completely, or (2) merge with other large securities firms. Consequently, the quantity of securities businesses is expected to keep falling to around 45 companies, an amount that is more reasonable with the market size, and helps support the market's effectiveness and efficiency.

Securities companies can be classified by various factors such as ownership, market capitalization, or market share... In this report, we choose to classify securities companies by ownership criteria to help investors have a more detailed and clear overview of the Vietnamese securities houses recently.

Classified by ownership with 4 groups:

- (1) Securities companies with foreign partners:** including the local 4 biggest companies (in term of market share or capital size): SSI, Hochiminh city Securities (HSC), Vietcapital Securities (VCSC), and VNDirect Securities (VNDS).
- (2) 100% foreign-owned securities:** 12 companies such as Mirae Asset, KIS VN, MBKE, KBSV, Shinhan Bank Sec, Pintree...
- (3) Securities companies that are subsidiaries of Holding companies/Banks:** including 28 companies that are controlled by banks or insurance companies, who are usually unwilling to sell controlling shares to other investors.
- (4) Other securities companies:** This is the largest group with 29 companies that have no foreign ownership so far, or record bad business performance. As most of this group are failure companies, thus several of them are the ones that are appropriate for M&A activities with the purpose of expanding existing market share or penetrating securities sector.

Securities Houses classified by Ownership

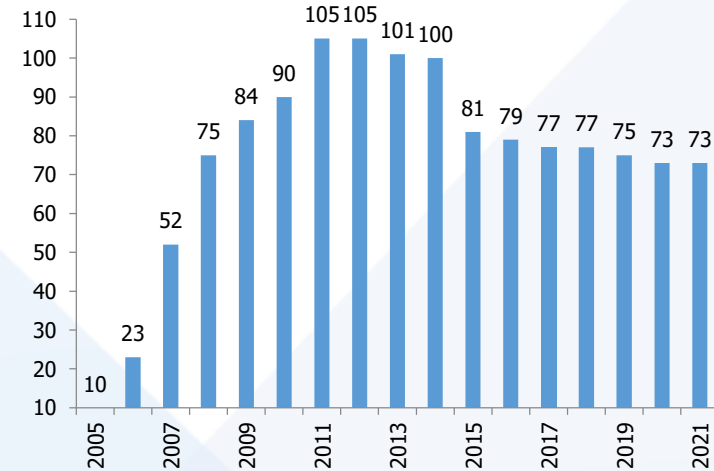


Source: SSC

THE SECURITIES INDUSTRY- Looks towards a more efficient market with diversified products

- Too many securities houses but a very shortlist of the top companies can offer fully services (brokerage, Research, Investment, IB, Underwriting, Derivative) to investors and just a half number of companies have been profits and another half are running under break event. Therefore, the securities industry should need to customize and adjust, narrow down or even merge and consolidate to help itself more efficient and adapt to the coming developing market. Compared with peer markets, we estimate that the Vietnamese securities market should downsize to around 45-50 securities.
- Almost securities companies can offer main services that could meet general investors' demand: brokerage services, underwriting, listing consultancy, valuation services, margin trading. And a few companies have their own advantages to offer financial products such: private equity, leverage buyout, M&A deal structure, advisory and wealth management.
- Currently, the Vietnamese stock market provides the several main products, including shares, corporate bonds, government bonds, ETFs, and derivatives (futures contract and warrant). In the coming time, the Government will deploy new products, such as swaps, pension funds...
- Furthermore, the Government will also adjust and issue new regulations and improve market mechanisms that promises a more open environment for investors like: more foreign room in listed enterprises, shorter settlement time of T+1, intra-day trading, short sales, non-voting right and more derivatives products.
- **The exchange is also upgrading and deploying a new technology infrastructure-KRX, expected go live by late 2021.**

Number of securities houses

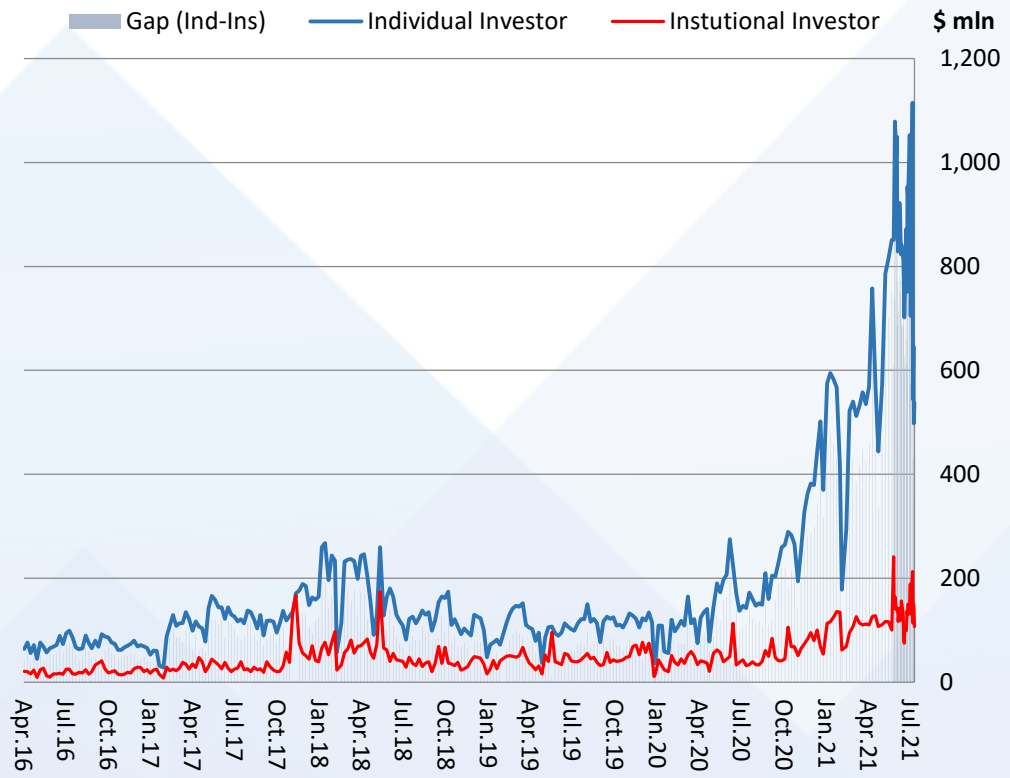


Source: SSC

THE SECURITIES INDUSTRY- Retail investors more active and like leverage

- The strong growth of the stock market was an attractive reason luring newcomers to the market, who are usually retail investors. According to VSD's statistics, in the first 6 months of 2021, the number of new retail investor trading accounts totaled more than 600k accounts, higher than the number of 2019 and 2020 combined.
- Retail investors are the main drivers of the astonishing increase in trading value on HOSE, delivering a record of more than US\$1 billion/session, 6 times higher than a year ago. While institutional investors maintain a stable trading value from 2016 up to now of around US\$50-US\$100 million/session (red line).
- Accordingly, retail investors occupy most of the trading value on HOSE and are 7 times higher than the trading value of institutional investors.

Trading Value by Investors on HOSE

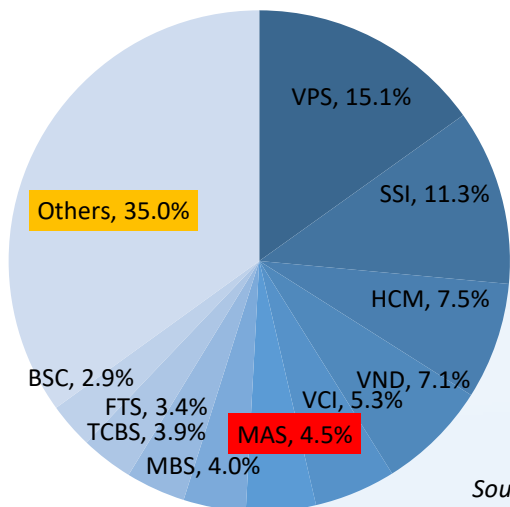


Source: FiinPro

- The fact that retail investors dominate most of the transaction value also leads to the use of leverage (margin loans) continuing to increase to a new level of risk. When the margin loan balance is announced at the end 2Q21, of 36 securities companies, accounting for 98% of total outstanding loans, increased to more than US\$6 billion and 27% higher, the loan balance at the end of the first quarter of 2021 (US\$4.5 billion).

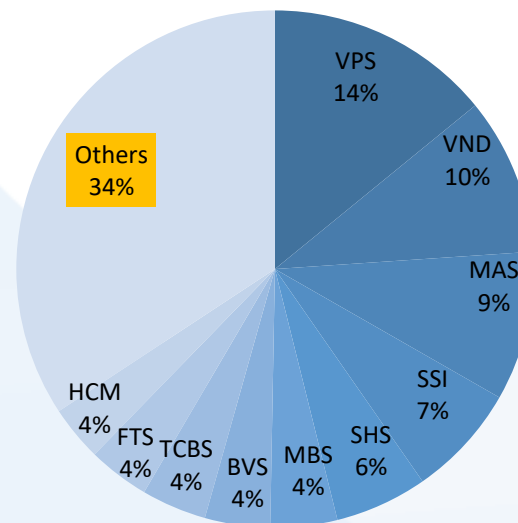
THE SECURITIES INDUSTRY- Markets share and The top largest 10 companies

Brokerage market share of HOSE for 1H2021



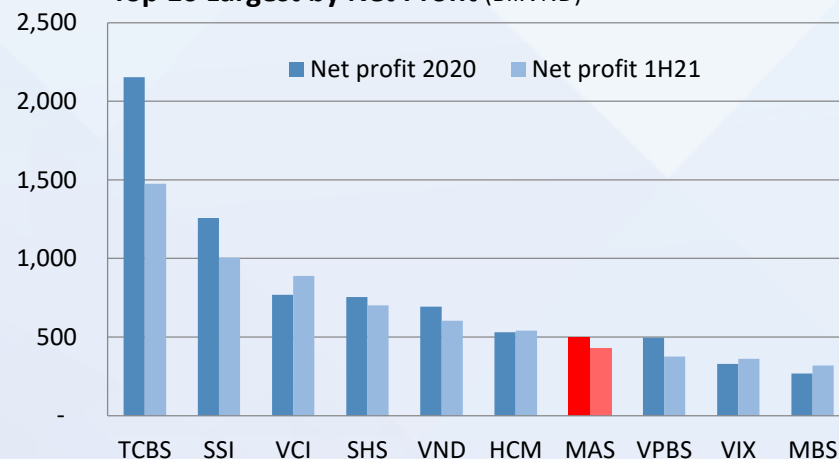
Source: HOSE

Brokerage market share of HNX for 2Q.21



Source: HNX

Top 10 Largest by Net Profit (Bil.VND)



- The top 10 largest companies dominated the market share with 65% of total market, while the other 63 companies just make up 35% of total market.
- The statistics show that, if a company want to get a slot in the list of top 10, it must reach at least 3% of market share.
- Only one foreign-owned securities company, in the list of top 10 in term brokerage market share is Mirea Asset Securities (MAS)
- 9 out of 10 companies of top 10, in terms of net profits in 1H2021 are local companies.

THE SECURITIES INDUSTRY- Valuation and Performance of listed companies only

Order	Ticker	Exch.	Market price (23 Jul.21)	Market cap (Bil.VND)	PE trl (x)	PB (x)	Stock Price Return (%YTD)	Total Equity Q2.21 (Bil.VND)	Margin loan Q2.21 (Bil.VND)	Net profit 2020 (Bil.VND)	Net profit 1H21 (Bil.VND)	Margin loan/Equity Q2.21	ROA 2020 (%)	ROE 2020 (%)
1	SSI	HOSE	50,600	33,139	18.3	2.9	56%	11,458	16,159	1,257	1,004	141%	4%	13%
2	VND	HOSE	41,700	17,891	8.6	4.0	125%	4,881	9,303	693	889	191%	5%	20%
3	VCI	HOSE	47,400	15,784	13.7	3.0	68%	5,530	5,546	769	702	100%	10%	18%
4	HCM	HOSE	45,250	13,803	15.6	2.9	47%	4,805	9,170	530	605	191%	5%	12%
5	SHS	HNX	38,600	8,001	8.2	2.2	54%	3,991	4,769	754	541	120%	12%	25%
6	MBS	HNX	28,300	7,573	16.8	3.5	133%	3,057	5,442	269	232	178%	5%	14%
7	FTS	HOSE	33,000	4,870	11.6	2.1	127%	2,565	4,679	171	376	182%	6%	8%
8	ORS	UPCOM	22,131	4,426	10.0	4.0	183%	1,111	809	89	150	73%	7%	14%
9	VIX	HOSE	21,750	2,778	3.9	1.3	-5%	2,175	1,199	328	427	55%	17%	21%
10	AGR	HOSE	12,200	2,577	21.3	1.2	42%	2,148	1,065	97	158	50%	4%	5%
11	TVS	HOSE	25,300	2,485	5.4	1.7	79%	1,102	180	233	293	16%	7%	20%
12	BSI	HOSE	20,400	2,480	9.9	1.6	64%	1,606	2,954	127	122	184%	5%	9%
13	VDS	HOSE	22,200	2,333	6.9	1.8	122%	1,412	2,360	150	248	167%	6%	14%
14	CTS	HOSE	20,200	2,149	8.3	1.5	28%	1,592	1,534	128	167	96%	4%	9%
15	BVS	HNX	26,500	1,913	8.7	1.0	45%	2,046	3,410	133	153	167%	5%	7%
16	EVS	HNX	31,800	1,908	13.3	2.2	266%	954	1,065	57	178	112%	5%	8%
17	TVB	HOSE	14,700	1,569	6.2	1.9	35%	846	676	72	163	80%	8%	13%
18	SBS	UPCOM	11,894	1,506	149.8	7.2	138%	208	275	1	1	132%	0%	1%
19	PHS	UPCOM	12,400	1,116	15.0	1.1	24%	1,019	2,219	53	56	218%	3%	6%
20	APS	HNX	11,100	866	4.7	1.1	159%	434	133	57	34	31%	15%	15%
21	ART	HNX	8,300	804	30.8	0.7	152%	1,111	149	2	(13)	13%	0%	0%
22	TCI	UPCOM	13,166	652	4.4	1.1	73%	648	801	35	109	124%	6%	9%
23	IVS	HNX	8,500	589	24.1	0.9	6%	684	337	9	8	49%	1%	1%
24	PSI	HNX	8,700	521	47.6	0.8	43%	633	1,029	7	14	163%	1%	1%
25	VFS	UPCOM	8,151	334	8.7	0.7	2%	479	189	36	20	39%	7%	8%

Sorted by market capitalization

Source: FiinPro

THE SECURITIES INDUSTRY- Securities Houses' Plans

- Issue new capital (Both Equity and Bond) to satisfy high demand margin loan by individual investors.
- Meet Requirement from SSC to qualify capital to fully offering services.
- High requirement from investors.
- Enhance both Human Resources and Capital.
- Huge Development and Investment In Technology Infrastructure meet the market demand .
- Seeking new business model to generate profit and more efficiency.
- Launching new financial products to lure more clients.
- Focusing to offering the high quality services and professional services to clients and investors.
- Offering a very low cost fee, even zero fee of some services to clients.
- Looking for strategic partners, local and foreign investors who have strong ecosystem business and strong capital to corporate for leveraging their power in the very tough market.

Companies	New capital (Bil. VND)	Issue Equity Issue (Bil.VND)	Issue Bond (Bil. VND)	Comments
VND	3,110	3,110		
SHS	1,500		1,500	
ACBS	2,700	1,500	1,200	
HCM	2,135	2,135		
SSI	2,346	1,196	1,150	CB to 47m shares
MBKE Sec	700	700		
BSI (BIDV Sec)	972			
PHS	660	660		
VCI	500	300	1,000	By late 2021
EVS	700	400	300	By late Q3.21
KIS	1,170	1,170		
TVSI	1,620	1,620		
ORS	1,000	1,000		
TVB	356	356		
VFS	103	103		
Total new capital issue	19,572	14,250	5,150	

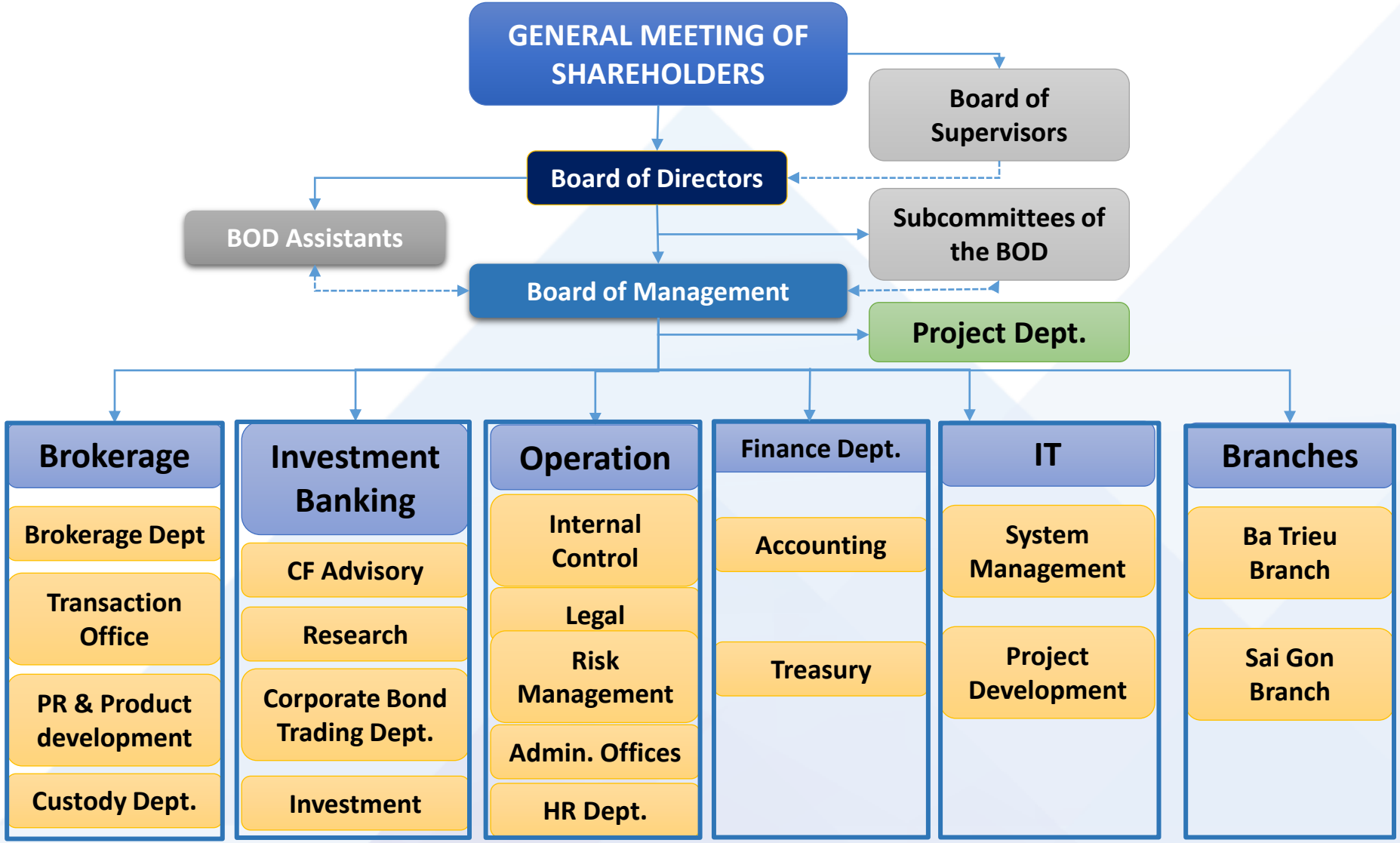
Source: EVS Research

**EVEREST SECURITIES CORPORATION
(EVS)
AND
PEER SECURITIES COMPARISON**

COMPANY PROFILES AND MILESTONES

- **Established in 2006** with Initial charter capital is VND50bn and the original name: Ocean Securities Joint Stock Company and changed the name to Everest Securities Corporation.
- **Increased charter capital:** has raised its capital from VND50bn to VND150bn, VND300bn, in 2009, 2010, and 2014, respectively.
- **2018: has raised its capital to VND600bn and changed of company name** to Everest Securities JSC and changed its logo and brand identity.
- **In 2019:** The company officially listed 60mm shares (ticker EVS) on the Hanoi Stock Exchange (HNX) and open Ho Chi Minh city Branch.
- **2019-Current: Always in the Top 10** of HNX' bond brokerage market share and Top 5 corporate bond brokerage market share.
- **1H2021:** EVS was the best of securities houses in term financial performance (growth 7 times y/y) and stock price return (282% for 1H2021).
- **Market share:** Securities Brokerage Market share comprises of around 1% of HOSE.
- **Main business operations:** Securities brokerage, Offering in-depth research reports, proprietary trading (investment), underwriting, financial consulting, securities depository, portfolio management, investment banking.
- **Head office and branches:** HQ located at VNT Tower, 19 Nguyen Trai, Thanh Xuan District, Hanoi, 2 Branches: At Nguyen Trai, Hanoi and 1 branch in 117 Nguyen Du, District 1, HCMC.
- **Human Resources:** Around 100 employees work in Hanoi and HCM city.

ORGANIZATION CHART – LEADERSHIP STRUCTURE



EVEREST BUSINESS MODEL

- **Securities Brokerage Services:** EVS serve both individual and institutional clients as:
 - Opening securities accounts;
 - Assistance in applying for trading code for foreign investors;
 - Securities depository;
 - Brokerage of listed / OTC stocks;
 - Put-through transactions;
 - Trading ideas and advisory;
 - Agent to participate in securities auction/IPO auction
 - Pre-funding and funding arrangement
- **Margin lending:** Support Brokerage activities by offering margin loan for clients, focusing on individual investors
- **Investment (Proprietary trading):** Allocated around 5% of total asset for short time trading and 15% of total asset for long term investment both equity and corporate bond, but Investment segment has been performance well and very efficiency to contribute at least from 30% to 50% for company's net profits every year.
- **Investment Banking:** Has experienced personnel and dedicated services, ability to execute deals in a fast and professional manner and confidentiality of client information.

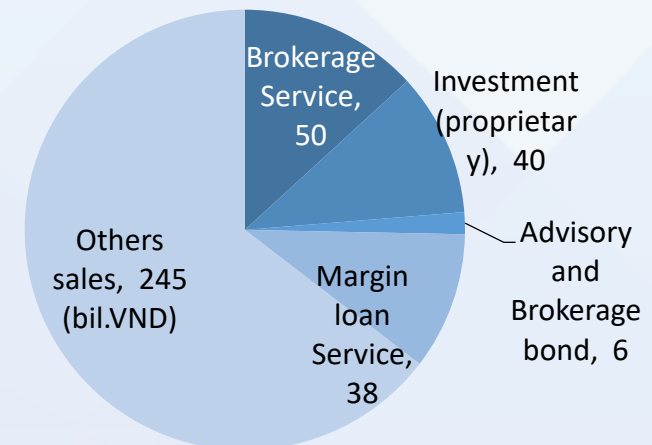
FINANCIAL PERFORMANCE – Low quantity but high quality and improving

Sales and Net profits performance

ITEMS	Unit	2018	2019	2020	1H2021
Total assets	VND billion	1,052	1,266	980	1,866
Total equity	VND billion	714	721	778	954
Operation sales	VND billion	173	197	351	379
Sales growth y/y	%	161%	14%	78%	116%
Net profits	VND billion	43	8	57	178
Net profits growth y/y	%	-85%	-81%	606%	4714%
Net margin	%	25%	4%	16%	47%
ROA	%	4%	1%	6%	12%
ROE	%	6%	1%	7%	19%

- Total assets at the end of 1H2021: VND1,866bn.
- Equity at the end of 1H2021: VND954 bn.
- Net Profit for 1H2021: VND178bn.
- Sharp growths in terms of sales and profits.
- Good performance both on top line and bottom line in for 1H2021 thanks to improvement of all activities, especially the large contribution of investment.
- Improvement efficiency ratios calculated (2H2020+1H2021) by both ROA, ROE ratio in 1H2021 respectively: 12% and 19%.

Sales breakdown for 1H2021 by business activities



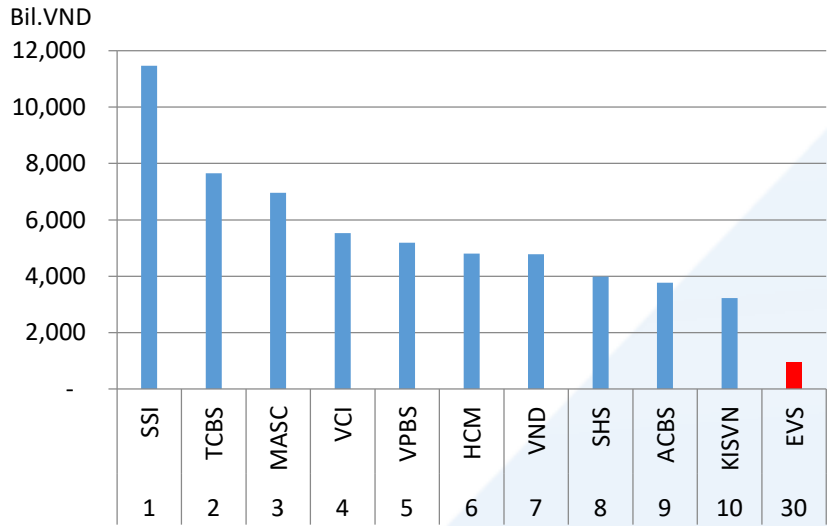
COMPANY'S BUSINESS PLAN 2021-2024

ITEMS	Unit	2021	2022	2023	2024
Trading Value in HOSE/Session	VND billion	22,000	25,000	35,000	40,000
Trading Value in HNX/Session	VND billion	2,000	3,000	4,000	4,500
Charter Capital	VND billion	1,000	2,000	3,000	4,000
Total equity	VND billion	1,500	2,800	4,000	5,000
Margin loans	VND billion	2,000	3,000	4,500	6,000
Net profit	VND billion	210	390	580	750
ROE	%	14%	14%	14%	15%
Head count	Person	100	150	200	230

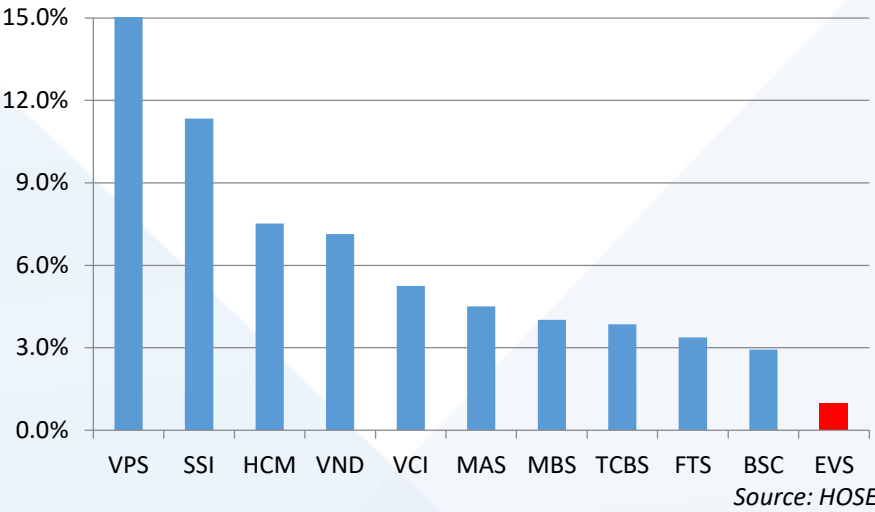
Source: EVS Research

EVS versus peers comparison – On the way to the top

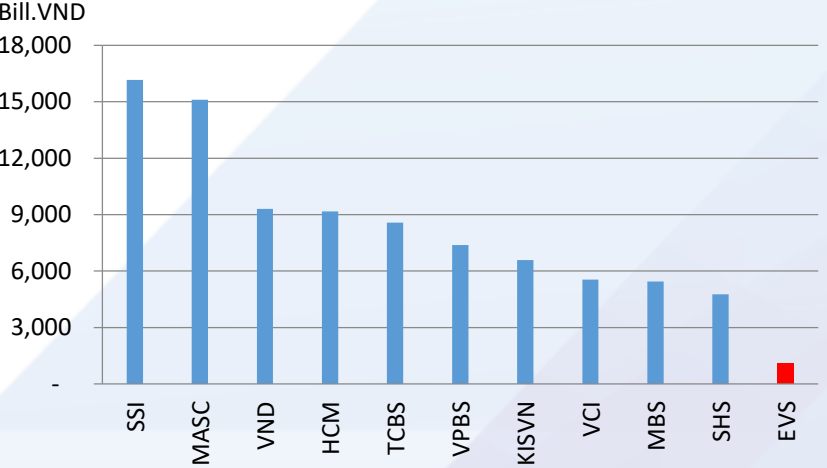
Equity as of Q2.2021 of the Top 10 v.s EVS (30)



1H2021 Brokerage market share of Top 10 v.s EVS (25)



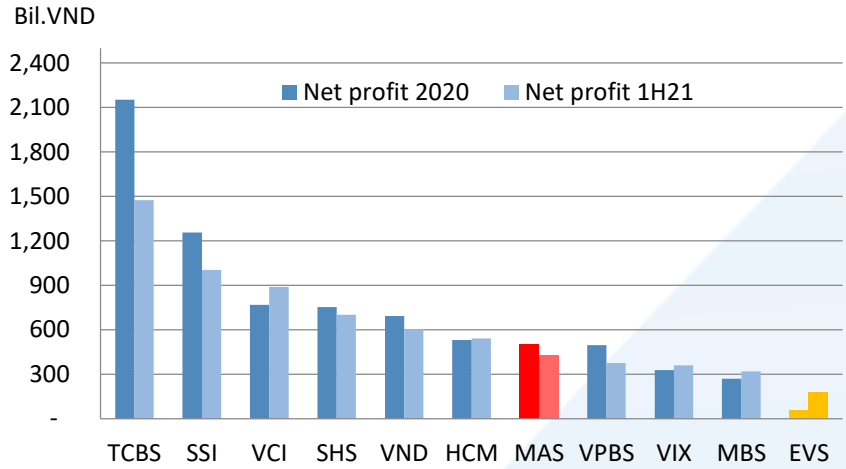
Margin loan outstanding as of Q2.2021



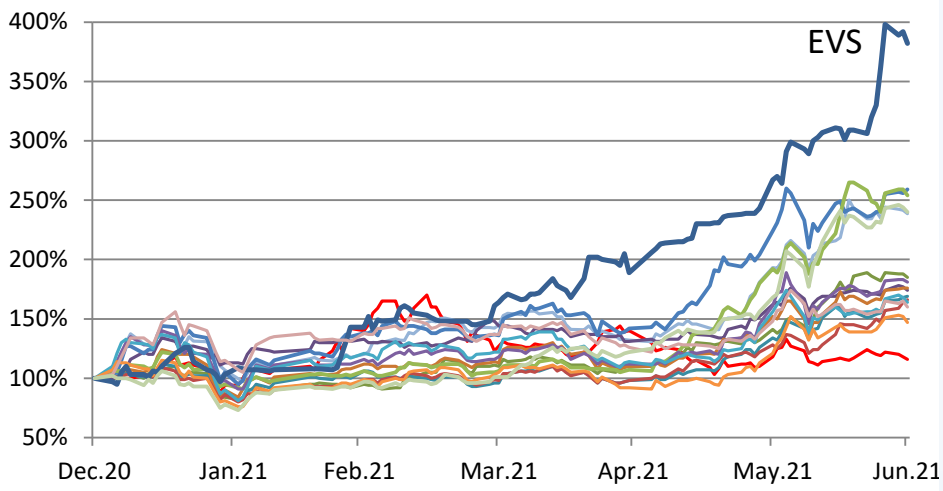
Although EVS currently still lags the top of largest companies in terms of capital and brokerage market share, the company is planning to improve its capacity in both financial and human resources to meet the company's development plan and the increasing demands of customers and the market. Hopefully in the next few years EVS can catch up with the largest securities companies in the market both in capital, human resources, brokerage market share and proprietary investment activities.

PEER Comparison: too far to the top but best performance and the gap is closer

Net profit EVS versus Top 10 for 2020 and 1H2021

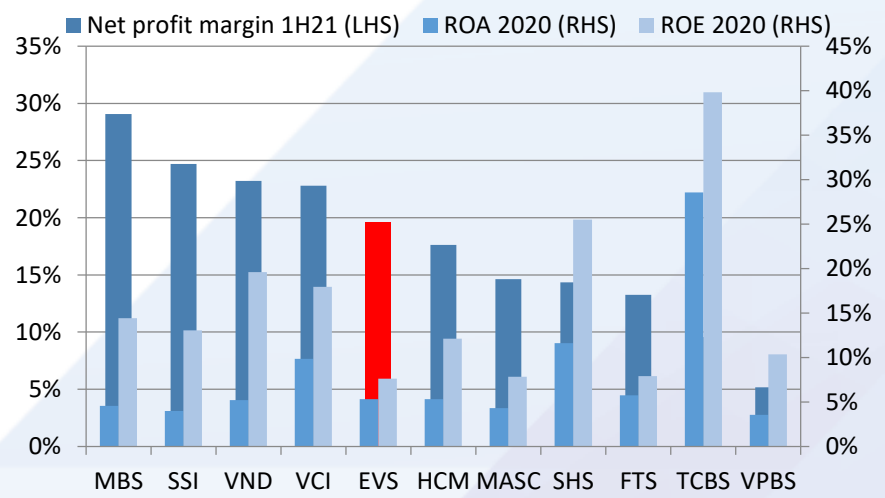


Stock price performance 1H21 EVS versus listed securities



Source: Fiiipro

Net profit margin 1H21 EVS versus Top 10



Despite its small scale and limited resources, EVS still proves to be quite efficient thanks to its professional human resources and lean model that helps the company to always allocate capital flexibly. The company focuses on the most effective activities with the lowest costs, so it can maintain outstanding growth and improve profit margin over recent years.

As a result, EVS is the most effective proprietary company in terms of return on capital and has the most effective profit result (in terms of profit margin and ROE) for 1H2021.

PEER SECURITIES HOUSES - 25 listed Securities Companies Comparison

Order	Ticker	Exch.	Market price (23 Jul.21)	Market cap (Bil.VND)	PE trl (x)	PB (x)	Stock Price Return (%YTD)	Total Equity Q2.21 (Bil.VND)	Margin loan Q2.21 (Bil.VND)	Net profit 2020 (Bil.VND)	Net profit 1H21 (Bil.VND)	Margin loan/Equity Q2.21	ROA 2020 (%)	ROE 2020 (%)
1	SSI	HOSE	50,600	33,139	18.3	2.9	56%	11,458	16,159	1,257	1,004	141%	4%	13%
2	VND	HOSE	41,700	17,891	8.6	4.0	125%	4,881	9,303	693	889	191%	5%	20%
3	VCI	HOSE	47,400	15,784	13.7	3.0	68%	5,530	5,546	769	702	100%	10%	18%
4	HCM	HOSE	45,250	13,803	15.6	2.9	47%	4,805	9,170	530	605	191%	5%	12%
5	SHS	HNX	38,600	8,001	8.2	2.2	54%	3,991	4,769	754	541	120%	12%	25%
6	MBS	HNX	28,300	7,573	16.8	3.5	133%	3,057	5,442	269	232	178%	5%	14%
7	FTS	HOSE	33,000	4,870	11.6	2.1	127%	2,565	4,679	171	376	182%	6%	8%
8	ORS	UPCOM	22,131	4,426	10.0	4.0	183%	1,111	809	89	150	73%	7%	14%
9	VIX	HOSE	21,750	2,778	3.9	1.3	-5%	2,175	1,199	328	427	55%	17%	21%
10	AGR	HOSE	12,200	2,577	21.3	1.2	42%	2,148	1,065	97	158	50%	4%	5%
11	TVS	HOSE	25,300	2,485	5.4	1.7	79%	1,102	180	233	293	16%	7%	20%
12	BSI	HOSE	20,400	2,480	9.9	1.6	64%	1,606	2,954	127	122	184%	5%	9%
13	VDS	HOSE	22,200	2,333	6.9	1.8	122%	1,412	2,360	150	248	167%	6%	14%
14	CTS	HOSE	20,200	2,149	8.3	1.5	28%	1,592	1,534	128	167	96%	4%	9%
15	BVS	HNX	26,500	1,913	8.7	1.0	45%	2,046	3,410	133	153	167%	5%	7%
16	EVS	HNX	31,800	1,908	13.3	2.2	266%	954	1,065	57	178	112%	5%	8%
17	TVB	HOSE	14,700	1,569	6.2	1.9	35%	846	676	72	163	80%	8%	13%
18	SBS	UPCOM	11,894	1,506	149.8	7.2	138%	208	275	1	1	132%	0%	1%
19	PHS	UPCOM	12,400	1,116	15.0	1.1	24%	1,019	2,219	53	56	218%	3%	6%
20	APS	HNX	11,100	866	4.7	1.1	159%	434	133	57	34	31%	15%	15%
21	ART	HNX	8,300	804	30.8	0.7	152%	1,111	149	2	(13)	13%	0%	0%
22	TCI	UPCOM	13,166	652	4.4	1.1	73%	648	801	35	109	124%	6%	9%
23	IVS	HNX	8,500	589	24.1	0.9	6%	684	337	9	8	49%	1%	1%
24	PSI	HNX	8,700	521	47.6	0.8	43%	633	1,029	7	14	163%	1%	1%
25	VFS	UPCOM	8,151	334	8.7	0.7	2%	479	189	36	20	39%	7%	8%

Ranked by market capitalization

Source: FiinPro

APPENDIX- Financials summary of the top 40 Securities Companies

Order	Ticker	Name	Ownership	Total Equity Q2.21 (BiL.VND)	Charter capital Q2.21 (BiL.VND)	Total Asset Q2.21 (BiL.VND)	Margin loan Q2.21 (BiL.VND)	Net profit 2020 (BiL.VND)	Net profit 1H21 (BiL.VND)	ROA 2020 (%)	ROE 2020 (%)
1	SSI	SSI	By local-Foreign partner	11,458	7,378	35,770	16,159	1,257	1,004	4%	13%
2	TCBS	Techcombank Securities	Bank's Subsidiary	7,653	1,124	8,759	8,569	2,152	1,475	29%	40%
3	MASC	Mirae Asset Securities	By Foreigner, S.Korea	6,957	5,456	18,117	15,111	500	319	4%	8%
4	VCI	Vietcapital Securites	Local-Foreign partner	5,530	3,330	11,516	5,546	769	702	10%	18%
5	VPBS	VPBank Securities	Bank's Subsidiary	5,184	3,500	16,065	7,383	497	361	4%	10%
6	HCM	Hochiminh Securites	Local-Foreign partner	4,805	3,059	12,489	9,170	530	605	5%	12%
7	VND	VNDIRECT	Local-Foreign partner	4,775	2,204	14,976	9,303	693	889	5%	20%
8	SHS	Saigon -Hanoi Securities	Bank's Subsidiary	3,991	2,073	6,930	4,769	754	541	12%	25%
9	ACBS	ACB Securities	Bank's Subsidiary	3,775	1,500	4,139	3,745	170	222	5%	9%
10	KISVN	KIS Vietnam	By Foreigner, S.Korea	3,231	2,596	6,328	6,581	207	237	4%	8%
11	TVSI	Tan Viet Securities	Bank's Subsidiary	3,166	1,080	3,956	4,259	241	219	8%	17%
12	MBS	MB Securities	Bank's Subsidiary	3,057	1,643	7,016	5,442	269	232	5%	14%
13	FTS	FPT Securities	Holding's Subsidiary	2,565	1,323	3,396	4,679	171	376	6%	8%
14	KBSV	KB Vietnam Securities	By Foreigner, S.Korea	2,286	1,675	5,999	3,709	168	119	3%	8%
15	KEVS	Maybank Kim Eng Sec	By Foreign, Malaysia	2,197	1,056	2,347	2,605	105	76	5%	8%
16	VIX	VIX Securities	Local	2,175	1,277	2,115	1,199	328	427	17%	21%
17	AGR	Agriseco Securities	Bank's Subsidiary	2,148	2,120	2,286	1,065	97	158	4%	5%
18	VCBS	Vietcombank Securities	Bank's Subsidiary	2,093	1,000	5,848	2,911	262	309	6%	16%
19	BVS	Bao Viet Securities	Bank's Subsidiary	2,046	722	3,413	3,410	133	153	5%	7%
20	FSC	Yuanta Vietnam	By Foreign, Taiwan	1,684	1,500	3,349	3,199	48	69	2%	4%

Ranked by Capital

Source: FiinPro, EVS Research

APPENDIX- Financials summary of the top 40 Securities Companies

Order	Ticker	Name	Ownership	Total Equity Q2.21 (BiL.VND)	Charter capital Q2.21 (BiL.VND)	Total Asset Q2.21 (BiL.VND)	Margin loan Q2.21 (BiL.VND)	Net profit 2020 (BiL.VND)	Net profit 1H21 (BiL.VND)	ROA 2020 (%)	ROE 2020 (%)
21	BSI	BIDV Securities	Bank's Subsidiary	1,606	1,221	2,921	2,954	127	122	5%	9%
22	CTS	Vietinbank Securities	Bank's Subsidiary	1,592	1,064	4,274	1,534	128	167	4%	9%
23	VDS	Viet Dragon Securities	Local	1,412	1,001	2,568	2,360	150	248	6%	14%
24	NHSV	NH Vietnam Securities	By Foreigner, S.Korea	1,248	1,239	2,607	991	21	9	1%	2%
25	ORS	TienPhong Bank Securities	Bank's Subsidiary	1,111	1,000	2,199	809	89	150	7%	14%
26	ART	BOS Securities	Holding's Subsidiary	1,111	969	1,136	149	2	(13)	0%	0%
27	TVS	Thien Viet Securities	Bank's Subsidiary	1,102	982	3,920	180	233	293	7%	20%
28	PHS	Phu Hung Securities	By Foreign, Taiwan	1,019	900	2,135	2,219	53	56	3%	6%
29	HFT	Pinetree Securities	By Foreigner, S.Korea	981	615	621	948	(23)	7	-4%	-4%
30	EVS	Everest Securities	Local	954	600	1,866	1,065	57	178	5%	8%
31	SSV	Shinhan Bank Securities	By Foreigner, S.Korea	936	813	1,478	397	33	N/A	3%	4%
32	TVB	Tri Viet Securities	Local	846	547	961	676	72	163	8%	13%
33	IVS	Vietnam Development Sec	Local	684	694	682	337	9	8	1%	1%
34	TCI	ThanhCong Securities	By Foreigner, S.Korea	648	360	761	801	35	109	6%	9%
35	PSI	PSI Securities	Holding's Subsidiary	633	598	1,274	1,029	7	14	1%	1%
36	VFS	Viet First Securities	Local	479	410	571	189	36	20	7%	8%
37	APS	APEC Securities	Local	434	390	412	133	57	34	15%	15%
38	PNSC	FUNAN Securities	By Foreign, Taiwan	413	340	428	319	19	N/A	5%	5%
39	ABSC	AnbinhBank Securities	Bank's Subsidiary	397	397	840	723	37	N/A	5%	8%
40	SBS	Sacombank Securities	Bank's Subsidiary	208	1,267	565	275	1	1	0%	1%

Ranked by Capital

Source: FiinPro, EVS Research



EVEREST
SECURITIES

THANK YOU

Q&A

Contact Information:

Research Team: 117 Nguyen Du, District 1, HCM city or

**Everest : Floor 2, VNT Tower, 19 Nguyen Trai, Thanh Xuan
District, Hanoi, Vietnam**

Tel: (84-24) 3772 6699

Fax: (84-24) 3772 6763

Email: admin@eves.com.vn

www.eves.com.vn

DISCLAIMER AND NOTICE

- *The information, forecasts and recommendations contained herein are based upon sources believed to be reliable but their accuracy completeness or correctness are not guaranteed. However, excepting information about EVS (“Company”), EVS is not responsible for the accuracy of the information contained in this report. Expressions of opinion, forecasts and estimations only show the research analyst’s personal views at issued time. Those statements are not recognized as the views of EVS and are subject to change without notice. EVS has no liability to update or fix this report under any circumstance as well as notice readers in cases that expressions of opinion, forecasts and estimations contained in this report change or become incorrect.*
- *EVS may use the report’s outcomes of research for trading securities itself with the status as a customer using the research product. EVS’s Research Team operates as an independent research unit, and may trade for the company itself in accordance with professional analysts’ suggestions in this report and may participate in securities transactions that are contradictory to the consultancy advice and points of view expressed in the report.*
- *EVS’s staff may have financial interests from relevant securities and financial tools mentioned in the report. This research report is written for the purpose of providing general advisory information to all customers without considering any risky tolerance, ability of risk, specific investment criterions, specific financial situation or any specific demand from any person, who receive or read this report. Investors must pay attention that stock price always changes, it may go up or down and all past happenings (if any) don’t imply for future outcomes. EVS accepts no liability whatsoever for any direct or consequential loss from any use of this document or its content.*
- *No part of this document may be copied, reproduced, republished or redistributed without approval document of EVS. Please note the source when quote contents approved by EVS.*