

TECHCOM SECURITIES JOINT STOCK COMPANY

TECHCOMSECURITIES



BeSpoke

ANNUAL REPORT 2019



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MESSAGE FROM THE CHAIRMAN

Dear Shareholders and Clients,

2019 continues to mark a strong and sustainable growth of Techcom Securities Joint Stock Company (Techcom Securities - TCBS). Revenue and profit before tax were VND 2,172 billion and VND 1,819 billion, respectively, up 16% and 19% compared to 2018. The total assets continued to grow dramatically from VND 4,351 billion (at the end of 2018) to VND 6,304 billion, up 45%. Return on equity (ROE) stands at 38%, ranking among the top securities companies in Asia. Net profit margin remained stable at a rate of 67% and profit per employee of TCBS in 2019 reached VND 6.8 billion, which is continuously highest among leading securities companies in Vietnam.

In 2019, TCBS continued to maintain its leading position on the Ho Chi Minh Stock Exchange (HSX) with an overwhelming market share of over 82% in corporate bond brokerage. Leading the corporate bond market in Vietnam, TCBS successfully advised and issued more than VND 60,000 billion of bonds for its corporate customers this year. Of which, TCBS has distributed more than VND 30,000 billion to the retail market, an increase of 47% YoY.

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Not only focusing on revenue and profit growth targets, TCBS also combines the development of advanced technology platforms to help to enhance TCBS's reputation and competitiveness in the market. In the digital transformation race, TCBS is one of the companies focusing on pursuing the Wealthtech strategy. The simplicity and automation of processes, procedures, documents and the application of Fintech trends in business operations have helped TCBS to quickly capture customers' demands. In 2019, TCBS's Customer Service system is constantly improving with a series of modern features such as 100% online account opening (e-KYC), electronic voting utility (e-Voting), online training system (e-Learning) and bonus system (iXu). Almost every operating indicator at TCBS is measured for continuous improvement and optimization.

In addition, TCBS has successfully applied the Agile model to the workflow. As of that, TCBS enables to weekly improve product quality, continuously bringing customers new features and experiences whenever trading on TCInvest such as placing Excel orders, placing quick orders on individual stock price lists, financial plans (iPlan), Robo-advisor, Chatbot and many other modern financial advisory tools.

TCBS is no longer a securities company. TCBS has been and is a technology and finance company with a different market position and services. The company's vision of 2025 is to become the Wealthtech leader in the region.

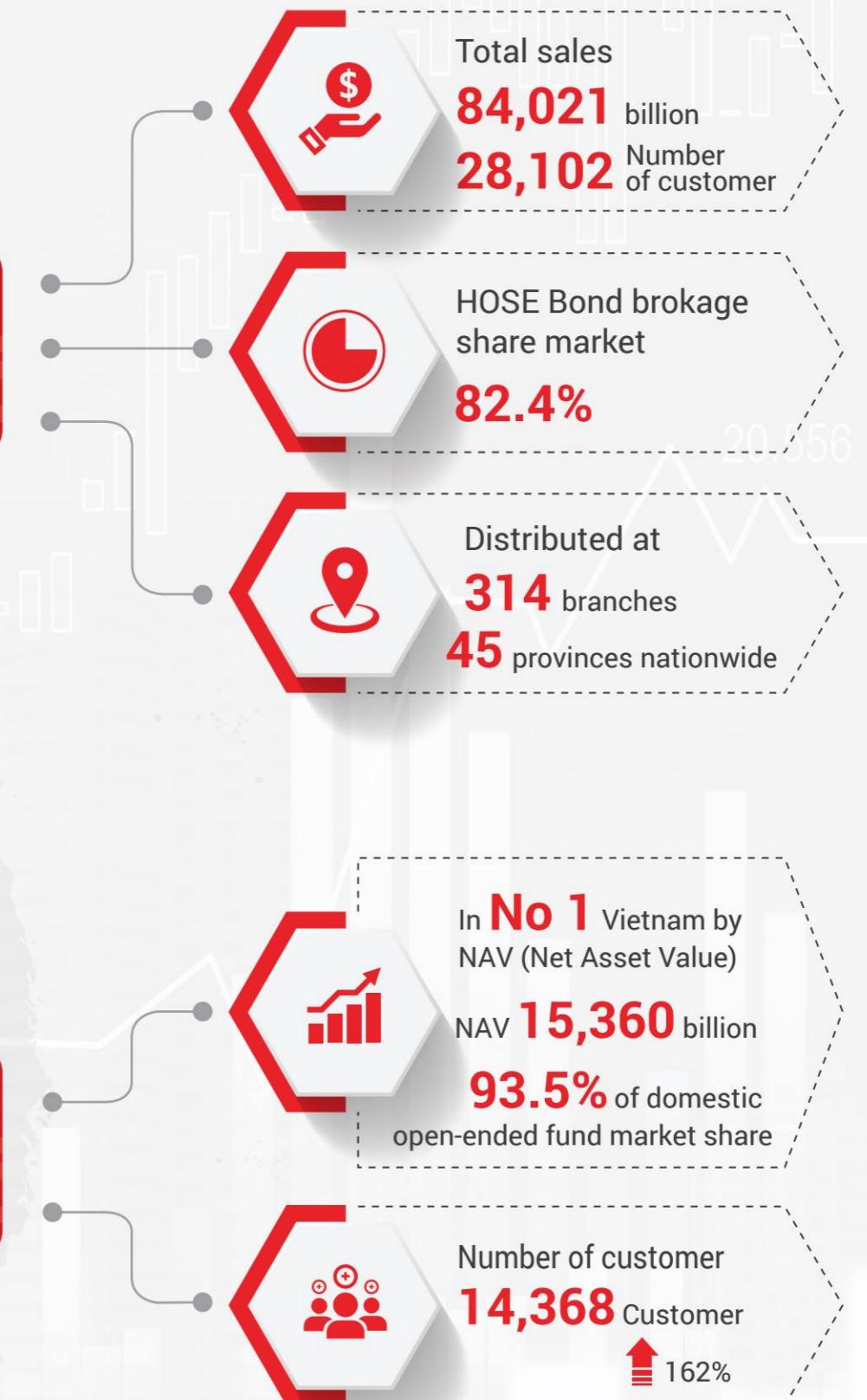
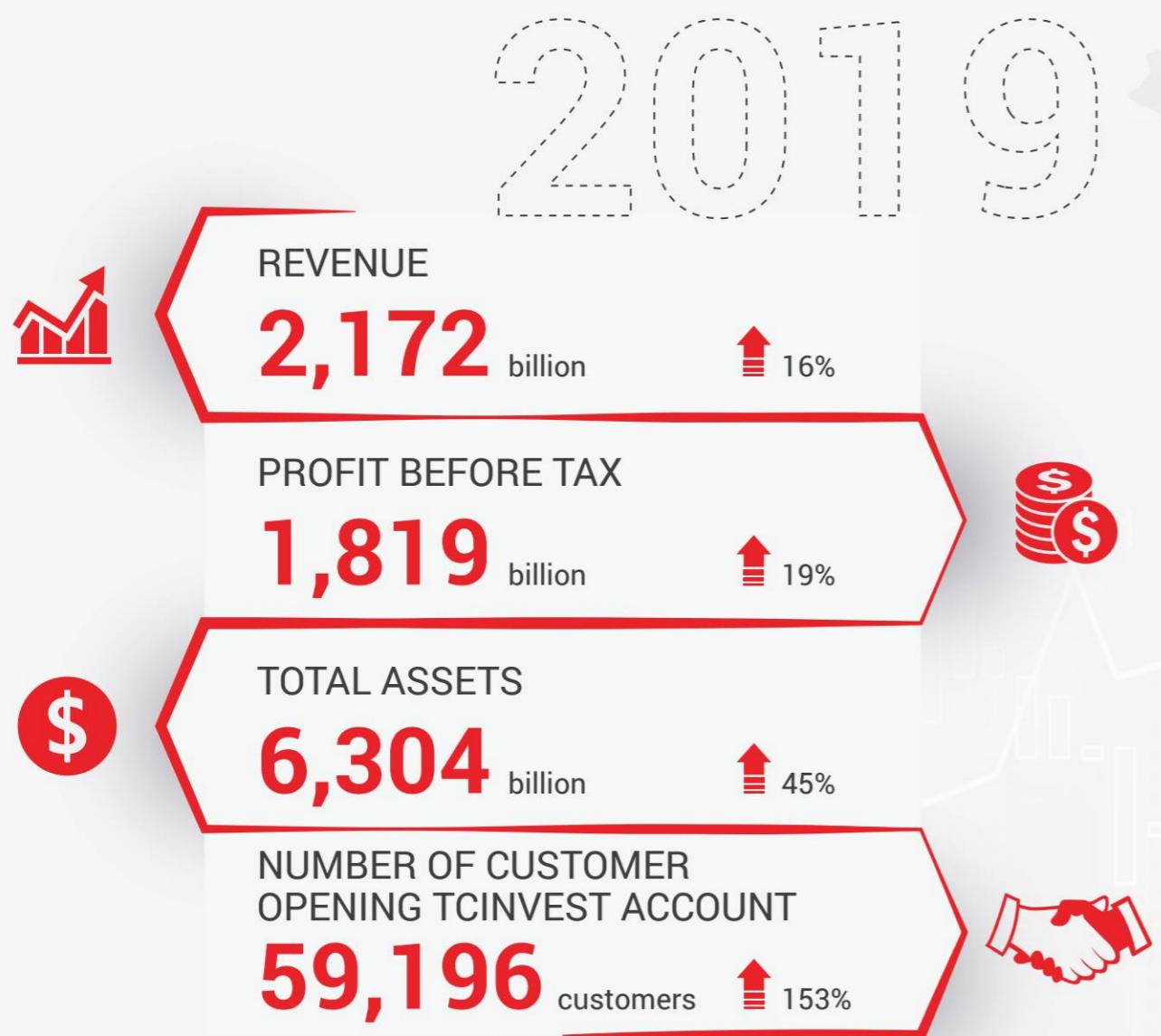
On behalf of the Board of Directors, I would like to express my sincere thanks to TCBS's Board of Directors and all employees for their efforts, dedication and solidarity for TCBS's construction during 11 years of development. TCBS will continue to carry out the selected mission and commit to bringing sustainable benefits to Shareholders, Customers, Employees, Partners and the Community. We hope that you will always support and accompany TCBS towards a prosperous future.

Best regard,



Chairman
Nguyen Xuan Minh, CFA

II. 2019 HIGHLIGHTS



III. TECHCOM SECURITIES – FINTECH COMPANY WITH DIFFERENT MARKET POSITIONING

HISTORY AND DEVELOPMENT

Techcom Securities Joint Stock Company (TCBS) was established in 2008, as a subsidiary of the Vietnam Technological and Commercial Joint-Stock Bank (Techcombank). In 2019, TCBS has become one of Vietnam's largest and most profitable securities companies. Possessing a strong financial potential and advanced technology platform, TCBS's vision in the next 5 years does not stop at offering each Vietnamese family a special experience in investment and accumulation, but also catch up with Wealthtech trends in its digital transformation journey to become a Wealthtech leader in the region. From a team of only 30 people, the number of employees of TCBS by the end of 2019 has increased by 10 times, to nearly 300 employees. Of which, nearly 40% are experts in technology, data and operating under the Scrum/Agile model.

To make an outstanding difference in the Vietnam market, TCBS has chosen its own strategy in pursuing the corporate bond market. Starting from providing consulting solutions to guarantee the issuance of corporate bonds for large and reputable corporate customers, TCBS took pride in becoming the go-to company with a consulting market share of 40%. From 2014 – 2019, total bonds issuance advisory volume has reached VND 213,322 billion. Moreover, TCBS also distributed corporate bonds as an attractive and competitive retail investment product (iBond) which now serve more than 28,100 individual customers nationwide. Thanks to the large share of the advisory market and also considered as the leading organization in bond issuance advisory service, TCBS also occupied the 1st position on the Ho Chi Minh Stock Exchange (HSX) with over 82% market share of corporate bond brokerage.

In addition, to meet the risk appetite and bring various solutions to diversify the portfolio, TCBS continuously introduced a wide range of investment products such as iFund (an open-ended fund that including Techcom Bond Fund, Techcom Equity Fund and Techcom FlexiCA\$H Fund) and TCREIT (the first real estate investment trust in Vietnam). In terms of technology and customer experience, TCBS is the first organization to bring the Robo Advisor solution to the Vietnam market with the TCWealth. Along with other tools such as TCPrice – stock price list updated with all market fluctuations, TCAanalysis – a portal providing data of more than 1,000 companies listed on the exchange, MarketWatch – a stock market analysis on a cloud data platform, iConnect – a tool to help finding bond buy/sell orders, BondWatch – a tool to track iBond offered by TCBS. And most recently the iXu system for loyal customers to earn points and rewards. Each TCBS's customer has been equipped with the best "weapon" to plan their own financial and investment life.



Best Bond House
in Vietnam
(2007 – 2019)



Best DCM House
in Vietnam 2016, 2018
and 2019



Best Domestic
Bond House
in Vietnam 2018, 2019



Best Deal
in Vietnam 2019

TCBS's achievement were not only recognized by the figures in the market but also by the awards of prestigious international organizations. In 2016, 2018 and 2019, TCBS won the awards "The Best DCM in Vietnam" by Finance Asia magazine. Also, Alpha Southeast Asia magazine honored TCBS as "The Best Bond House in Vietnam" from 2007 to 2019. By the end of 2019, The Asset magazine recognized TCBS as "The Best Domestic Bond House in Vietnam" and "Best Deal in Vietnam 2019".

VISION

To become a Wealthtech leader in the region.

MISSION

- To be the strategic finance advisor of corporate clients
- To create a superior cumulative investment experience for every Vietnamese family

TARGET IN 2020

1 @ 1 @ 1 @ 1 = 2020

- @ No 1 in Vietnam
- @ 100,000 affluent customers
- @ \$100 million in revenue
- @ \$1 billion in market capitalization

STRATEGIC CORE BUSINESS

1. Corporate Advisory
2. Wealth Management



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WEALTH MANAGEMENT PRODUCTS



iBond – Corporate bonds for retail customers

iBond is corporate bond exclusively restructured for retail customers with an initial investment only from VND 1 million. Issued by leading companies and advised by TCBS, iBond is the perfect combination of low-risk, high return and high liquidity for customers.



iFund: Open-ended funds

iFund includes Techcom Bond Fund (**TCBF**), Techcom FlexiCA\$H Fund (**FlexiCA\$H**) and Techcom Equity Fund (**TCEF**), which are managed by Techcom Capital (TCC). Customers can invest initially from as little as VND 1 million.

Investing in iFund is low-risk and has flexible liquidity through SIP (Systematic Investment Plan).

WEALTH MANAGEMENT PRODUCTS



TCREIT – Real Estate Investment Trust

TCBS distributed the first and only real estate investment trust in Vietnam managed by Techcom Capital (TCC). With an initial investment from only VND 1 million, TCREIT, listed on HOSE, is expected to generate good real estate investment opportunities for a majority of individuals and families in Vietnam, who otherwise have to spend billions buying a property.

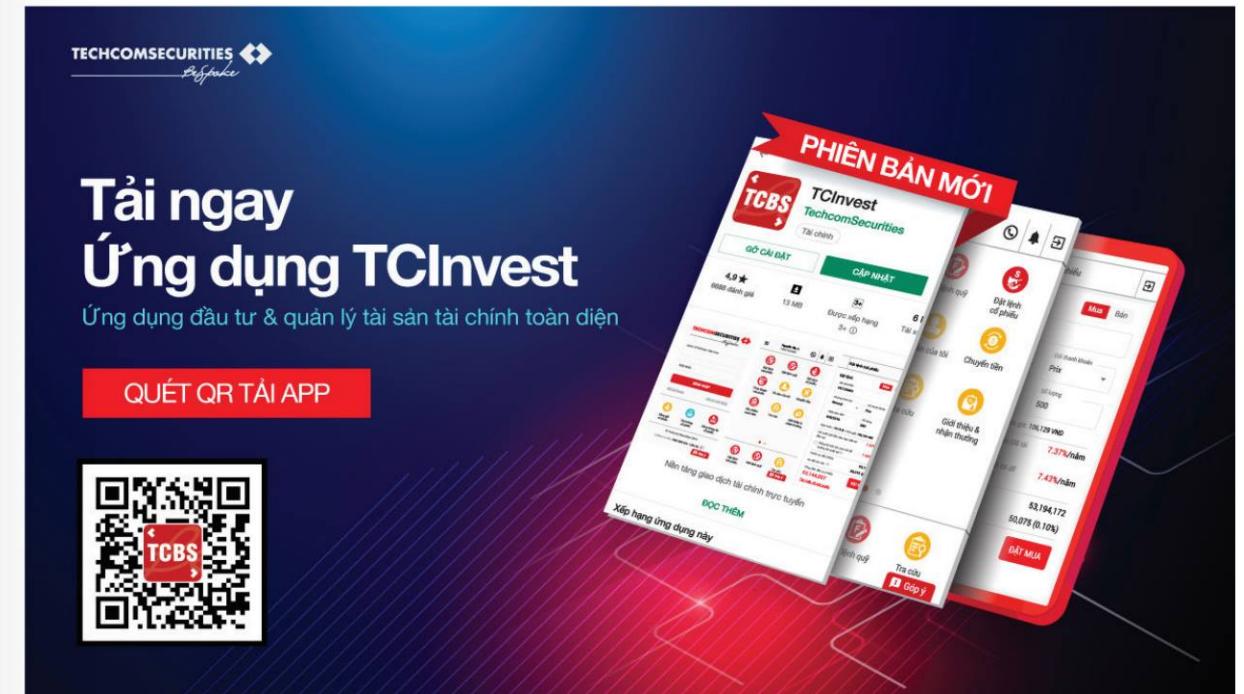
According to legal regulations, TCREIT is largely invested in rental residential and commercial properties with stable cash flows. The trust must also distribute 90% of its annual profit to investors.



TCInvest – Online Wealth Management Platform

TCInvest is the first online asset and investment management platform in Vietnam which includes a trading system of various investment products such as stocks, bonds and funds as well as financial management and advisory system.

With only a single investment account iWealth, customers are fully immersed in all their financial needs. iWealth is a complete and comprehensive combination of features that contain both a bank account and a securities investment account with convenience and security.





iWEALTH PARTNER
ĐỐI TÁC PHÁT TRIỂN KINH DOANH

1800 588 826
www.tcbs.com.vn

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ĐẦU TƯ AN TOÀN - CUỘC SỐNG AN NHÃN



iWealth Partner

A policy for individuals who are passionate in finance such as professional brokers, influential investors, online sales and housewives, etc to become business development partners of TCBS and get flexible opportunities to increase income, increase career development in financial consultancy and property management.



TCWealth – Outstanding financial management & consulting system

TCWealth is the first online financial management and advisory tool called RoboAdvisor in Vietnam. TCBS takes pride to introduce the advanced personal finance consulting tool to the Vietnamese market.

For sustainable asset preservation and growth, TCWealth helps individual customers to plan long-term investment as professional as institutional investors, specifically:

- Creating long-term financial plans for individuals and families.
- Determining optimal strategies and portfolios to achieve important financial goals in the future.
- Assigning the portfolio to various types of assets with high security such as iBond (Corporate bond), iFund (Open-ended fund), and TCREIT (Real estate investment trust).



iConnect

iConnect: the first system that allows direct bond trading between individual investors with attractive income levels that increase product liquidity and efficiency for customers.



iAdvisor

iAdvisor: Support tool for sales team to consult directly, quickly and effectively for customers. With only a mobile device connected to the network, the sales team can look up product programs, limits, prices and interest rates anywhere, promptly provide information so customers can decide plan to invest in time.



iPlan

iPlan: A system of personal financial plans that helps customers to manage their finances in a smart, efficient and detailed manner. These plans are initiated based on the different investment needs and goals of customers, specifically:

- Stable income: A financial plan for customers who want to receive a stable income by a week, month or quarter.
- Profitable bonds: Help customers maximize profits when investing in bonds, through automatically investing bond coupon received periodically to Techcom Bond Fund (TCBF) to continue earning compound interest.
- The plan of linking insurance and investment products, helping customers proactively cash out insurance premiums from investment interests.



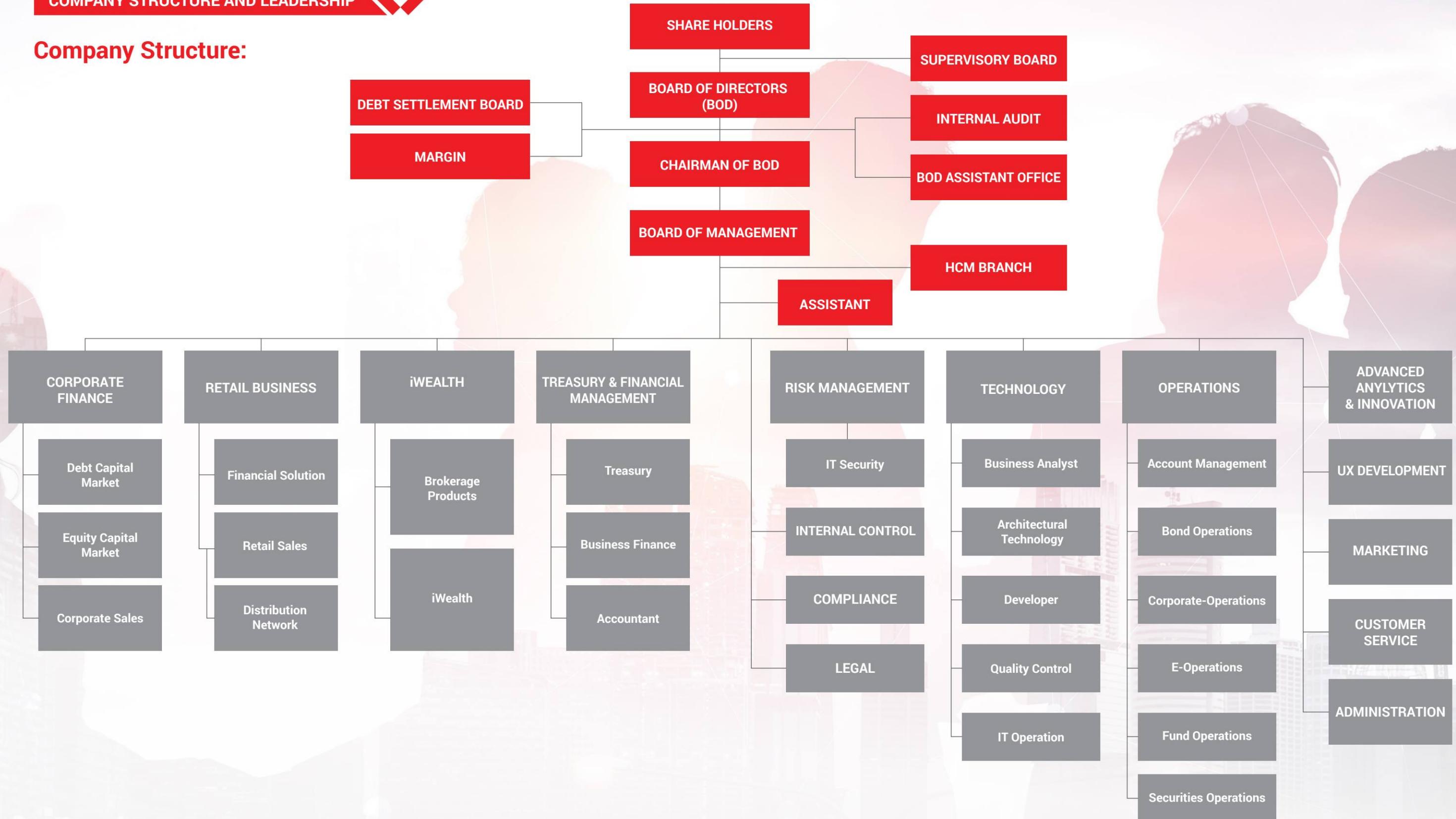
iXu – Bonus Point System

iXu points system is to pay tribute to TCBS's loyal customers, offering them more benefits when interacting and using TCBS products. For each eligible transaction, customers will receive iXu points in exchange for cash and/or VinID points, gifts and Vouchers. The more iXu points TCBS customers can collect, the better benefits they will receive.

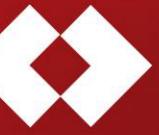


COMPANY STRUCTURE AND LEADERSHIP 

Company Structure:



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NHÀ THU XÉP CHỨNG KHOÁN NỢ
TỐT NHẤT VIỆT NAM 2016

COUNTRY
AWARDS
FOR ACHIEVEMENT
2016

FinanceAsia

NHÀ TƯ VẤN TRÁI PHIẾU TỐT NHẤT
VIỆT NAM (2007 – 2016)

α
Alpha
Southeast Asia



KEY EXECUTIVES



NGUYEN XUAN MINH, CFA

Chairman

Master of Applied Finance & Investment in Australia.
Master of Science, Oil & Gas – Mechanical Engineering, USSR.

Experience:

Mr. Nguyen Xuan Minh has over 26 years of investment and fund management experience. He was CEO of Vietnam Asset Management Ltd. (VAM) and Senior Vice President of Franklin Templeton Investments Singapore. He is a member of the Board of Directors for several corporations in Vietnam.



NGUYEN THI THU HIEN

CEO

Master of Banking and Finance - Monash University, Australia.

Experience:

Ms Nguyen Thi Thu Hien has more than 21 years of banking and finance experience. She held many key positions, including Director of Capital Market – Treasury and Financial Market, Techcombank, Assistant to Vice President, Senior analyst in Debt Market and Capital products at Citibank Vietnam, Member of the Global Asia Tiger program at Citibank Singapore.



NHAM HA HAI

Deputy CEO cum Head of Investment

Master's degree, Finance, CFVG, Paris Dauphine – ESCP

Experience:

A degree holder of Advanced Macroeconomics, Germany. Mr. Nham Ha Hai has hands-on experience in the debt and equity finance as well as structured financial tools. He has more than 18 years working at the State Bank of Vietnam, FPT Capital, Techcombank, and Techcom Capital.

PHAM DIEU LINH

Deputy CEO

MSc Finance, France.

Experience:

Ms Pham Dieu Linh has a solid knowledge of issuance advisory and capital raising. She has over 11 years' experience in capital market and debt instruments with hands-on experience in client management as well as investment portfolio management at Techcombank.



DANG LUU DUNG

Head of Equity Capital Markets

LL.M - International Business Law, Kyushu University, Japan.

Experience:

Mr. Dang Luu Dung has 19 years' experience in state management, legal advices, banking and finance and fund management. He was the vice-director of Techcombank AMC, co-founder and CEO of FPT Capital and Vietnam Japan Fund (VJF). He was also a lawyer at Freshfield Bruckhaus Deringer International.



DO TU ANH

HCMC Branch Manager

BSc Physics, Vietnam National University, Hanoi.
BSc Business Management, USA.

Experience:

Ms Do Tu Anh has 21 years' experience in trading and investment advisory, foreign investment, project development, fundraising, and M&A deals. She was the trade representative of Dresser Industries, co-founder of AIPF, General Director of Nettra Ltd., General Director of INB Ltd., and Vice-director of Techcombank AMC.





NGUYEN TUAN CUONG

Head of Financial Institutions

Master in Banking and Finance at Paris I Pantheon Sorbonne and Paris II Pantheon Assas, France.

Experience:

Mr. Cuong has over 16 years of experience in the field of Bank and Securities. Before working at Techcom Securities, he used to be the Director of Investment and Business debt at Techcombank, Product Manager of Vndirect and many years working at Societe Generale Bank Corporate Invesment Banking (SGCIB) in France.



BUI THI THU HA

Head of Retail Sales & Distribution

MSc Finance and Investment, University of London. A degree holder of Financial and Banking Risk Management.

Experience:

Ms. Bui Thi Thu Ha has over 14 years' experience in banking and finance. She went through different positions at Vinacomin, as well as Treasury and Financial Market at Techcombank. In addition, she was the Executive Assistant to the CEO of Techcombank.



NGUYEN THI HOAT

Head of Financial Solutions

BSc Accounting – Audit, National Economics University, ACCA.

Experience:

Ms. Nguyen Thi Hoat has over 14 years of experience in banking, finance and audit. She was the Director of Hue Real Estate Ltd. and held many senior positions at Vietbridge Capital, International Royal Securities Corp., KPMG, Treasure and Financial Market, Techcombank before joining Techcom Securities.

TRAN HA THANH

Head of Technology

Master of Applied Finance, Macquarie University, Australia.

Experience:

Mr. Tran Ha Thanh has more than 20 years of international experiences in Information Technology including 10 years specializing on finance and stock investment. He was Deputy CEO of VietWealth Capital; CTO of LR Global Partner. He has also worked many years in Singapore for several financial institutions such as Barclays Capital.



TRAN THI THU TRANG

Head of Debt Capital Markets

Bachelor's degree from Academy of Finance, Hanoi.

Experience:

Ms. Tran Thi Thu Trang has more than 14 years of debt capital markets for Techcombank's medium and large corporate clients. With her profound knowledge in corporate finance advisory, Trang has managed a diverse client portfolio in different industries.



HOANG PHUONG

Head of Treasury

Master of Business Administration

Experience:

Mr. Hoang Phuong has 19 years of experience in corporate finance management, financial project management, capital structure and arrangement, especially in energy fields. He has been an Auditor at Deloitte Vietnam and an International Capital Arrangement Specialist at Electricity of Vietnam (EVN).





NGUYEN HA QUYNH, CFA

Head of Research & Development

BSc Economics and Econometrics, University of Nottingham, UK.

Experience:

Mr. Nguyen Ha Quynh has over 14 years of investment, capital market and M&A experience. Prior to joining TCBS, he was Deputy Head of Investment Banking Division at Phoenix Securities Corporation and worked for several years at Cattles Plc, UK.



BUI THI THU HANG

Head of Operations

BSc International Trade, National Economics University.

Experience:

Ms. Bui Thi Thu Hang has over 18 years of experience in securities and investment. She held different positions, including Transaction and Payment management team leader, Risk Management executive, and Stock Exchange manager at MB Securities Corp.



NGUYEN DANG MINH

Head of IT Development

Master of Computer Science, National Chiao Tung University, Taiwan.

AWS Certified Solutions Architect – Professional

Experience:

Mr. Nguyen Dang Minh has over 10 years of experience in Information Technology field. He was the Technical Manager of FPT.AI project at FPT Technology Innovation Department – FPT Group in the field of artificial intelligence and cloud computing.



IV. 2019 MANAGEMENT REPORT

CONSISTENT BUSINESS PERFORMANCE GROWTH

In 2019, profit before tax increased by 19% to VND 1,819 billion. Revenue from the Wealth Management witnessed a considerable growth of 53% year-over-year (yoY), sharply up from VND 605 billion in 2018 to VND 926 billion in 2019.

WEALTH MANAGEMENT CONTINUES TO MAINTAIN MANY OUTSTANDING ACHIEVEMENTS

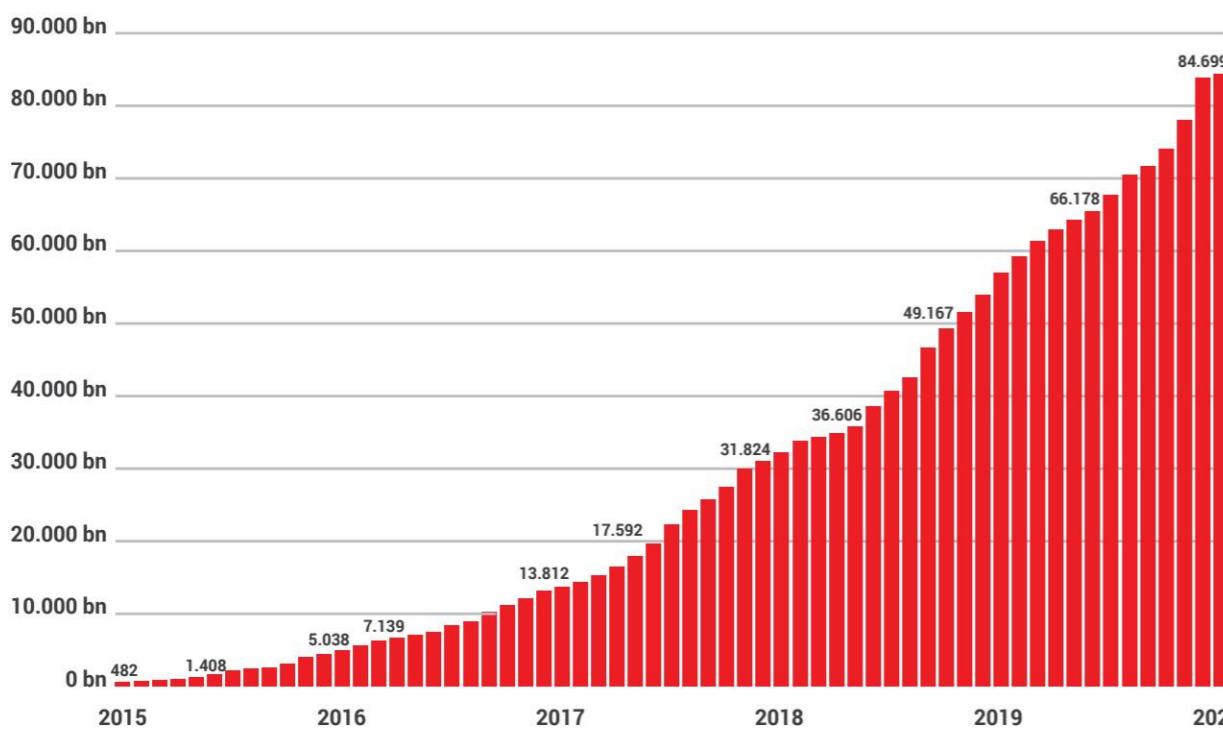
The Wealth Management including iBond (Corporate bonds) and iFund (Open-ended fund) continues to outperform with solid strides and outstanding achievements for many consecutive years.

iBond is much more popular in the bond market

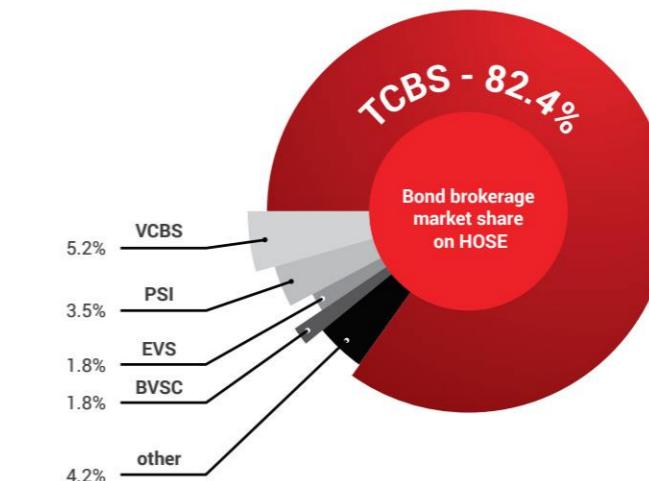
In 2019, this preeminent investment product was contributed through 314 branches in 45 cities and provinces across the country to a total of 28,102 customers.

Leading the corporate bond market in Vietnam, in 2019, TCBS has successfully advised and issued over VND 60,000 billion of bonds for its corporate customers. Of which, TCBS has distributed more than VND 30,000 billion to the retail market, an increase of 47% yoY.

iBond sold to retails (bn VND)



BOND BROKERAGE MARKET SHARE 2019



Source: HOSE

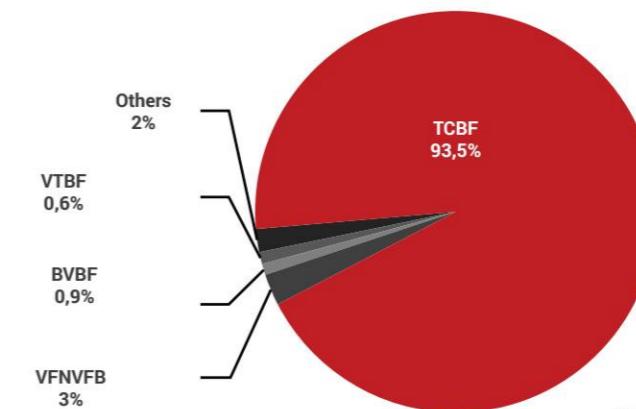
Incredibly, from 2014 - 2019, TCBS distributed 80 trillion iBond products to the retail market. TCBS is Vietnam's dominant player with 82.4% market share of corporate bonds on HoSE, helping issue 95% of Vietnam's listed corporate bonds.

TCBF – Stable growth despite volatility

Contrary to the volatility of the stock market, TCBF has had a stable operating year. TCBF's iFund distribution volume multiplied 2.7 times from 2018, to VND 18,801 trillion – 60% of Vietnam's domestic investment funds.

With over 22,720 investors, TCBF grew its AUM by 132% to VND 15,360 billion and continued to top domestic open-ended funds in Vietnam with 93.5% market share.

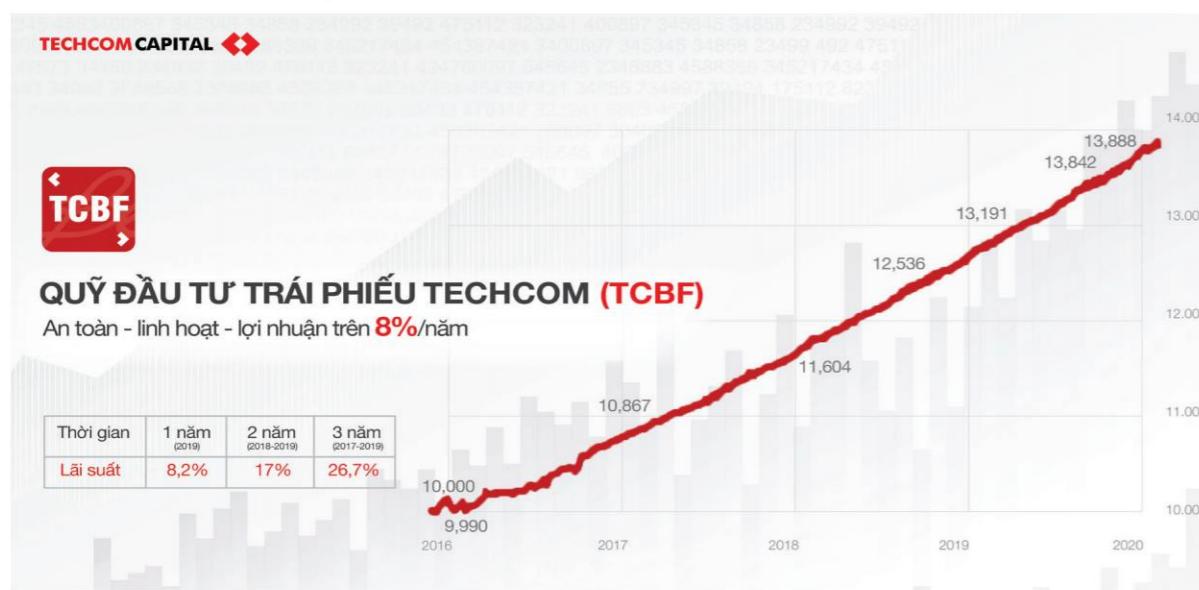
BOND MARKET SHARE IN 2019



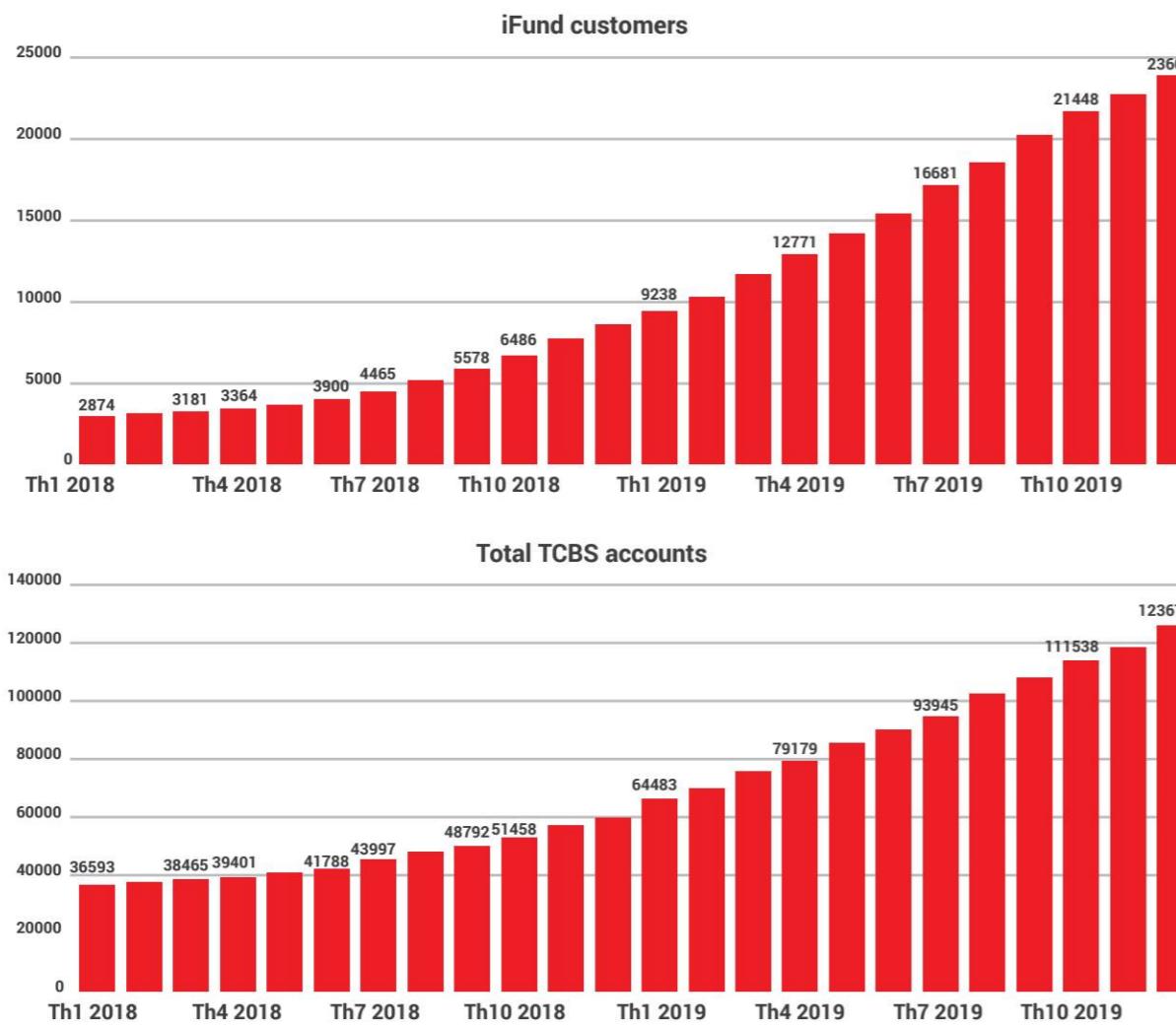
Updated: December, 2019

If most other funds in Vietnam mainly allocated assets into stocks and government bonds, TCBF's portfolio focused primarily on corporate bonds (with low market risk). Over the last three years, TCBF's unique strategy secured stable bond yields of 8.1% for one year, 17% over two years, 26.5% over three years.

With a rapidly increasing number of newly registered customers, TCBF is expected to attract more investors and raise its total management assets to over USD 1 billion.



By the end of 2019, the number of customers investing in iFund has reached 23,606 customers, increasing by 183% yoy. As a result, the total number of securities accounts opened at TCBS shot up by 106%, from 59,993 accounts in 2018 to 123,670 accounts in 2019.



A WEALTHTECH PIONEER UPGRADING COMPREHENSIVELY CUSTOMER SERVICE AND EXPERIENCE

The strategy of adopting Wealthtech across the business, secured TCBS first place in the digital transformation race. Simpler processes, procedures and paperwork, alongside constantly improving service quality and customer experience, have enticed many new customers. Over 2019, innovation was key to modernizing customer care process.

TCBS's Customer Service system has been constantly improving with a series of modern features such as eKYC - thanks to the support of advanced technology for identification, e-Voting – a utility allowing customers to receive meeting invitations from TCInvest system, where customers can authorize, vote and vote online, iXu – a reward system for loyal customers, e-Learning - an effective online training management system for business development partners (iWealth Partner), RM / RBO / CSOs of TCBS nationwide.

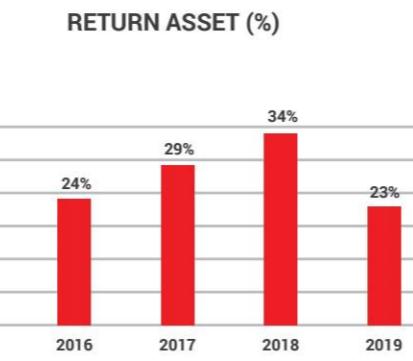
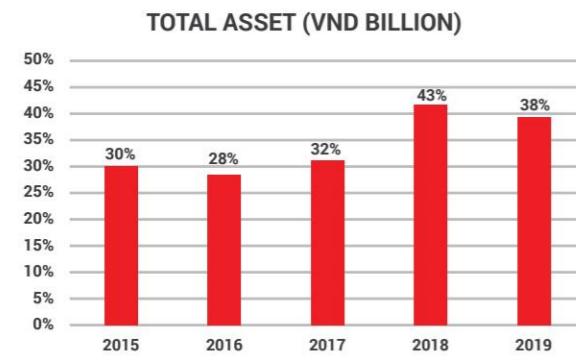
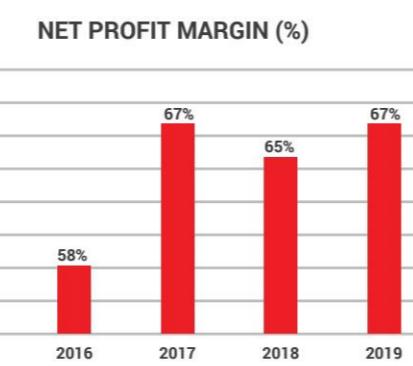
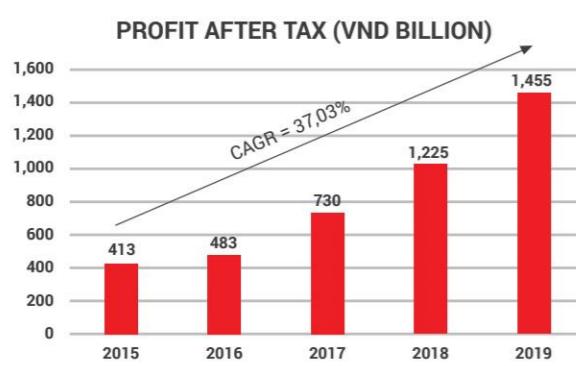
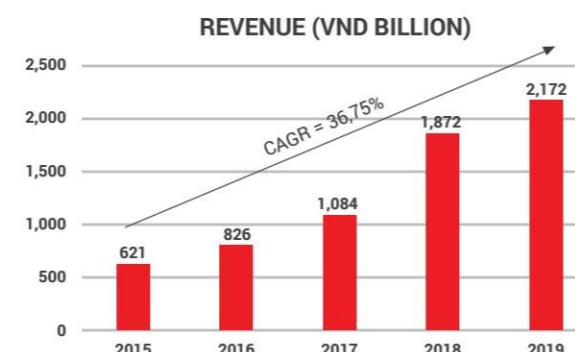
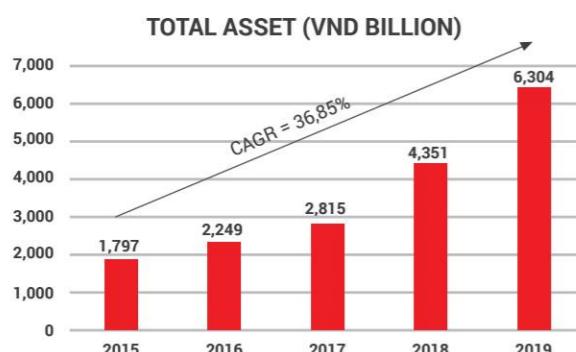
In addition, to ensure every customer is always listened to, supported and recommended the most suitable products, TCBS has used the iWealth Chatbot tool, a program combined with artificial intelligence (AI) for consultants to promptly answer customers' questions, operating 24/7. Moreover, we quantify customer satisfaction by Satisfaction Score & Net Promoter Score. As a result, TCBS's customer service quality dramatically improved both in quantity and quality while supporting product and marketing development services with the most practical solutions for customers' needs.



FINANCIAL INDICATORS REMAINED STEADY

In 2019, TCBS's key financial ratios were stable and prudent, total assets and revenue have grown steadily between 2015 and 2019.

Specifically, TCBS's revenue rose 16% from 2018 to VND 2,172 billion. Its 38% return on equity put TCBS in the ranks of Asia's top securities companies. Profit before tax hit VND 1,819 billion, up 19% YoY, while total assets soared 45% from VND 4,351 billion to VND 6,304 billion driven by strengthening Wealth Management business. The net profit margin stabilized at 67% in 2019. Profit per employee reached 6.8 billion/person, remaining the highest in the market.



EFFECTIVE RISK MANAGEMENT

AN OVERVIEW OF RISK MANAGEMENT SYSTEM

In order to promptly identify and solve many different types of risks arising from internal and external, TCBS considered building the Risk Management System as an important foundation in business operations. We believe that it is only when the company enables to control the risks effectively, the safe investment environment is created to prevent risks in customers' investment plans and capital mobilization.

All TCBS's risk management principles are pursuant to the requirement of the State Securities Commission and Vietnam (*) and international standards.



(*). Decisions 105/UBCK/2013, decisions on promulgating the regulation guiding the establishment and operation of the risk management system for the securities company.

TCBS has established a well-structured risk management system that clearly delineates responsibility and ensures the "three lines of defense" to be effectively implemented according to the International Risk Management, which is aimed at:

- Develop an overall risk management culture for the whole company.
- Concretize into daily risk management activities from business strategy.
- Regularly monitor and ensure that business activities are within the limits and risk appetites established to maintain safety and efficiency.

The "three lines of defense" include:

- All business units and service providers.
- Risk management and internal control is independent with the first line of defense.
- Internal Audit department, to ensure the effectiveness of internal control and internal control systems.



STRENGTHEN RISK MANAGEMENT IN THE FOURTH INDUSTRIAL REVOLUTION

Digitalization in the investment banking industry is an inevitable trend in Industry 4.0. A series of investment banks focus on taking advantage of the fourth industrial revolution to dominate the market. TCBS is no exception. As of that, TCBS was forced to improve its risk control system and increase security to ensure customer service as well as maximum support for customers' investment and transaction journeys.

In 2019, TCBS continued to adjust and build models to assess the key risks in the entire business operation of the company, including credit and market risk assessment models, operational risks and liquidity risks models that comply with the Risk Management standards set by the Ministry of Finance and the Securities Commission.

In particular, the company faced increased and more complex risks, such as cybersecurity risks. Technical issues to ensure the confidentiality and safety of electronic transactions are a huge challenge depending on the technology. Therefore, TCBS has launched international standard solutions for information security, including:

SOLUTIONS ON HUMAN RESOURCES:

- TCBS strengthened internal control to ensure the safety of business operations and IT infrastructure.
- Strengthen communication with internal staff and customers about cybercriminals and measures to protect personal information in the use of electronic banking services.
- Building a contingent of officials specialized in information security, ethical and discipline.

SOLUTIONS ON PROCESSES:

- TCBS reviewed, completed and organized the implementation of policies on security and information technology (IT) security, and policies on IT risk management in compliance with the State's legal documents.
- Closely reviewed the processes and procedures for registering and activating the use of electronic banking services to ensure providing services to the right customers.
- Developed a roadmap for implementing international standards and security for IT systems.

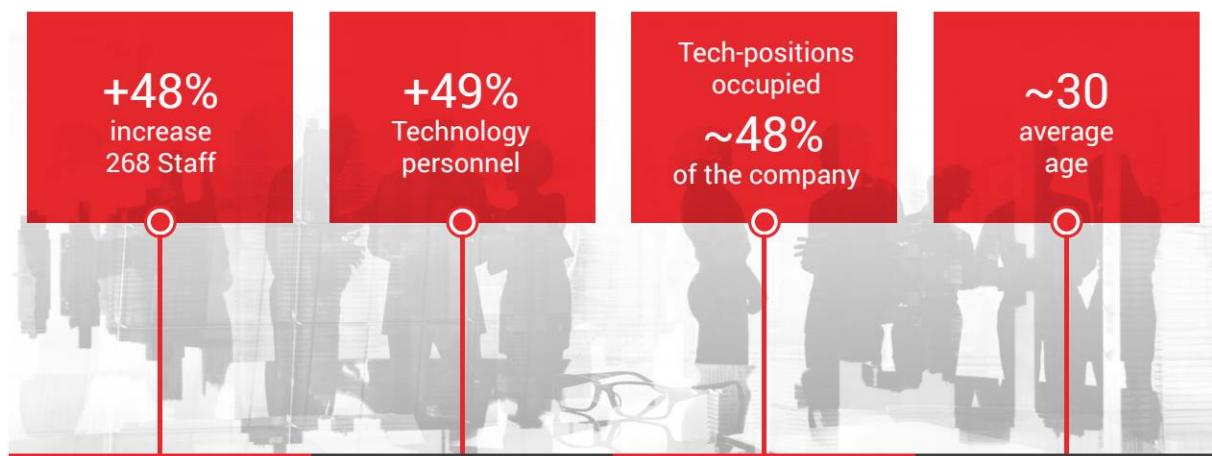
TECHNOLOGY SOLUTIONS:

- Conducting risk assessment and security solutions for the entire life cycle of an information system.
- Analyzing customer data and developing a set of rules to prevent frauds early; developing criteria and software to identify abnormal transactions based on time, geographic location, frequency of transactions and number of wrongly logged in logins or other abnormal access signals on the information system.
- Building a network security executive room to monitor, supervise and prevent in time acts of network intrusion and attack.

In addition, TCBS also focused on promoting the development of (i) automated risk assessment and inspection system to improve operational efficiency and minimize operational risks; and (ii) an automated portfolio simulation system to provide more comprehensive risk management and risk management tool.

Technology plays an important role in TCBS's long-term strategy to improve operational efficiency. With the orientation to become a strong financial group in the region, strengthening the risk management system is always a top priority for TCBS to ensure control of customer information and data as well as minimize new risks arise.





SIGNIFICANT HUMAN RESOURCES EXPANSION

100% of the employees have college, university, and postgraduate degrees. Many staff hold reputable professional qualifications in their fields of expertise, such as CFA (Chartered Financial Analyst) or ACCA (the Association of Chartered Certified Accountants) which are globally recognized.

In 2019, the number of TCBS's personnel continues to soar, bringing the total number of employees from 184 to nearly 300, an increase of 48%.

At the forefront of the digital transformation journey in Vietnam, TCBS has successfully led a team of staff with a strong technology background, the goal to become a powerful business empire in the region. The proportion of technology personnel was highly focused and supplemented by TCBS in 2019. The number of IT personnel in the past year increased by 49% compared to 2018, accounting for nearly 40% of the whole company personnel. This is the largest division of TCBS and is expected to continue to increase strongly in 2020 when the company has announced publicly pursuing the Wealthtech strategy over the next 5 years.

With a young age (average age of 30 years), rich aspirations and a spirit of innovation, these people are the most valuable assets in TCBS's growth journey.



V. WEALTHTECH STRATEGY FOR THE NEXT 5 YEARS

CREATING EXCELLENT INVESTMENT EXPERIENCES

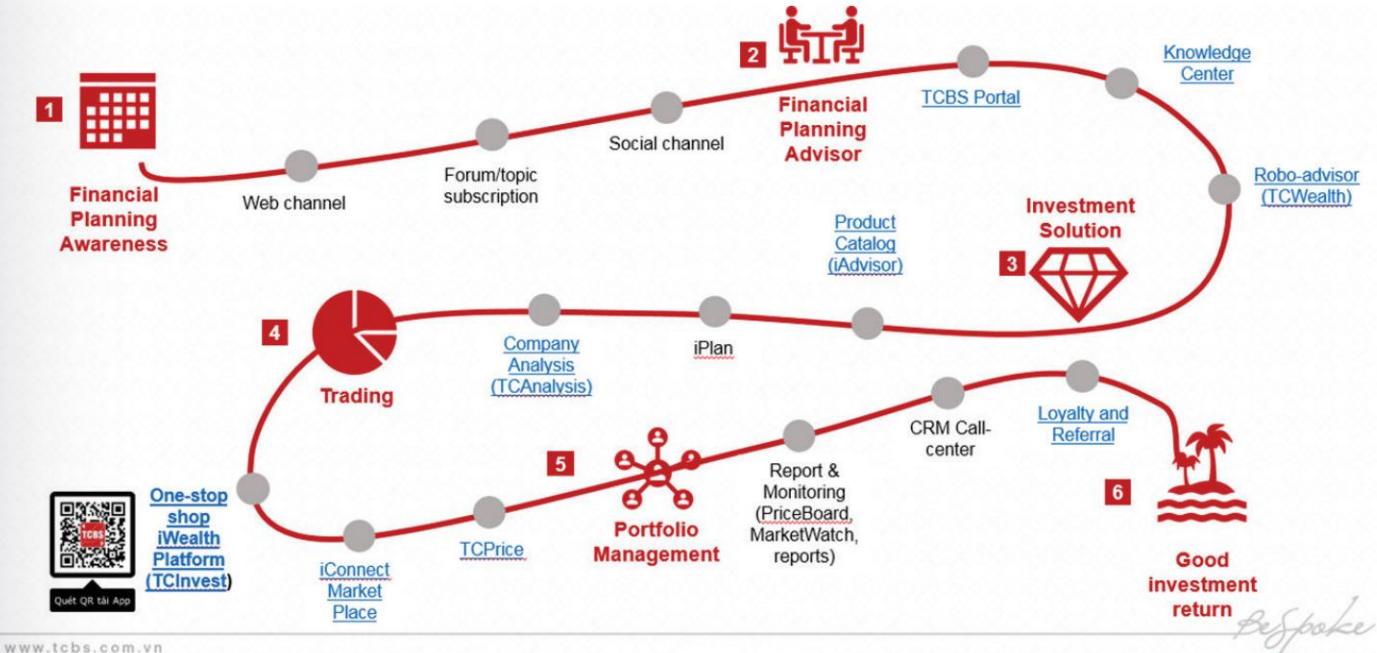


If 2018, TCBS entered the second year of the transformation towards Fintech and witnessed the initial success of the digital transformation journey in the following aspects:

- Revising the operations model to increase cohesion and increase productivity.
- Opening the platform with the orientation to become the hub of products and investment needs, and ready to expand to serve a large number of customers.
- Application of technology to improve the customer experience as well as automating business processes.

In 2019, TCBS has completed the construction of a solid foundation of personnel, technology, techniques and skills to further expand and develop standards set forth. 2019 is truly an uplifting year when TCBS has all the necessary tools to promote its creativity. TCBS products and services have been improved to a new level with 3 focus areas:

- Services in customer investment journey were tightly integrated with the same ecosystem.
- Customer experiences were constantly being tested and improved upon customer feedback.
- Complex financial products were divided into investment product packages associated with daily practical financial needs.



The Technology Division has built and successfully developed core service platforms, including Fund certificate trading services, helping to complete the conversion of the fund certificate trading system to a new system with Microservice design, bringing stability and openness to iFund products; Centralized User and Centralized Management (IAM) services, helping increase flexibility in managing customers by different classes; the portfolio management services were perfected throughout the business departments, bringing benefits to both customers and the operating division; documents and templates management services; Pricing services unifying for the entire product and flexible for the sales department; Points earning and redeeming services; along with On-boarding core service with eKYC feature.

Besides the core service platform, TCBS has also successfully upgraded its infrastructure to ensure high availability and stability of the system. In 2019, 50% of TCBS services have been expanded to run on the IBM LinuxOne platform, 70% of the database is using Oracle. We will continue to transition in 2020 so that all major TCBS services are run on stable LinuxONE and Oracle platforms.

In addition, TCBS continues to promote Testing Automation (automatic testing) when the number of new products is constantly released, forcing the testing steps to increase as well to ensure the quality of the product. Currently, the automated testing platform has been widely used in TCBS development teams, helping to save time on intelligent testing and analysis to speed up the implementation of adjustment solutions to solve the rapid challenges of constant product innovation and change.

Besides applying today's most advanced technology solutions, TCBS continued to cooperate fully with major technology companies in the world to continuously update the selection and application of the new technology products. Entering 2020, we continue to plan to convert the entire service to Microservice on the basis of Docker/Kubernetes/LinuxOne, develop Open API to enhance the interaction between TCBS and members, partners and expand the ecosystem. TCBS will continue to maintain the flexibility and stability of services in order to bring the best utilities and experience to customers during the investment journey.



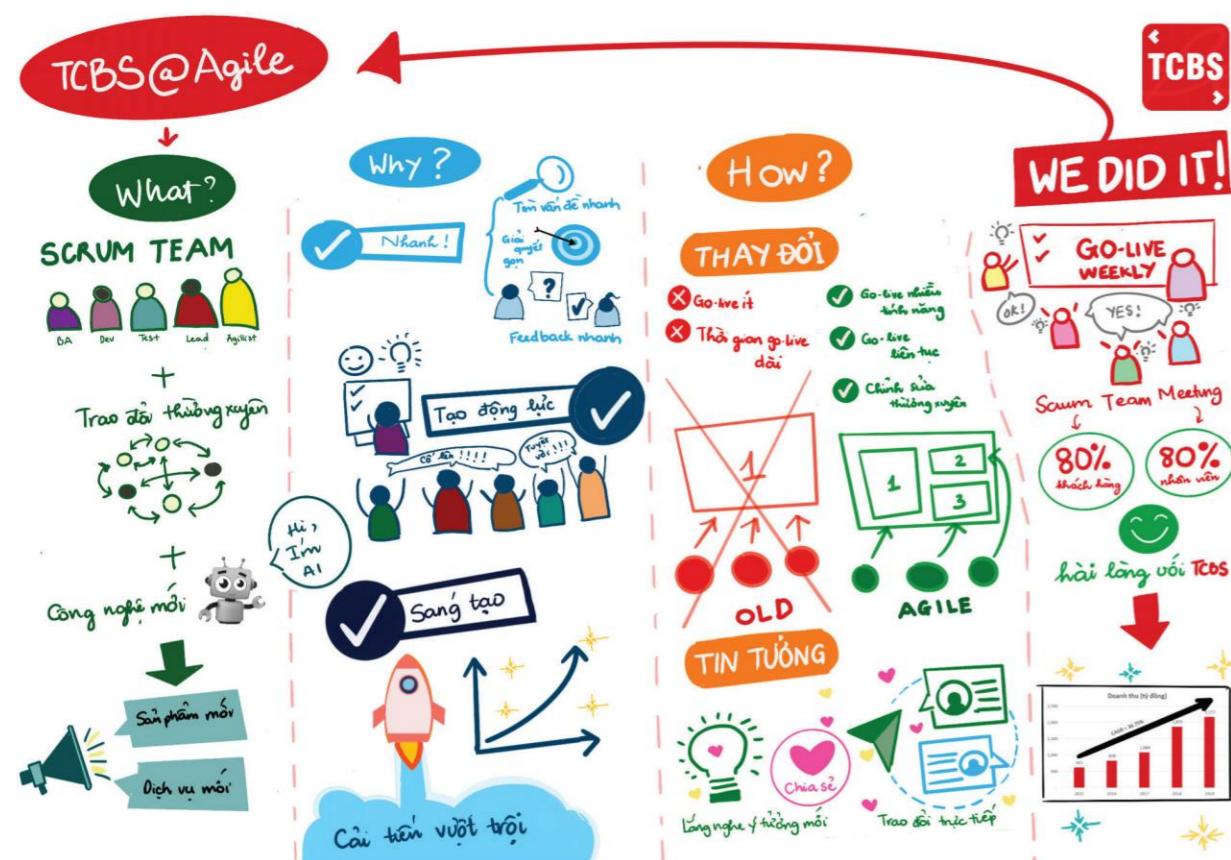
AGILE TEAM STRUCTURE

TCBS has positioned itself as a leading financial and technology company in the field of investment banking, as of that, its corporate culture has also been built to reflect the spirit and orientation of the company.

In 2019, TCBS continued to successfully organize the Agile model, including compact "Scrum" teams to implement projects. These groups were often referred to as small "startups" within the company and were full of members from different departments, both business and IT, who joined and arranged to sit together to work and exchange every day, instead of traditionally arranged as separate areas and personnel sitting by departments.

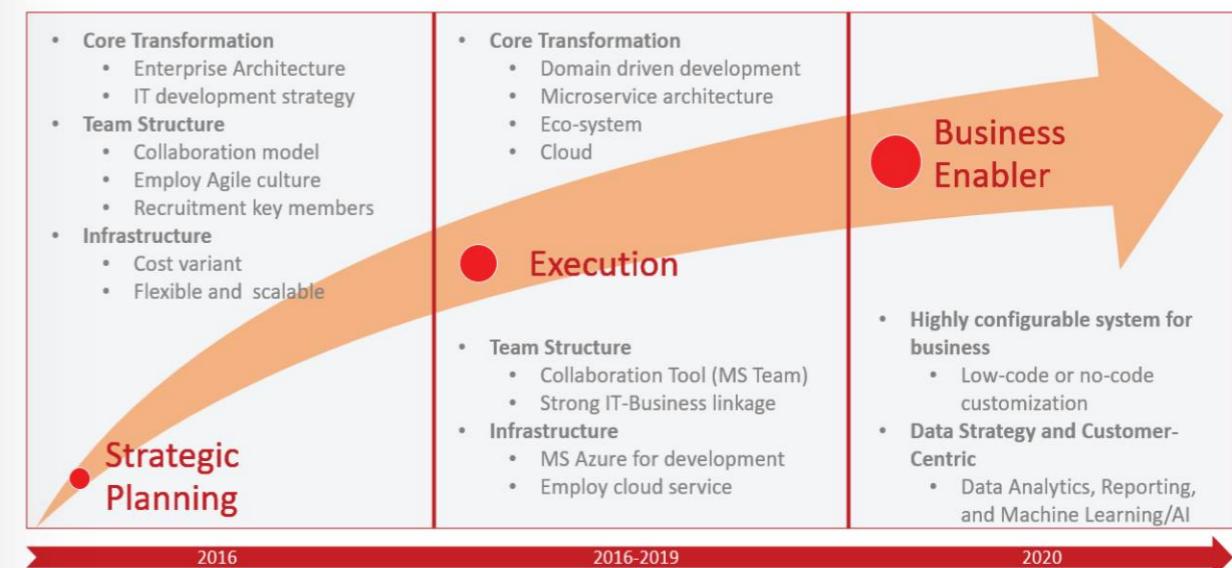
The Agile model helped to divide large projects into small stages to be easily handled and changed upon request by customers. During the project, each small phase was tested immediately to ensure new products, new features were always applicable, helping improve the quality of product services, and minimizing the reflection of the customers.





GREAT ACHIEVEMENTS AND FUTURE ORIENTATION

Grasping the global trend in the digital era, in 2019, TCBS has focused on deploying the Artificial Intelligence platform and successfully applied Machine Learning in investment services and management. The Robo Advisor model is a TCWealth accumulation investment consulting tool that automates the family's long-term financial planning process and automatically allocates a portfolio according to customers' financial needs. This is a proud tool because TCBS is the first company to introduce the world's advanced personal finance consultancy model to the Vietnam market.



Instead of focusing on provisioning facilities and data centers to ensure that the system is capable of handling information, the cloud platform (Microsoft Azure) has helped TCBS innovate quickly by easily accessing high-value technology resources to develop applications that make a difference to individual and business customers, as well as innovate customer experience constantly.

As a result, in 2019, TCBS's customers have access to many innovative experiences, including the 3rd generation trading system (TCInvest 3) integrating a diverse set of investment products (bonds, fund certificates, stocks) along with other useful services such as TCPrice - securities price list, TCAnalysis portal, iConnect tool to help find/sell bonds, BondWatch tool to track iBond offered by TCBS, etc on a single platform; 100% Online Account Opening Experience; Electronic voting system (e-Voting); Bonus points system (iXu) to thank loyal customers; and TCBS's business development partner network management system (iWealth Partner).



Besides providing experience and services to customers, TCBS also focused on innovating the experience for TCBS employees by automating business processes. The majority of back-office operations in transactions and a part of Issuance Consulting and Capitalization operations have been automated, helping increase job performance, save costs and improve human resources.

The experiences have regularly been updated, evaluated on a daily basis based on the CRM reporting system. All customer comments from many channels as well as employees' feedback on the workflow were gathered and analyzed by the Power BI tool, thereby completing the report with the most important indicators for management reports, marketing, cross-sell and referral programs. Instead of using human resources and wasting employees' time to collect customer feedback, the CRM system helped TCBS save a lot of time analyzing data sources to guide the business strategy as well as always be ready to solve customer problems immediately.

TCBS currently possesses many outstanding advantages:

- A sustainable annual profit
- A large number of customers and a wide distribution network
- An advanced technology platform and an effective Agile working model
- A complete and diverse set of investment products for all needs of customers' financial lives.

TCBS's Fintech technology model is a very new direction for securities companies in Vietnam. In 2020, TCBS will continue to welcome the new fintech trend in the world to create momentum to become a strong financial technology corporation in the region.



VI. 2019 AUDITED FINANCIAL REPORT

Techcom Securities Joint Stock Company
(formerly Techcom Securities Company Limited)

GENERAL INFORMATION

COMPANY

Techcom Securities Joint Stock Company ("the Company") is a joint-stock company established and operating under the License of Securities Business No.125/GP-UBCK issued by the State Securities Commission, May 30, 2018. Techcom Securities Joint Stock Company was converted to legal form from Techcom Securities Company Limited according to Decision No.222/QD-UBCK March 19, 2018, and inherited all legal rights and interests, responsible for debts and other obligations of Techcom Securities Company Limited.

The principal activities of the Company are securities brokerage, proprietary trading, securities investment advisory and underwriting services.

The company has its head office located at 10th and 21st Floor, Techcombank Building, No.191 Ba Trieu, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi.

BOARD OF DIRECTORS

The members of the Board of Directors of the Company in 2019 and until the date of these consolidated financial statements are as follows:

Name	Position	Date Appointed
Mr. Nguyen Xuan Minh	Chairman	31 May 2018
Mr. Do Tuan Anh	Member	31 May 2018
Mr. Phan Thanh Son	Member	31 May 2018
Mr. Trinh Bang	Member	31 May 2018 Appointed as an independent member of the Board of Directors on April 26, 2019
Mr. Le Ba Dung	Member	31 May 2018 Dismissed on April 26, 2019
Mr. Le Huy Hoang	Member	25 July 2019
Ms. Nguyen Thi Thu Hien	Member	26 April 2019

BOARD OF SUPERVISOR

The members of the Board of Supervisor of the Company in 2019 and until the date of these consolidated financial statements are as follows:

Name	Position	Date Appointed
Mr. Dang Van Khai	Head of Board	31 May 2018
Ms. Hoang Thi Kim Cuc	Member	31 May 2018

BOARD OF GENERAL DIRECTORS

The members of the Board of General Directors of the Company in 2019 and until the date of these consolidated financial statements are as follows:

Name	Position	Date Appointed
Ms. Nguyen Thi Thu Hien	CEO	27 October 2016
Mr. Nham Ha Hai	Deputy CEO	27 October 2016
Ms. Pham Dieu Linh	Deputy CEO	10 October 2018

LEGAL REPRESENTATIVE

The legal representative of the Company from 1 January 2019 to 31 December 2019 is Mr. Nguyen Xuan Minh, Chairman of the Board of Directors of the Company.

Ms. Nguyen Thi Thu Hien, the CEO, is authorized by Mr. Nguyen Xuan Minh to sign the financial statements according to the Authorization Decision No.10/2018/UQ-CT signed on August 14, 2018.

AUDITORS

The auditors of the Company is Ernst & Young Vietnam Limited.

REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Techcom Securities ("The Company") is pleased to present its report and the financial statements of the Company for the year ended 31 December 2019.

BOARD OF MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Board of Management of the Company is responsible for the financial statements of each financial year which give a true and fair view of the financial position of the Company and of the results of their operations and their cash flows for the year. In preparing those financial statements, the Board of Management is required, to:

- ▶ Select suitable accounting policies and then apply them consistently;
- ▶ Make judgments and estimates that are reasonable and prudent;
- ▶ State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ▶ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

The Board of Management of the Company is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and ensuring that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management of the Company confirmed that it has complied with the above requirements in preparing the accompanying financial statements, for the year end 31 December 2019.

STATEMENT BY THE BOARD OF MANAGEMENT

The Board of Management does hereby state that, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and of the results of their operations and their cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions, regulations stipulated by the State Bank of Vietnam and statutory requirements relevant to preparation and presentation of financial statements.

For and on behalf of the Board of Management:



Ms. Nguyen Thi Thu Hien

Chief Executive Officer

Hanoi, Vietnam
12 March 2020

INDEPENDENT AUDITOR' REPORT

Reference: 61273532/21249253

Dear. The Shareholders of Techcom Securities Joint Stock Company
We have audited the accompanying financial statements of Techcom Securities Joint Stock Company ("the Company"), prepared on 6 March 2020, including financial statements as at 31 December 2019, performance reports, cash flow statements and equity movements for the financial year.

Management Responsibility

The Company's Board of Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions, regulations stipulated by the State Bank of Vietnam and the statutory requirements relevant to the preparation and presentation of the financial statements, and for such internal control as the Board of Management determines is necessary to enable to preparation and presentation to the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of the materials misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our auditor's opinion.

Auditor's opinion

In our opinion, the financial statements reflected truthfully and reasonably, on the key aspects, the financial situation of the Company as at 31 December 2018, business results, situation cash flow patterns and the situation of equity changes for the fiscal year ended the same day in accordance with the Vietnamese Accounting Standards, Vietnam Enterprise Accounting System, accounting guidelines applied to securities companies and legal regulations related to the preparation and presentation of financial statements.

Ernst & Young Vietnam Limited



Trinh Hoang Anh

Deputy General Manager
Reference Number:
2071-2018-004-1

Tran Thi Thu Hien

Auditor
Reference Number: 2487-2018-004-1

Hanoi, Vietnam
12 March 2020

ANNUAL REPORT

2019

TECHCOMSECURITIES

Bespoke



Bespoke

BALANCE SHEET



For the year ended 31 December 2019 | B01a-CTCK

Code	ITEMS	Notes	Ending Balance VND	Opening Balance VND
100	A.SHOR TERM ASSETS		6.236.687.163.858	4.301.904.075.538
110	I. Financial Assets		6.235.783.911.921	4.301.437.975.390
111	1. Cash and Cash Equivalents		1.642.859.612.192	1.305.429.385.691
111.1	1.1. Cash	5	1.642.859.612.192	905.429.385.691
111.2	1.2. Cash Equivalents			400.000.000.000
113	2. Held-to-maturity (HTM) investments	7.1	95.000.000.000	100.000.000.000
114	3. Loans	7.2	1.793.879.040.668	1.371.761.540.630
115	4. Available-for-sale (AFS) financial assets	7.3	2.503.249.968.825	1.411.854.138.887
117	5. Receivables	8	47.459.669.134	43.830.932.179
117.2	5.1. Receivables and accruals from dividends and interest income		47.459.669.134	43.830.932.179
117.3	- Receivables from due dividend and interest income		3.125.322.672	15.967.770.535
117.4	- Accruals for undue dividend and interest income		44.334.346.462	27.863.161.644
118	1. Advances to suppliers	8	3.959.538.551	777.927.372
119	7. Receivables from services provided by the Company	8	104.870.144.310	62.939.950.631
122	7. Other receivables	8	44.505.938.241	4.844.100.000
130	II. Other current assets		903.251.937	466.100.148
131	1. Advances		903.251.937	466.100.148
133	2. Short-term prepaid expenses			
200	B. LONG-TERM ASSETS		67.319.084.866	49.147.334.360
220	I. Fixed assets		49.557.894.955	37.111.999.508
221	1. Tangible fixed assets	9	32.754.590.464	23.568.693.328
222	1.1. Original price		41.361.320.496	27.624.998.111
223a	1.2. Accumulated depreciation		(8.606.730.032)	(4.056.304.783)
227	2. Intangible fixed assets	10	16.803.304.491	13.543.306.180
228	2.1. Original price		34.869.134.903	25.454.854.000
229a	2.2. Accumulated depreciation		(18.065.830.412)	(11.911.547.820)
250	II. Other long-term assets		17.761.189.911	12.035.334.852
251	1. Pledge, mortgage, deposit, long-term bets		904.895.946	
252	2. Long-term prepaid expenses		10.417.705.370	7.404.418.347
254	3. Payment for Settlement Assistance Fund	11	6.438.588.595	3.938.596.359
255	4. Other long-term assets			692.320.146

BALANCE SHEET

Code	ITEMS	Notes	Ending Balance VND	Opening Balance VND
270	TOTAL ASSETS		6.304.006.248.724	4.351.051.409.898
300	C. LIABILITIES		1.673.476.298.391	1.243.343.524.872
310	I. Current Liabilities		931.757.686.984	1.058.268.101.543
311	1. Short-term financial borrowings and leases	12	565.000.000.000	296.632.000.000
312	1.1. Short-term borrowings	13	565.000.000.000	296.632.000.000
316	2. Short-term bonds issued	14	19.498.178.781	428.824.687.864
318	3. Payables for securities trading activities	15	3.480.227.774	10.987.895.825
322	4. Taxes and amounts payable to the State		187.317.258.946	193.598.442.947
323	5. Payables to employees		59.371.578.913	33.868.889.081
325	6. Short-term payables	16	13.564.880.901	14.296.460.493
327	7. Short-term unrealized revenue	17	75.261.774.383	74.370.161.092
328	8. Receiving deposits, short-term deposits	18		501.325.412
329	9. Other payables, short-term payables	19	8.263.787.286	5.188.238.829
340	II. Long-term liabilities		741.718.611.407	185.075.423.329
346	1. Long-term bonds	13	631.165.373.882	139.221.796.504
349	2. Long-term payables	16		1.186.646.151
351	3. Long-term unrealized turnover	17	110.506.037.525	44.619.780.674
355	4. Investor protection fund		47.200.000	47.200.000
400	D. SHAREHOLDERS' EQUITY		4.630.529.950.333	3.107.707.885.026
410	I. Share Capital	20	4.630.529.950.333	3.107.707.885.026
411	1. Charter Capital		1.123.595.510.000	1.058.201.050.000
411.1	1.1. Capital Contribution		1.123.595.510.000	1.058.201.050.000
412	2. Difference from revaluation of assets at fair value		10.675.411.844	8.343.858.660
414	3. Charter capital supplementary reserve		112.359.551.000	105.821.005.000
415	4. Operational risk and financial reserve		112.359.551.000	105.821.005.000
417	5.Undistributed profit		3.271.539.926.489	1.829.520.966.366
417.1	5.1. Realized profit		3.271.539.926.489	1.829.520.966.366
417.2	5.2. Unrealized profit			
440	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		6.304.006.248.724	4.351.051.409.898

OFF-BALANCE SHEET ITEMS

As at 31 December 2019 | B01a-CTCK

Code	ITEMS	Notes	Ending Balance VND	Opening Balance VND
	A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
008	Financial assets listed / registered for trading at Securities Depository Center (VSD) of securities companies	21.1	1.101.997.070.000	778.395.390.000
009	Financial assets deposited at VSD and waiting for trading of the Company	21.2		22.308.300.000
010	Financial assets receivables	21.3	5.773.219.755	72.019.501.643
	B. ASSETS AND LIABILITIES UNDER AGREEMENT WITH INVESTORS			
021	Financial assets listed / registered for trading at the Securities Depository Center of Investors	21.4	101.336.227.337.000	94.057.035.700.000
021.1	- Unrestricted financial assets		71.333.713.724.000	58.485.825.130.000
021.2	- Restricted financial assets		171.075.260.000	20.565.392.590.000
021.4	- Blocked and temporarily held financial assets		3.179.569.690.000	
021.3	- Mortgaged financial assets		26.578.402.610.000	14.908.629.810.000
021.5	- Financial assets payables	21.5	73.466.053.000	021.5
022	- Financial assets deposited at the Securities Depository Center and not yet traded by the Investors		228.687.370.000	1.061.670.920.000
022.1	- Financial assets deposited at the Vietnam Securities Depository and not yet traded, freely transferred		28.850.340.000	547.093.830.000
022.2	- Financial assets deposited at the Vietnam Securities Depository and not yet traded, restricted to transfer		837.030.000	315.577.090.000
022.3	- Financial assets deposited at the Securities Depository Center and not yet traded, pledged	21.6	199.000.000.000	199.000.000.000
026	Investors' deposits		449.754.306.094	1.334.969.895.448
027	- Investors' deposits for securities trading activities managed by the Company		447.669.875.435	396.892.320.865
030	- Deposits of securities issuers		2.084.430.659	938.077.574.583

OFF-BALANCE SHEET ITEMS 

Code	ITEMS	Notes	Current year VN	Previous year VND
B. ASSETS AND LIABILITIES UNDER AGREEMENT WITH INVESTORS (next)				
031	Payables to investors - investors' deposits for securities trading activities managed by the Company	21.7	447.669.875.435	396.892.320.865
031.1	- Payables to domestic investors for securities trading activities managed by the Company		402.523.017.942	396.892.320.865
031.2	- Payables to foreign investors for securities trading activities managed by the Company		45.146.857.493	
035	Dividend, bond principal and interest payables	21.8	2.084.430.659	938.077.574.583



Than Thi Duong
Prepared by

Pham Thi Van
Chief Accountant



Nguyen Thi Thu Hien
Chief Executive Officer
Hanoi, Vietnam
12 March 2020



INCOME STATEMENT 

For the year ended 31 December 2019 | B02a-CTCK

Code	ITEMS	Notes	Current year VND	Previous year VND
I. OPERATING INCOME				
01	1. Gain from financial assets at fair value through profit and loss (FVTPL)		598.825.600.511	353.648.605.682
01.1	1.1. Gain from disposal of financial assets at FVTPL	22.1	598.825.600.511	353.648.605.682
02	2. Gain from held-to-maturity (HTM) investments	22.2	5.453.095.900	10.254.605.337
03	3. Gain from loans and receivables	22.2	174.823.266.214	110.834.506.042
04	4. Gain from available-for-sale (AFS) financial assets	22.2	72.255.590.798	25.942.662.808
06	5. Revenue from brokerage services		121.360.380.434	121.081.916.964
07	6. Revenue from underwriting and issuance agency services		1.163.910.142.131	1.226.662.557.173
08	7. Revenue from securities investment advisory services		168.000.000	744.000.000
09	8. Revenue from securities custodian services		31.210.930.671	20.074.892.301
10	9. Revenue from financial advisory services		3.934.994.236	927.297.969
20	Total operating income		2.171.942.000.895	1.870.171.044.276
II. OPERATING EXPENSES				
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		27.813.178.830	57.698.777.142
21.1	1.1. Loss from disposal of financial assets at FVTPL	22.1	27.813.178.830	57.698.777.142
27	2. Expenses for brokerage services	23	186.400.000	30.525.643.187
28	3. Expenses for underwriting and issuance agency services	23		30.000.000
29	4. Expenses for securities investment advisory services	23	30.561.279.690	
30	5. Expenses for securities custodian services	23	1.080.909.091	28.613.117.681
31	6. Expenses for financial advisory services	23	7.630.307.161	282.000.000
32	7. Other operating expenses	23	78.756.283.169	15.331.539.286
40	Total operating expenses			132.481.077.296
III. FINANCE INCOME				
42	1. Dividend, interest income from demand deposits		2.886.978.430	1.714.246.985
50	Total finance income		2.886.978.430	1.714.246.985

INCOME STATEMENT

Code	ITEMS	Notes	Current year VND	Previous year VND
	IV. FINANCE EXPENSES			
52	1. Borrowing costs	25	44.254.512.465	34.797.234.345
60	Total finance expenses		44.254.512.465	34.797.234.345
61	V. SELLING EXPENSES			
62	VI. GENERAL AND ADMINISTRATIVE EXPENSES	26	232.154.784.544	170.672.005.692
70	VII. OPERATING PROFIT		1.819.663.399.147	1.533.934.973.928
	VIII. OTHER INCOME AND EXPENSES			
71	1. Other income		26.727.278	
72	2. Other expenses		209.024.041	1.748.905.097
80	Total other operating profit		(182.296.763)	(1.748.905.097)
90	IX. PROFIT BEFORE TAX		1.819.481.102.384	1.532.186.068.831
91	Realized profit		1.819.481.102.384	1.532.186.068.831
92	Unrealized profit			
100	X. CORPORATE INCOME TAX (CIT) EXPENSES		364.385.050.261	306.902.332.702
100.1	Current CIT expenses	27	364.385.050.261	306.902.332.702
100.2	Deferred CIT (income)/expenses			
200	XI. PROFIT AFTER TAX		1.455.096.052.123	1.225.283.736.129
300	XII. OTHER COMPREHENSIVE INCOME AFTER TAX			
301	Gain from revaluation of AFS financial assets		2.331.553.184	6.463.772.645
400	TOTAL OTHER COMPREHENSIVE INCOME		2.331.553.184	6.463.772.645
500	XIII. NET INCOME ON GENERAL STOCKS		1.455.096.052.123	1.225.283.736.129
501	Lãi cơ bản trên cổ phiếu (VND/cổ phiếu)		13.296	12.104

Than Thi Duong

Prepared by

Pham Thi Van

Chief Accountant

Nguyen Thi Thu Hien

Chief Executive Officer

Hanoi, Vietnam
12 March 2020



CASH FLOW STATEMENT

For the year ended 31 December 2019 | B03b- CTCK

Code	ITEMS	Notes	Current year VND	Previous year VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		1.819.481.102.384	1.532.186.068.831
02	2. Adjustment for:		10.624.873.844	10.779.400.837
03	Depreciation and amortization expense	9,10	10.704.707.841	3.845.328.136
06	Interest expense		44.254.512.465	34.797.234.345
08	Accrued interest income		(44.334.346.462)	(27.863.161.644)
09	Other adjustment			
30	3. Operating profit before changes in working capital		1.830.105.976.228	1.542.965.469.668
32	Decrease in HTM investments		5.000.000.000	9.840.307.126
33	Increase in loans		(422.117.500.038)	(545.844.322.413)
34	Increase in AFS financial assets		(1.089.064.276.754)	(174.466.503.408)
36	Decrease in receivables and accruals from dividend and interest income from financial assets		40.705.609.507	74.715.132.973
37	Increase in receivables from services provided by the Company		(41.930.193.679)	(59.694.610.986)
39	(Increase)/decrease in other receivables		(39.661.838.241)	127.406.121.400
40	Increase in other assets		(3.149.719.825)	(1.544.986.461)
42	Increase in prepaid expenses		(6.194.898.202)	(2.361.057.643)
43	Current income tax paid	27	(373.503.641.331)	(209.204.137.923)
44	Current expenses paid		(46.172.738.208)	(19.314.127.701)
47	(Increase)/decrease in statutory obligations		2.837.407.069	(2.525.726.200)
48	Increase in payables to employees		25.502.689.832	11.707.576.218
50	Increase in other payables		62.345.750.548	130.016.937.995
51	Other receipts from operating activities		9.081.846.865.036	2.866.903.295.832
52	Other payments from operating activities		(9.082.348.190.448)	(2.915.962.530.626)
60	Net cash flows from/(used in) operating activities		(55.798.698.506)	832.636.837.851
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
61	Purchase and construction of fixed assets, investment properties and other long-term assets		(23.150.603.288)	(33.086.872.723)
70	Net cash flows used in investing activities		(23.150.603.288)	(33.086.872.723)

CASH FLOW STATEMENT

Code	ITEMS	Notes	Current year VND	Previous year VND
	III. CASH FLOW FROM FINANCING ACTIVITIES			
71	Proceeds from issues of shares and other equity securities		65.394.460.000	58.201.050.000
73	Proceeds from borrowings		1.147.617.068.295	1.064.899.840.544
73.2	- Proceed from other borrowings		1.147.617.068.295	1.064.899.840.544
74	Repayment of borrowings		(796.632.000.000)	(240.221.356.176)
74.3	- Repayments from other borrowings		(796.632.000.000)	(240.221.356.176)
76	Dividends paid to shareholders			(781.712.995.000)
80	Net cash flows from financing activities		416.379.528.295	101.166.539.368
90	NET INCREASE IN CASH		337.430.226.501	900.716.504.496
101	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5	1.305.429.385.691	404.712.881.195
101.1	Cash		905.429.385.691	404.712.881.195
101.2	Cash equivalents		400.000.000.000	
103	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	1.642.859.612.192	1.305.429.385.691
103.1	Cash		1.642.859.612.192	905.429.385.691
103.2	Cash equivalents			400.000.000.000

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE CUSTOMERS

Code	ITEMS	Notes	Current year VND	Previous year VND
	I. Cash flow from brokerage and trust activities of customers			
01	1. Cash receipts from disposal of brokerage securities of customers		34.986.407.174.494	38.817.357.118.612
02	1. Cash payments for acquisition of brokerage securities of customers		(30.843.521.619.471)	(34.798.079.135.854)
07	3. Cash receipts for settlement of securities transactions of customers		62.788.450.925.982	44.506.472.086.701
08	4. Cash payment for settlement of securities transactions of customers		(67.135.465.457.595)	(48.369.684.824.121)
11	5. Cash payments for custodian fees of customers		(16.881.692.663)	(9.462.527.575)
14	6. Cash receipts from securities issuers		51.301.011.412.244	36.999.146.382.072
15	7. Cash payment to securities issuers		(51.965.216.332.345)	(37.344.914.318.119)
20	Net decrease in cash during the year		(885.215.589.354)	(199.165.218.284)
30	II. Cash and cash equivalents of customers at the beginning of the year	21.6	1.334.969.895.448	1.534.135.113.732
31	Cash at banks at the beginning of the year:		1.334.969.895.448	1.534.135.113.732
32	- Investors' deposits managed by the Company for securities trading activities		396.892.320.865	250.301.666.222
35	- Deposits of securities issuers		938.077.574.583	1.283.833.447.510
40	III. Cash and cash equivalents of customers at the end of the year (40 = 20 + 30)	21.6	449.754.306.094	1.334.969.895.448
41	Cash at banks at the end of the year:		449.754.306.094	1.334.969.895.448
42	- Investors' deposits managed by the Company for securities trading activities		447.669.875.435	396.892.320.865
45	- Deposits of securities issuers		2.084.430.659	938.077.574.583





Than Thi Duong
Prepared by

Pham Thi Van
Chief Accountant

Nguyen Thi Thu Hien
Chief Executive Officer

Hanoi, Vietnam
12 March 2020

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2019 | B04-CTCK

ITEMS	Notes	Opening Balance		Increase/Decrease				Ending Balance	
		01/01/2018	01/01/2019	Previous year		Current year		31/12/2018	31/12/2019
		Increase	Decrease	Increase	Decrease				
		VND	VND	VND	VND	VND	VND	VND	VND
A	B	1	2	3	4	5	6	7	8
I. CHANGES IN SHAREHOLDERS' EQUITY									
1. Share capital		1.000.000.000.000	1.058.201.050.000	58.201.050.000		65.394.460.000		1.058.201.050.000	1.123.595.510.000
2. Charter capital supplementary reserve		100.000.000.000	105.821.005.000	5.821.005.000		6.538.546.000		105.821.005.000	112.359.551.000
3. Operational risk and financial reserve		100.000.000.000	105.821.005.000	5.821.005.000		6.538.546.000		105.821.005.000	112.359.551.000
4. Difference from revaluation of financial assets at fair value		1.880.086.015	8.343.858.660	26.620.722.300	(20.156.949.655)	44.930.745.078	(42.599.191.894)	8.343.858.660	10.675.411.844
5. Undistributed profit	20	1.401.132.983.746	1.829.520.966.366	1.225.283.736.129	(796.895.753.509)	1.455.096.052.123	(13.077.092.000)	1.829.520.966.366	3.271.539.926.489
5.1. Realized profit		1.401.132.983.746	1.829.520.966.366	1.225.283.736.129	(796.895.753.509)	1.455.096.052.123	(13.077.092.000)	1.829.520.966.366	3.271.539.926.489
5.2. Unrealized profit									
TOTAL		2.603.013.069.761	3.107.707.885.026	1.321.747.518.429	(817.052.703.164)	1.578.498.349.201	(55.676.283.894)	3.107.707.885.026	4.630.529.950.333
II. OTHER COMPREHENSIVE INCOME									
1. Gain/(loss) from revaluation of AFS financial assets		1.880.086.015	8.343.858.660	26.620.722.300	(20.156.949.655)	44.930.745.078	(42.599.191.894)	8.343.858.660	10.675.411.844
TOTAL		1.880.086.015	8.343.858.660	26.620.722.300	(20.156.949.655)	44.930.745.078	(42.599.191.894)	8.343.858.660	10.675.411.844



Than Thi Duong
Prepared by



Pham Thi Van
Chief Accountant



Nguyen Thi Thu Hien
Chief Executive Officer

Hanoi, Vietnam
12 March 2020

2020



Bespoke

TECHCOMSECURITIES



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