

TECHCOM SECURITIES JOINT STOCK COMPANY



ANNUAL REPORT 2018



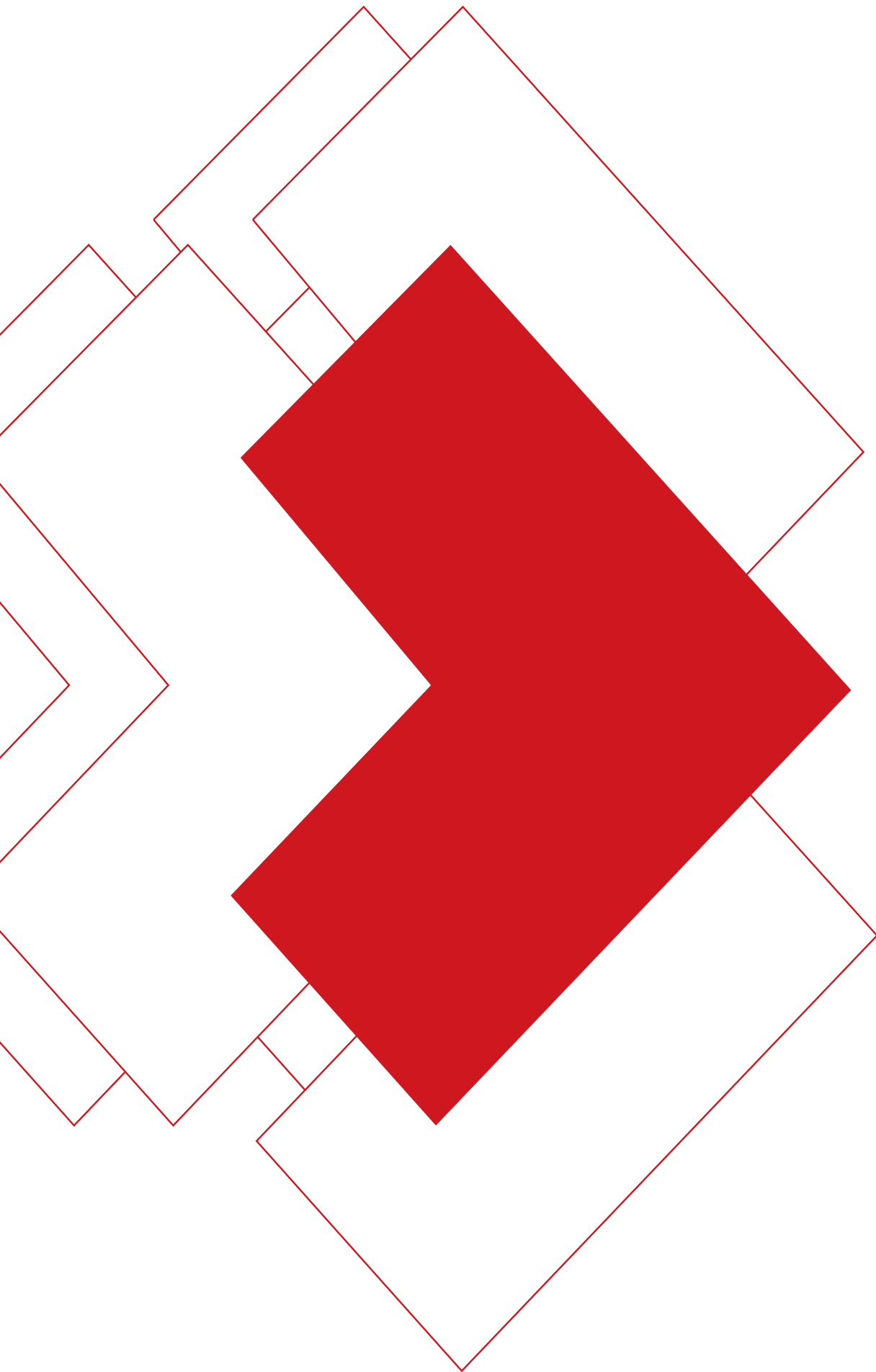


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I. MESSAGE FROM THE CHAIRMAN

Dear Shareholders and Clients,

Techcom Securities Joint Stock Company (TCBS) has continued to achieve impressive business results in 2018. This is the fifth consecutive year that the company achieved an annual cumulative growth of over 50% in revenue and profit. The return on equity (ROE) reached 43%, the highest level since its establishment. The net profit margin reached 63% while profit margin per employee reached VND 5.7 billion, which is the highest among leading securities companies in Vietnam.

The investment banking sector reached a new record with the volume of corporate bond advisory up to VND 61,992 billion, which now accounts for 40% of the market share and maintains the 1st place position in the market. Wealth management products for individual customers also saw impressive growth with iBond increasing by 145% and iFund by 257%. In 2018, TCBS maintained the 1st place position in bond brokerage on Ho Chi Minh Stock Exchange (HOSES) with over 80% market share.

More importantly, 2018 also witnessed a remarkable success of the digital transformation journey that TCBS has duly carried out over the years. Fintech-focused technology platforms with an agile operation model proved that the efficiency of technology is closely tied to business and customer centricity approach. The open-platform and agile team structure inspired individual creativity, flexibility, and innovation to be widespread at TCBS. It can be said that the spirit of Fintech is a great source of motivation to promote the growth of TCBS, leading us to continue our outstanding service in the coming years.

With the direction of becoming the leading Fintech company in the financial market, TCBS will continue to act as a pioneer by bringing breakthrough wealth management solutions in the near future. These include the launch of investment products according to our customer's needs, along with solutions to optimize short-term cash flow for businesses (FlexiCASH), or to increase the overall level of both interface and structure of the TCInvest. The newly-restructured TCInvest system promises to bring unprecedented trading experiences to customers.

Additionally, one of the most important goals that TCBS will continue to pursue in 2019 is the maximum automation of operational procedures to minimize costs, improve operational efficiency, to focus more on innovation and customer service, thereby improving the competitiveness of the company.

The vision and goal of 2020 has progressed close to reality. On behalf of the company Board of Directors and all employees, we would like to express our deepest gratitude to customers and partners who have trusted and accompanied us in this very meaningful journey.

Best regards,

Chairman
Nguyen Xuan Minh, CFA

II. 2018 HIGHLIGHTS



REVENUE
1,872 billion



PROFIT BEFORE TAX
1,532 billion



TOTAL ASSETS
4,351 billion



Best DCM House in Vietnam 2018



Best Domestic Bond House in Vietnam 2018



Total Volume of Corporate Bond Advisory:

61,992 billion

Occupy

40% market share



Total Sales:

59,707 billion

Number of customer:

17,805

HOSE bond brokerage share market:

81.7%

Distributed at:

288 TCB branches in

45 provinces nationwide



No 1
in Vietnam by NAV (Net Asset Value)

NAV
6,632 billion

37% of domestic open-ended fund market share

III. TECHCOM SECURITIES – EXPONENTIAL GROWTH FROM REMARKABLE STRATEGIES

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). Since its business strategy transformation from late 2013, TCBS is now one of the two largest securities companies in the market in terms of revenue and profit. From a team of just over 30 people, TCBS evolved into a strong team of 200 ambitious, experienced and well-equipped employees.

With creative thinking and the desire to make a difference, TCBS has chosen its own path in creating and developing a new type of market: the corporate bonds market of Vietnam.

By selecting corporate bonds as the backbone of business strategy, TCBS built up a corporate bond ecosystem to serve every customer. Starting from providing consulting solutions to guarantee the issuance of corporate bonds for large and reputable corporate customers, TCBS established its position as the go-to company in the debt market with a market share of 40% in total cumulative volume. From 2014 to 2018, the amount has risen to VND 161,000 billion. TCBS later distributes bond products to financial institution as well as structures it into attractive and competitive retail investment products (iBond) which now serve more than 17,800 individual customers. During 5 consecutive years in 2018, the market share of bond brokerage at the Ho Chi Minh Stock Exchange (HOSE) was never less than 75%.

In order to meet the risk appetite and bring various solutions to diversify the portfolio, TCBS continuously introduced the market to many bespoke investment products such as iFund (an open-ended fund that including Techcom Bond Fund and Techcom Equity Fund) and TCREIT (the first real estate investment trusts in Vietnam). In terms of technology and customer experience, TCBS is the first to bring the RoboAdvisor solution to the Vietnam market with the TCWealth. Along with other tools such as TCAanalysis, MarketWatch, 1-Click comprehensive reporting system, and most recently iWealth trading platform, integrating securities and banking accounts, every TCBS's customers has been equipped with the best "weapon" to plan their own finances and investments for their lives and families.

During the past 5 years, the company's annual revenue and profit have grown at over 50%. TCBS is one of the largest companies in the market and established the first-place position in the corporate bond sector. This achievement is not only recognized by market figures but also by prestigious awards given by internationally reputable organizations. In 2016 and 2018, TCBS won the awards "The Best DCM House in Vietnam" by Finance Asia magazine. Also, Alpha Southeast Asia magazine also honored TCBS as "The Best Bond House in Vietnam" from 2007 to 2016. By end of 2018, The Asset magazine recognized TCBS as "The Best Domestic Bond House in Vietnam".



Best Bond House
in Vietnam
(2007-2016)



Best DCM House in
Vietnam 2016



Best DCM House in
Vietnam 2018



Best Domestic Bond
House in Vietnam 2018

But TCBS's legacy does not stop there.

As the world and technology continues to move forward, once again, TCBS stands before the challenge to constantly innovate. The digital transformation inspired by Fintech is considered as the business growth factor in the coming years. Two years of determination and innovation, the year 2018 has witnessed the encouraging initial results and we're expecting many achievements to come ahead.

Vision:

We create a bespoke savings experience for our customers in Vietnam

Mission:

- To be the strategic finance advisor of corporate clients
- To create a new savings experience for our customers in Vietnam

Targets 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

WEALTH MANAGEMENT PRODUCTS



iBond – Corporate bonds for retail customers

iBond is corporate bonds exclusively restructured for retail customers with an initial investment from VND 50 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), and Techcom Equity Fund (TCEF), which are managed by Techcom Capital (TCC). Customers can invest initially from as little as VND 1 million.



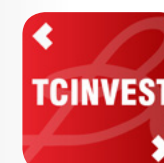
Investing in iFund is low-risk and has flexible liquidity through SIP (Systematic Investment Plan).



TCREIT- Real Estate Investment Trust

TCBS distributes 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 are 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 investment products such as stocks, bonds, and online investment funds as well as a 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.



TECHCOMSECURITIES *BeSpoke*

Tặng 2 triệu đồng khi giới thiệu bạn bè

Phí giao dịch giảm 50%

Lãi margin 9.9%

GÓI ƯU ĐÃI iWealth Pro

Phí giao dịch và lãi suất margin hấp dẫn nhất thị trường



iWealth Pro Package

iWealth Pro is a cost-effective solution that applies technology for customers who regularly trade securities online. With a fee equal to only 50% of the normal rate and a margin interest rate of only 9.9% per year, customers will earn bonus points on each transaction that contribute to cost savings in order to increase profit margin

iShare:

Per customer policy, TCBS will introduce customers to professional brokers and veteran investors.

TCWealth - Outstanding financial management & consulting system

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

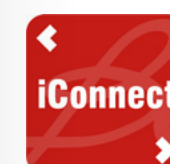
For the sustainable asset preservation and growth, TCWealth helps individual customers to plan long-term investment as professional as institutional investors, specifically:

- Creating long-term financial plans for individuals and families
- Determine optimal strategies and portfolios to achieve important financial goals in the future
- Adding and assigning the portfolio to various types of assets with high security such as iBond (Corporate Bond), iFund (Open Ended Fund), and TCREIT (Real Estate Trusts).

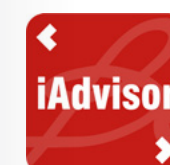
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**KHÔNG CẦN ĐAU ĐẦU TÍNH TOÁN TƯƠNG LAI
ĐÃ CÓ TCWEALTH**

▶ Hoạch định kế hoạch tài chính cá nhân
▶ Đạt được mục tiêu với thời gian dễ ra



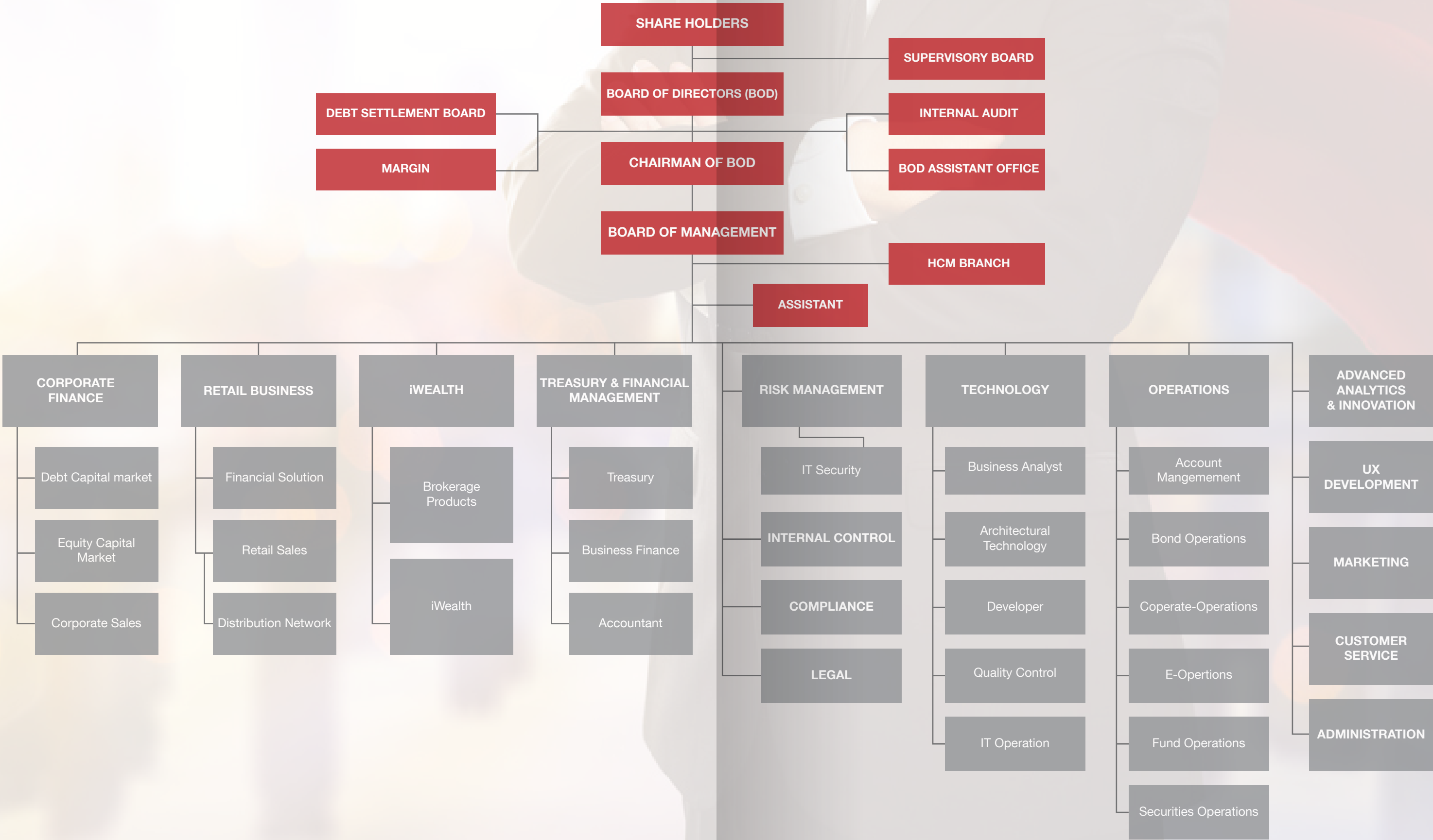
iConnect: the first system that allows direct bond trading between individual investors with attractive income levels that increase product liquidity and efficiency for customers.



iAdvisor 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.



Company Structure:



Key Executives



NGUYEN XUAN MINH, CFA

Chairman

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

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.

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; 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

Head of Corporate Advisory

MSc Finance, France.

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.

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.

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.



TRAN HA THANH

Head of Technology

Master of Applied Finance, Macquarie University, Australia.

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.

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

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).



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

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.



BUI THI THU HANG

Head of Operations

BSc International Trade, National Economics University

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 THI HOAT

Head of Financial Solutions

BSc Accounting – Audit, National Economics University, ACCA.

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.



NGUYEN HA QUYNH, CFA

Head of Research & Development

BSc Economics and Econometrics, University of Nottingham, UK.

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.



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VI. MANAGEMENT REPORT

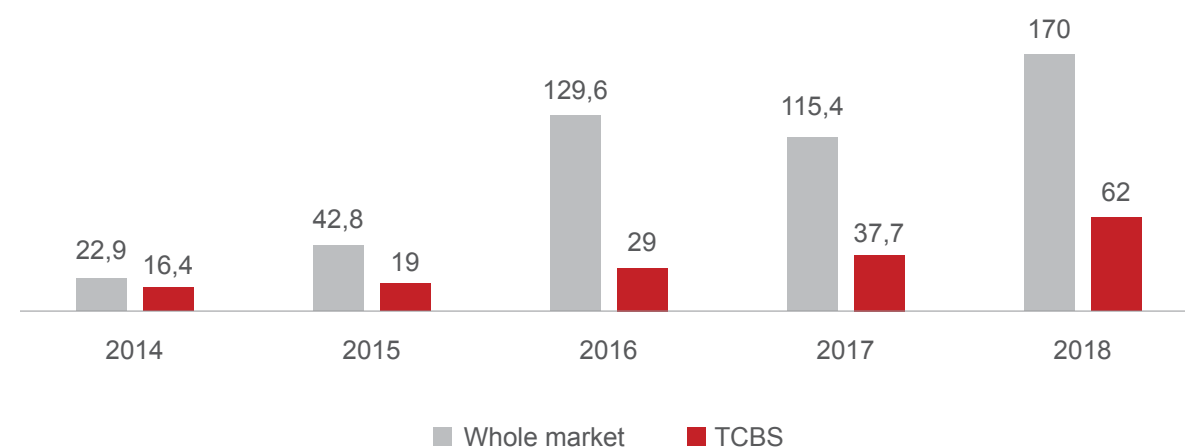
EXCELLENT BUSINESS PERFORMANCE

In 2018, revenue reached VND 1,872 billion, growing 73% compared to 2017. Profit before tax grew 67% to VND 1,532 billion. Among these businesses, 2018 saw the strongest revenue growth, nearly 3 times (199%) of the Corporate Advisory. This is the 5th consecutive year that TCBS has achieved annual CAGR of over 50% in revenue and profit.

CORPORATE ADVISORY – BREAKING NEW RECORDS

Corporate bond volume was up to VND 61,992 billion, accounting for 40% of the market share, maintaining the No. 1 position in the market with a diversified customer portfolio. In addition to the long-term strategic clients, TCBS has consistently expanded issuer base to new promising clients.

Total Volume of Corporate Bond Issuance – Unit: VND trillion



Sources: Vietnam Bond Market Association (VBMA), TCBS

WEALTH MANAGEMENT CONTINUES TO THRIVE

Upon its outstanding achievements over the past few years, the Wealth Management --including iBond and iFund – continues to outperform with excellent results.

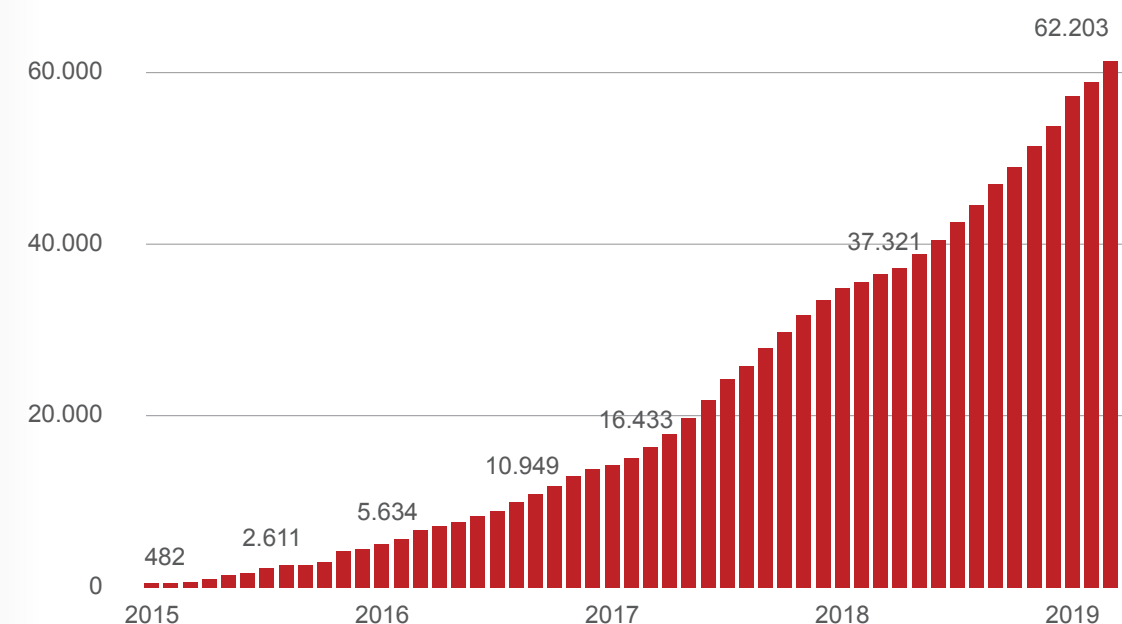
iBond solidifies its significant position

In 2018, this premium investment products was contributed through 288 Branches in 45 provinces across the country to a total of 17,805 customers.

By end of the year, the iBond volume products has exceeded the milestone of VND 29,500 billion, up 145% compared to 2017, bringing the total accumulative amount of bonds trading to VND 59,707 billion. Additionally, iBond played an integral role in Techcombank's affiliate products such as iBond FX, VinBond, and iBond TD products, bringing the most optimal benefits to customers.

In 2018, TCBS's investment products affirms its high quality when only distributing bonds of leading reputable enterprises in Vietnam and remained the largest bond brokerage market share on HOSE with 81.7%, far beyond competitors.

Total Bond Volume - VND Trillion

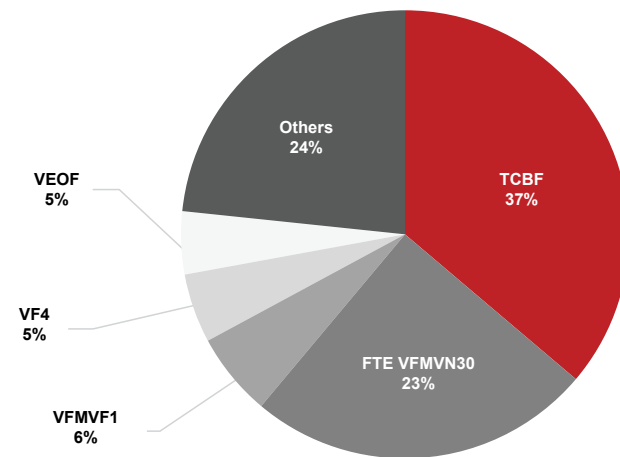


TCBF soars despite market fluctuations

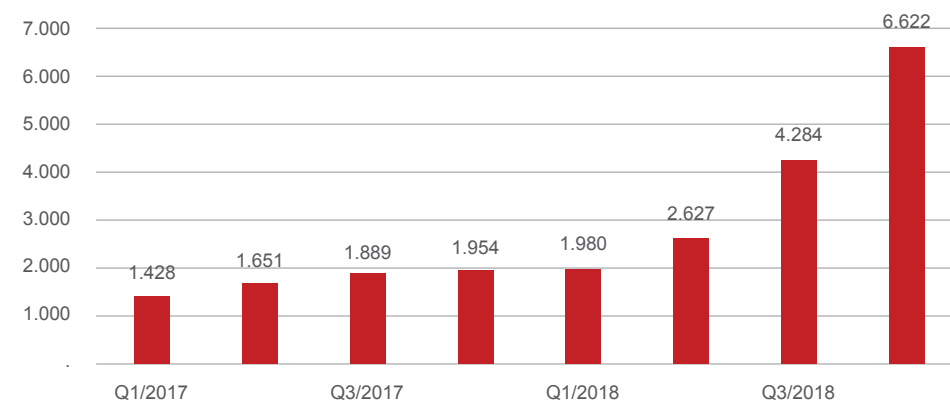
In 2018, the stock market fluctuated strongly when it dropped 312 points from the peak of 1,204 points on April 9, 2018 to 892 points at the end of the trading session on December 31, 2018 (equivalent to 35% reduction). Affected investors were led to many open funds on the market also suffer from the same situation of net selling. There are even some open funds that were not eligible for operations that have to be dissolved.

However TCBF achieved impressive NAV growth in 2018 when growing continuously throughout the year and ended up as the largest domestic bond fund with 37% market share. The total net asset value (NAV) has increased from VND 1,954 billion to December 31, 2017 to VND 6,622 billion on December 31, 2018, equivalent to 239% growth.

Vietnam Open-ended Fund Market Share



TCBF NAV GROWTH DURING 2017-2018 (VND Billion)



At the same time, the fund still maintains a stable yield of 8% -8.5% / year compared to the same period last year. This shows that investors' confidence in TCBF despite the market turbulence.

During the year, the TCBF achieved impressive growth in term of AUM and return rate. With an increase of more than 200% in 2018, the fund is expected to increase NAV in 2019 to VND 20,000 billion.

The number of iWealth account increased dramatically

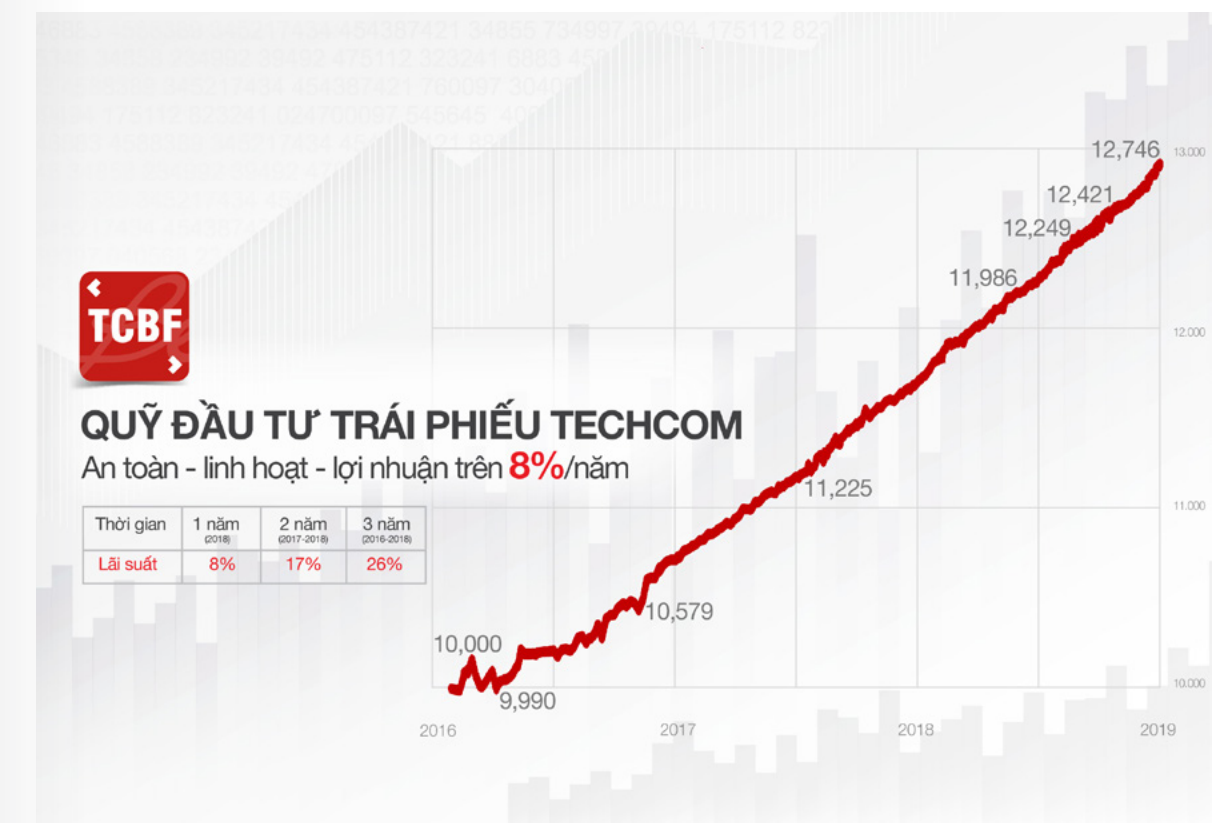
The iWealth investment account is an important highlight of the securities trading system at TCBS, which is a comprehensive combination of a banking and investment services into one convenient and secured account. In addition, the iWealth Pro preferential package with a fee of only 50% of the normal rate and only 9.9% of

the margin rate per year provides the maximum financial support from TCBS and bonus policy, contributing to cost savings to increase profit margins.

With such outstanding benefits, it is not surprising that the number of new customers opening iWealth accounts increased dramatically in 2018. If in 2016, the total number of customers with trading accounts at TCBS only entered about 20,000 people in 2017 alone, the number of new open customers is 17,000. In 2018, the number skyrocketed to 27,000 newly open accounts. These figures show the strong reception of the market with TCBS innovative efforts in enhancing customer experience. iWealth account provides a solution for customers to maximize their trading time, easily manage and promptly make investment decisions at reasonable costs.

An comprehensive upgrade of Customer Service

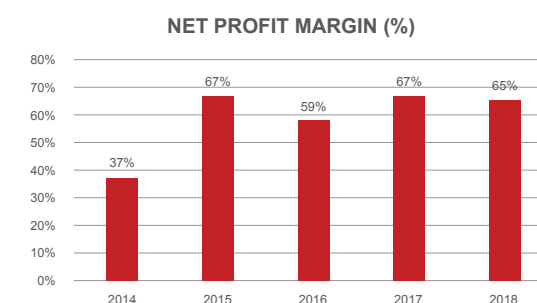
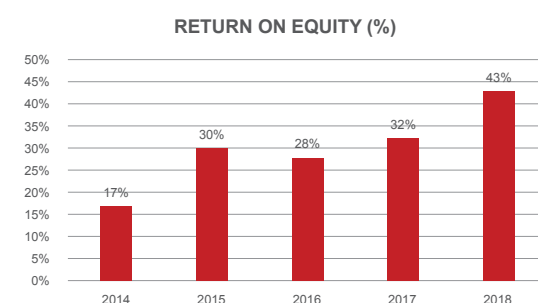
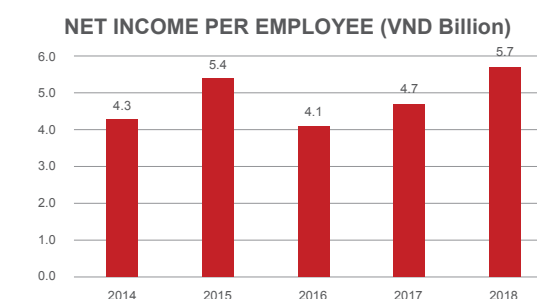
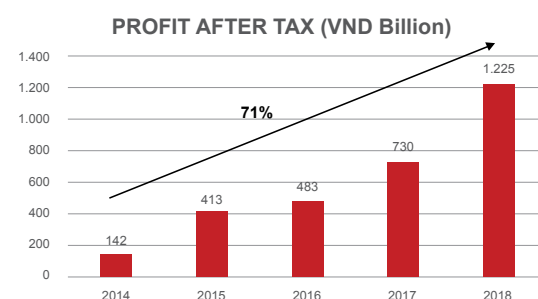
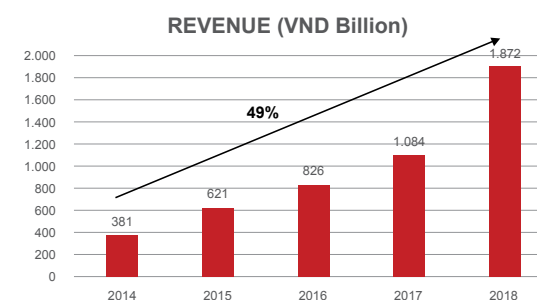
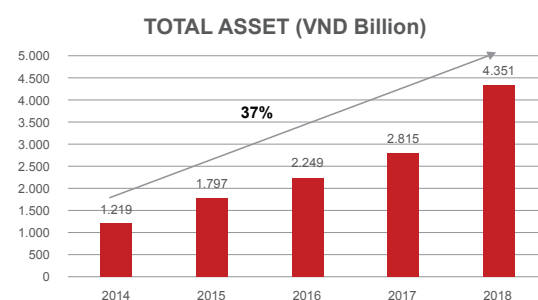
In addition to enhancing customer experience when handling transactions and investments, the Customer Service system was in constant improvement. With customer management solution (CRM - Customer Relations Management) from Salesforce, a leading partner, TCBS built a comprehensive customer support system in which customer interactions were monitored and responded to in real-time. Doing so has harmoniously combined the professional skills of trained personnel and standard technology solutions. To ensure every customer is always listened to, supported and provided recommendations the most suitable products, 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 the needs of customers.



STRONG AND SECURE FINANCIAL INDICATORS

The main financial indicators of TCBS in 2018 was continue maintaining a high and strong level of security. Total asset value and revenue grow steadily with average growth rate of 37% and 49% in the period 2014-2018.

In this period, the after-tax profit index maintained an outstanding average growth of 71% / year. In addition, the ROE increased by 43% compared to the same period last year, reaching only 32%. Net profit margin also remained stable at 65% in 2018. TCBS's profit margin per employee in 2017 reached 5.7 billion VND / person, 21% higher than last year and remains the highest in the market.



FINANCIAL INDICATORS:

Unit: VND Billion

Operating Performance	2014	2015	2016	2017	2018
Total Asset	1,219	1,797	2,249	2,815	4,351
Revenue	381	621	826	1,084	1,872
Profit Before Tax	181	530	604	917	1,532
Profit After Tax	142	413	483	730	1,225
Operating Margin	48%	85%	73%	85%	82%
Capital Structure					
Debt/Total Asset ratio	0.04	0.12	0.15	0.08	0.29
Debt/Equity ratio	0.05	0.14	0.18	0.08	0.40
Liquidity					
Liquidity ratio	22.69	8.30	6.42	13.22	4.36
Asset turnover ratio					
Revenue/Total asset	31%	35%	37%	39%	43%
Profitability					
Return on Asset (ROA)	12%	27%	24%	29%	34%
Return on Equity (ROE)	17%	30%	28%	32%	43%
PAT/Revenue	37%	67%	59%	67%	65%
PAT/Equity	12%	26%	25%	28%	39%

EFFECTIVE RISK MANAGEMENT

AN OVERVIEW OF RISK MANAGEMENT SYSTEM

In the early days of TCBS, building a solid foundation of risk management to navigate business activities for sustainable growth was essential role. We believe that when the company controls its own risks, will it create a safe investment environment, prevent risks in investment plans. Risk management principles are complied and pursuant to the requirement of the State Securities Commission of Vietnam (*) and international standards.



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

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 (Enterprise 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 being independent with the first line of defense
- Internal Audit department, to ensure the effectiveness of internal control and internal control systems.

THE RISK MANAGEMENT STRUCTURE AT TCBS INCLUDE THE FOLLOWING PILLARS:

- (i) Risk governance
- (ii) Risk management tools and models
- (iii) Compliance culture and risk management culture

Risk Governance:

The Board of Directors (BOD) holds the highest responsibility in risk management at TCBS. The Board of Directors issued the Risk Management Policy and selected risk appetite in accordance with business strategy and objectives and built models and tools to monitor risk management of the whole company.

The risk management policy provides orientation, principles and general rules on risk management at TCBS to set up and operate the system optimally and effectively, ensuring safety in business and investment activities of the company. Risk policy is also a basis for developing specific regulations and guidelines on risk and risk management of the company.

Risk management tools and models:

We develop models to assess key risks in the entire business operations of the company, including credit risk assessment models, market risks, operational risks, and risks. liquidity follows the risk management standards set by the Ministry of Finance and the Securities Commission to support TCBS to achieve business objectives.

Compliance Culture and Risk Management:

At TCBS, each and everyone in the company has the responsibility and the right to risk management within the framework of daily tasks, fully assess and follow the most prudent view.

TCBS’s risk management culture focuses on 3 values:

Customer-centric: Understand customers to identify and measure risks and have appropriate risk mitigation measures.

Continuous improvement: Continuous improvement to build and improve risk management tools to leverage efficiency in risk identification, measurement, and mitigation.

Compliance culture: Compliance with standards of behavior and professional ethics, legal regulations, internal guidelines and guidelines of the company.

Every month, we have internal communications to increase awareness of risk management to all employees. Employees are regularly updated with the latest policies, regulations, risk management procedures and the consequences of non-compliance.

TCBS’s Risk Management and Internal Control Division operates independently of business units and is responsible for the periodic monitoring and evaluation of the operation of internal systems and risk management. The division also provides advice and timely recommendations to improve the effectiveness of these activities.

Effective implementation of risk management in 2018 and orientation for 2019:

2018 continues to be a strong growth year of TCBS in many aspects such as business size, number of customers, and technology platform. However, the risks have been limited to the lowest, risk indicators are under the approved appetite limit. Automation tools such as monitoring limits, credit risks, liquidity risks, market risks are increasingly consolidated on the basis of a superior data system, with maximum support for investment journeys. Our early warning system helps customers identify their own risk levels and are supported by experts at TCBS to provide timely solutions.

In 2019, the company expects to continue growing rapidly and strongly in terms of personnel scale. The number of customers and product portfolio is more diversified and richer. In addition to the critical risks that need to be monitored and strictly managed such as credit, liquidity, and market risks, the company will face more increased and complex risks, such as operational risks, dynamics, legalities, and reputation. This

poses a significant challenge to the company's risk management system. Therefore, the most important goal in risk management of TCBS within the future is to focus on improving and consolidating the current risk management system according to international standards and in accordance with business practices. This is not only control good critical risks, but to provide response in a timely manner and manage new risks effectively.

In addition to strictly complying with the general regulations of the Ministry of Finance and the Securities Commission, TCBS continues to take advantage of the superior data platform to build automated monitoring system and Risk Profile for improving the quality of risk management, thereby improving business efficiency for both companies and customers. In addition, with the orientation to become a securities company applying high-tech platform in the direction of FinTech, the construction of information security system to ensure control and limit loss of information and customer data is also will be one of the top priorities in the near future.

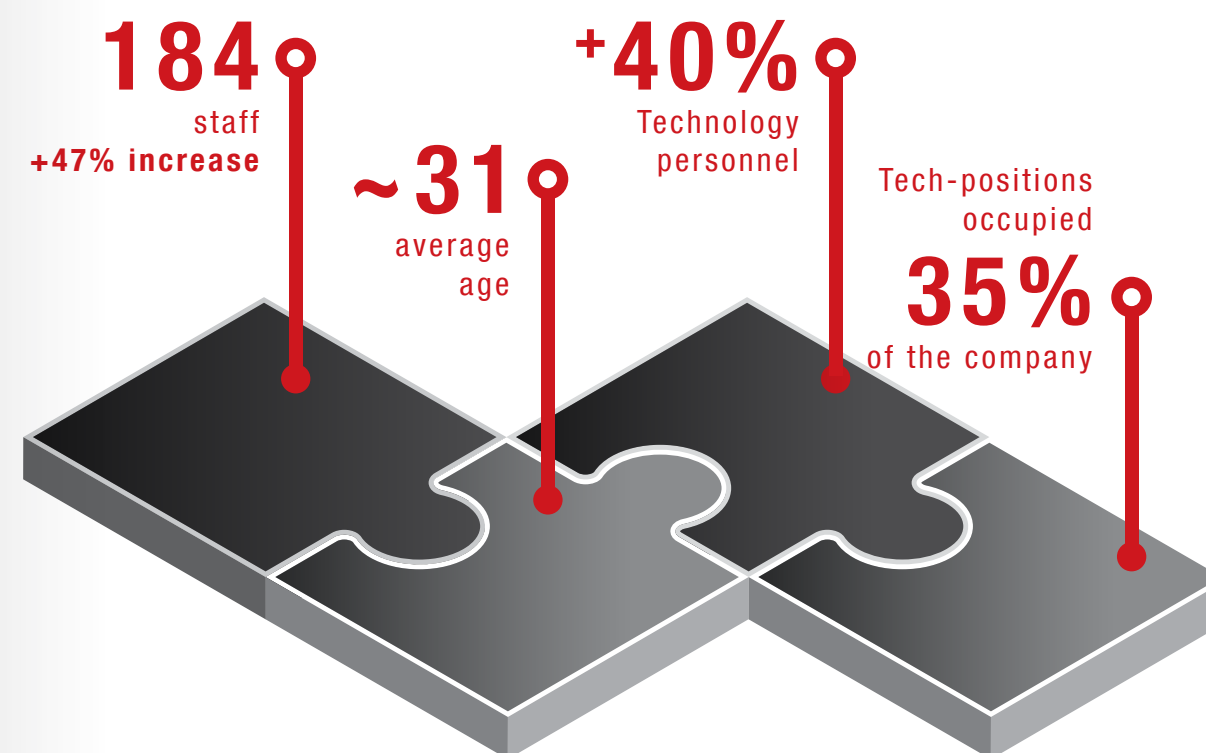
HUMAN RESOURCES AND CORPORATE CULTURE

HUMAN RESOURCES ARE EXPANDING

In 2018, the number of TCBS's personnel has increased strongly with a growth rate of 47%, bringing the total number of employees to 184 people. 100% of the employees have college, university, and post graduate 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 particular, the percentage of newly recruited IT personnel has increased remarkably to nearly 40%. In 2018, for the first time, the number of IT personnel has exceeded the number of operations personnel, accounting for 35% of the company's employees and is the largest part of TCBS. These numbers will continue to increase in 2019, especially when the company's development orientation will follow the FinTech model.

TCBS staff is well trained with utmost professionalism and experience, while honing international skills and modern thinking. With a relatively young age group (average age of 31 years) rich in aspirations and the spirit of innovation, these people are the most valuable asset in TCBS's growth journey.



UNIQUE CORPORATE CULTURE

Corporate culture has always created different values for a business organization and an competitive advantage factor. It helps employees work towards a common goal to create long-term value for themselves and for the organization.

TCBS has positioned itself as the leading financial-technology company in the investment banking sector. Its strong corporate culture is built to reflect the spirit and orientation of the company. TCBS inherits core values from its parent company Techcombank, which is a large financial institution that known for customer-centricity strategy, strong operational system, comprehensive processes and driver of sustainable development. But TCBS also adopt the “startup way” with special attention to focusing on creativity and flexibility while honing an independent and effective working spirit. To

effectively incorporate both cultures in day-to-day operations is a challenge but also an opportunity for the company to excel.

Agile and “Scrum” groups to implement projects is our solution for such challenges. These groups are often seen as small “startups” in the company and are full of members from different departments, both products and IT. The two sectors are involved and arranged to sit together, work, and exchange ideas immediately and daily. This differs greatly from the traditional arrangement where there are separate zones and personnel sitting based upon their department capabilities. We learn how to do this from leading technology companies today. This approach maximizes our creativity, autonomy, and self-determination. As a result, we have always maintained the working culture of a startup but are well-backed by a strong foundation with the stability and discipline of a large financial institution.



V. FINTECH AS A KEY FACTOR OF BUSINESS GROWTH

DIGITAL TRANSFORMATION JOURNEY

It can be said that Fintech's inspiration is an important factor driving the change of TCBS's technology. It is the pillar for the outstanding growth of the company. From the traditional mindset that technology as only an added value for businesses to focus on selling financial products and services, FinTech itself has allowed TCBS to develop technology as a particularly important part of improving the customer experience and bringing more options to them. Therefore, products and services of the company not only revolve around financial products and investment, but also a closed circle of financial solutions and wealth management that is personalised, customer-centric and flexible. More importantly, the development and implementation of these solutions is increasingly simple: with mobile devices, the solutions have been very secure and effective.

2017 was an important preparation period with a check list of recruitment and training of key personnels, to built open platform, cloud and agile model. Consequently, 2018 witnessed the initial encouraging results of TCBS transformation journey.

Those are pillars of TCBS digital transformation journey:

- Revising the operations model to increase cohesion and increase productivity
- Open 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 customer experience as well as automating business processes

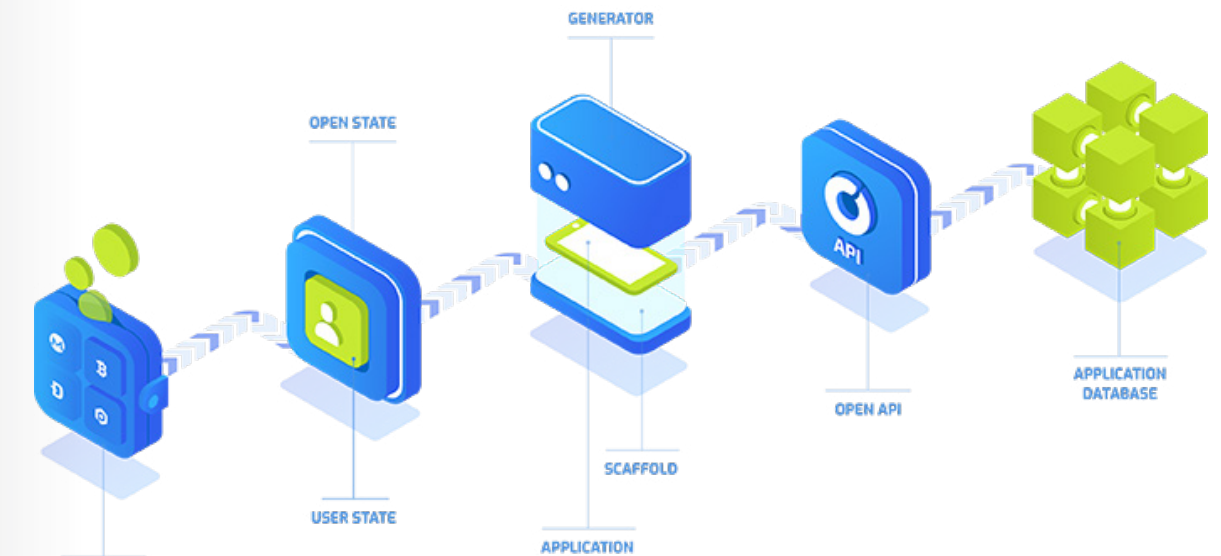
Technology Platform Restructure

Thanks to highly qualified staffs and veteran experts with high level of innovation, TCBS has transformed successfully from the traditional technology development model to agile model. This is considered a model of operational organization that is closely linked to the product development strategy, while adhering to the business model's flexibility.

Agile groups are formed in three main axes: the first axis follows the product lines of the company such as iBond (corporate bonds), iFund (open investment fund), iStock (stocks), iPlan (investment plan advisory), etc. The second axis is built around shared platforms such as BPM, ODM, ECM, and the third axis is dedicated to specialized solutions such as Salesforce and Flex.

Activities carried out in 2018 on the basis of balancing daily business operations (BAU - Business as Usual) and the simultaneous development of shared platforms to gradually replace BAU. By the end of 2018, the Technology Division completed the delivery of all products to the market such as iBond, iFund, iStock, iConnect, and iPlan, while also developing the Core Service platform which is the trading platform for the entire product line.

Up to the present time, TCBS has developed 10 active agile teams that are effective and flexible for the purposes of technology and business. These groups operate smoothly, build and perfect core products for the company, fully supported by advanced communication and collaboration platforms such as Office 365, Teams and tracking tools like Jira and Confluence.



Building an Open Platform

With technology orientation focused around the platform, technological solutions will not only serve within the project scope but will also be deployed on a platform. When upgrading platforms, the solutions are implemented in-depth and do not only meet the requirements of the current project scope. Instead, the solutions create the foundation to meet future needs.

With this orientation, the Technology department has built a Core Service platform using Microservices. Core Service is designed to be highly open to be able to integrate or develop more products and transaction flows in order to meet the needs of the growing customers base. Some features have been developed and put into use in 2018 such as Pricing, Product, and Portfolio, and will be further refined in the first half of 2019.

Besides the Core Service platform, TCBS has also successfully implemented a number of other important platforms such as BPM process processing platform, platform to support ODM business logic, ECM document storage platform. By promoting the process and considering the process as part of the company's assets, TCBS continues to focus on the development and improvement of operating processes, while

promoting technology to process and ensure Secure the resources (capabilities) for most developers.

In addition to continuing the momentum of Power BI technology development for management reports implemented from 2016,

In parallel with continuing to improve and perfect the management reporting system with the Power BI tool, TCBS continued to deploy DWH data platform in 2018. This is an important basis for developing advanced data analytics in which a full data-driven platform for the upcoming period is now built.

The first key point of the open platform is the product that adheres to iPlan's needs. This is the first complex product that has optimized the specialization for users by designing demand based on advanced technology platforms such as event-driven programming on the BPM (Business Process Management) platform and ODM (Operational Decision Management). The framework was created by TCBS, ready to meet the high-end tailored-made needs of future investors.

With these open platforms, TCBS will complete its FinTech-oriented digital transformation within the period of 2019-2020.

Technology Application

The application of technology in business operations is widely used at TCBS to enhance customer experience as well as improving operational processes.

The third-generation user-interface layer is in the process of being upgraded from mid-2018 and is expected to be released in early Q2 2019. With the latest investment in UX and the front-end technology, TCBS will increase its reach for every customer, from the stage of product selection to the investment stage, and finally the transaction.

In addition, the customer care and support process are upgraded and fully supported by the Salesforce platform. BPM will bring much higher accuracy, speed, and safety for transactions.

Infrastructure platform is also modernized and automated to serve different purposes. The PRD environment needs high performance, which has been adapted to Techcombank's system using LinuxOne platform on IBM Z server system. The DEV environment requires flexibility and digital response. A large amount of the developmental environment for many Agile groups has been deployed on the Azure platform.

Besides applying the most advanced technology solutions today, TCBS also fully cooperates with major technology firms in the world to continuously update, select, and apply technology solutions and products that fit. These include Salesforce with customer care processes and marketing automation. In addition, TCBS also has IBM partners with LinuxOne, BPM, ODM, ECM, Microsoft with Azure, Office 365, and DocuSign's cloud service.



Microsoft Azure



Agile Team Structure

One of the breakthroughs and pride of TCBS in the journey of digital transformation is the staff with agile mindset and culture. It can be said that the agile culture has changed the approach of the technology team with development strategy. Agile culture promotes flexibility, practicality, transparency, and high adaptability, adhering

to the specific needs of product and business development groups, enhancing interaction and credit efficiency. The Agile technology development structure also contributes to linking technology members and professional groups, creating a friendly and respectful environment that aims towards "us" and "customer needs" that are independent of each other.



Encouraging Initial Results and Vision for the future

With the above steps, it can be said that TCBS has witnessed the initial success of the digital transformation in 2018.

FinTech technology in the country and region. Besides, the deployment of AI platform and Machine Learning will be an important factor for TCBS to bring deeply personalized services and products using data sources.

Technology groups are increasingly improving their coordination within and between teams, providing timely and high-quality solutions. The solutions are designed to be long-term. They are not only meant to meet the business needs of the present but to also adapt to future business expansion in both scale and depth.

In 2019, TCBS will continue to improve agile culture, creating a learning organization that will be constantly growing and using collaboration technology to expand flexibility. The company will also bring many open platforms with many outstanding features, ready for scale and become the securities company with the leading





**ANNUAL
REPORT
2018**

VII. 2018 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.

CHAIRMAN

Chairman of the company for the year ended 31 December 2018 and until the date of these consolidated financial statements are as follows:

Name	Position	Date Appointed
Nguyen Xuan Minh	Chairman	Appointed October 15, 2013. As from May 31, 2018, due to changing ownership types of the Company, Mr. Nguyen Xuan Minh to the position of Chairman of the Board of Directors of the Company

BOARD OF DIRECTORS

The members of the Board of Directors of the Company from May 31, 2018, to December 31, 2018, and at the date of this financial statement are as follows:

Name	Position	Date Appointed
Nguyen Xuan Minh	Chairman	31 May 2018
Ms. Do Tuan Anh	Member	31 May 2018
Phan Thanh Son	Member	31 May 2018
Mr. Trinh Bang	Member	31 May 2018
Le Ba Dung	Member	31 May 2018

BOARD OF SUPERVISORY

Members of the Board of Supervisory for the year ended 31 December 2017 and until the date of these financial statements are as follows:

Name	Position	Date Appointed
Mr. Dang Van Khai	Head of Board	Appointed July 18, 2017 Reappointed May 31, 2018
Ms. Hoang Thi Kim Cuc	Member	Appointed May 31, 2018

BOARD OF DIRECTORS

Member of the Board of Directors of the Company during the year and at the date of this financial statement are as follows:

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

LEGAL REPRESENTATIVE

The legal representative of the Company from 1 January 2018 to 31 December 2018 is Mr. Nguyen Xuan Minh, Chairman of the Board of Directors of the Company (before June 4, 2018 as Chairman 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. 010/2018 / 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 2018.

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; and
- » 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 2018.

STATEMENT BY THE BOARD OF MANAGEMENT

The Board of Management does hereby state that, in its opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2018, 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
15 March 2019

INDEPENDENT AUDITORS' REPORT

Reference number: 61273532/20379358

**Dear: The Shareholders of
Techcom Securities Joint Stock Company**

We have audited the accompanying financial statements of Techcom Securities Joint Stock Company ("the Company"), formerly known as Techcom Securities Company Limited, prepared on March 15, 2019 and set out from pages xx to xx, which comprises the balance sheet as of December 31, 2018, and the income statement and cash flow statement for the year then ended and the notes thereto.

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 the preparation and presentation of 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 Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and 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 material 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 auditors' opinion.

Auditors'opinion

In our opinion, the financial statements reflect 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



Dang Phuong Ha
Vice President
Reference Number:
2400-2018-004-1

Hanoi, Vietnam,
15 March 2019

Tran Mai Thao
Auditor
Reference Number:
2466-2018-004-1



BALANCE SHEET

For the year ended 31 December 2018 | B01-CTCK

Code	ITEMS	Notes	Ending Balance VND	Opening Balance (Restated) VND
100	A. SHORT TERM ASSETS		4.301.904.075.538	2.798.502.406.606
110	I. Financial Assets		4.301.437.975.390	2.797.838.685.802
111	1. Cash and Cash Equivalents	5	1.305.429.385.691	404.712.881.195
111.1	1.1. Cash		905.429.385.691	404.712.881.195
111.2	1.2. Cash Equivalents		400.000.000.000	-
113	2. Held-to-maturity (HTM) investments	7.1	100.000.000.000	109.840.307.126
114	3. Loans	7.2	1.371.761.540.630	825.917.218.217
115	4. Available-for-sale (AFS) financial assets	7.3	1.411.854.138.887	1.230.923.862.834
117	5. Receivables	8	43.830.932.179	90.682.903.508
117.2	5.1. Receivables and accruals from dividends and interest income		43.830.932.179	90.682.903.508
117.4	- Receivables from due dividend and interest income		15.967.770.535	64.319.962.014
	- Accruals for undue dividends and interest income		27.863.161.644	26.362.941.494
118	6. Advances to suppliers	8	777.927.372	265.951.877
119	7. Receivables from services provided by the Company	8	62.939.950.631	3.245.339.645
122	8. Other receivables	8	4.844.100.000	132.250.221.400
130	II. Other current assets		466.100.148	663.720.804
131	1. Advances		466.100.148	663.720.804
200	B. NON-CURRENT ASSETS		49.147.334.360	16.379.776.871
220	I. Fixed assets		37.111.999.508	7.870.454.921
221	1. Tangible fixed assets	9	23.568.693.328	2.210.775.740
222	1.1. Cost		27.624.998.111	5.345.839.388
223a	1.2. Accumulated depreciation		(4.056.304.783)	(3.135.063.648)
227	2. Intangible fixed assets	10	13.543.306.180	5.659.679.181
228	2.1. Cost		25.454.854.000	14.647.140.000
229a	2.2. Accumulated amortization		(11.911.547.820)	(8.987.460.819)
250	II. Other long-term assets		12.035.334.852	8.509.321.950
252	1. Long-term prepaid expenses		7.404.418.347	5.555.336.199
254	2. Payment for Settlement Assistance Fund	11	3.938.596.359	2.195.989.242
255	3. Other long-term assets	12	692.320.146	757.996.509
270	TOTAL ASSETS		4.351.051.409.898	2.814.882.183.477

300	C. LIABILITIES		1.243.343.524.872	211.869.113.716
310	I. Current Liabilities		1.058.268.101.543	211.821.913.716
311	1. Short-term borrowings and financial leases		296.632.000.000	40.000.000.000
312	1.1. Short-term borrowings	13	296.632.000.000	40.000.000.000
316	2. Payables for securities trading activities	14	428.824.687.864	-
318	3. Statutory obligation	15	10.987.895.825	3.370.074.717
322	4. Payables to employees	16	193.598.442.947	94.885.225.859
323	5. Short-term deposits received		33.868.889.081	22.161.312.863
325	6. Other short-term payables	17	14.296.460.493	-
327	7. Short-term unrealized turnover	18	74.370.161.092	-
328	8. Short-term deposit received	19	501.325.412	49.626.236.569
329	9. Other short-term payables	20	5.188.238.829	1.779.063.708
340	II. Long-term Liabilities		185.075.423.329	47.200.000
346	1. Long-term bonds	14	139.221.796.504	-
349	2. Provision long-term payables	17	1.186.646.151	-
351	3. Long-term unrealized turnover	18	44.619.780.674	-
355	4. Provision		47.200.000	47.200.000
400	D. SHAREHOLDERS' EQUITY		3.107.707.885.026	2.603.013.069.761
410	I. Share Capital		3.107.707.885.026	2.603.013.069.761
411	1. Charter capital		1.058.201.050.000	1.000.000.000.000
411.1	1.1. Capital Contribution		1.058.201.050.000	1.000.000.000.000
412	2. Difference from revaluation of assets at fair value		8.343.858.660	1.880.086.015
414	3. Charter capital supplementary reserve		105.821.005.000	100.000.000.000
415	4. Operational risk and financial reserve		105.821.005.000	100.000.000.000
417	5. Undistributed profit	21	1.829.520.966.366	1.401.132.983.746
417.1	5.1. Realized profit		1.829.520.966.366	1.401.132.983.746
417.2	5.2. Unrealized profit		-	-
440	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4.351.051.409.898	2.814.882.183.477

OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	Last year's amount VND	Amount beginning of the year VND
	A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
008	Financial assets listed/registered for trading at Vietnam Securities Depository of the Company	22.1	778.395.390.000	220.814.100.000
009	Financial assets have been deposited at VSD and waiting for trading of the Company	22.2	22.308.300.000	-
010	Financial assets receivables	22.3	72.019.501.643	-
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS			
021	Financial assets listed/registered for trading at Vietnam Securities Depository of investors	22.4	94.057.035.700.000	43.131.789.610.000
021.1	- Unrestricted financial assets		58.485.825.130.000	31.889.112.470.000
021.2	- Restricted financial assets		20.565.392.590.000	3.633.155.050.000
021.3	- Mortgaged financial assets		14.908.629.810.000	7.529.068.220.000
021.5	- Financial assets payables		97.188.170.000	80.453.870.000
022	Non-traded financial assets deposited at Vietnam Securities Depository ("VSD")	22.5	1.061.670.920.000	1.808.382.260.000
022.1	- Unrestricted and non-trade financial assets deposited at VSD		547.093.830.000	1.324.628.950.000
022.2	- Restricted and non-traded financial assets deposited at VSD		315.577.090.000	481.753.310.000
022.3	- Mortgages and non-traded financial assets deposited at VSD		199.000.000.000	2.000.000.000
026	Investors' deposits	22.6	1.334.969.895.448	1.534.135.113.732
027	Investors' deposits for securities trading activities managed by the Company		396.892.320.865	250.301.666.222
030	Deposits of securities issuers deposits		938.077.574.583	1.283.833.447.510
031	Payables to investors- investors' deposits for securities trading activities managed by the Company	22.7	396.892.320.865	250.301.666.222
031.1	- Payables to domestic investors for securities trading activities managed by the Company		396.892.320.865	250.301.666.222
035	Dividend, bond principal and interest payables	22.8	938.077.574.583	1.283.833.447.510

Tran Kim Loan
Prepared by

Hanoi, Vietnam. 15 March 2019

Pham Thi Van
Chief Accountant

Nguyen Thi Thu Hien
Chief Executive Officer



INCOME STATEMENT

For the year ended 31 December 2018 | B02-CTCK

Code	ITEMS	Notes	Current Year VND	Previous Year (Restated) VND
	I. OPERATING INCOME			
01	1. Gain from financial assets at fair value through profit and loss (FVTPL)		353.648.605.682	490.504.794.340
01.1	1.1. Gain from disposal of financial assets at FVTPL	23.1	353.648.605.682	490.504.794.340
02	2. Gain from held-to-maturity (HTM) investments	23.2	10.254.605.337	14.451.296.185
03	3. Gain from loans and receivables	23.2	110.834.506.042	42.237.861.996
04	4. Gain from available-for-sale (AFS) financial assets	23.2	25.942.662.808	53.162.992.904
06	5. Revenue from brokerage services		121.081.916.964	55.171.369.740
07	6. Revenue from underwriting and issuance agency services		1.226.662.557.173	409.083.227.570
08	7. Revenue from securities investment advisory services		744.000.000	231.000.000
09	8. Revenue from financial advisory services		20.074.892.301	16.717.932.928
10	9. Revenue from other operating activities		927.297.969	1.025.000.000
20	Total operating income		1.870.171.044.276	1.082.585.475.663
	II. OPERATING EXPENSES			
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		57.698.777.142	34.408.122.208
21.1	1.1. Loss from disposal of financial assets at FVTPL	23.1	57.698.777.142	34.408.122.208
23	2. Loss from revaluation of AFS financial assets arising from reclassification		-	804.999.995
27	2. Expenses for brokerage services	24	30.525.643.187	11.247.466.923
28	3. Expenses for underwriting and issuance agency services	24	30.000.000	-
30	4. Expenses for securities custodian services	24	28.613.117.681	11.001.433.041
31	5. Expenses for financial advisory services	24	282.000.000	363.636.364
32	6. Other operating expenses	24	15.331.539.286	2.880.941.722
40	Total operating expenses		132.481.077.296	60.706.600.253
	III. FINANCE INCOME			
42	Dividend, interest income from demand deposits	25	1.714.246.985	1.447.808.155
50	Total finance income		1.714.246.985	1.447.808.155

INCOME STATEMENT

	IV. FINANCE EXPENSES			
52	1. Borrowing costs	26	34.797.234.345	55.959.090
60	Total finance expenses		34.797.234.345	55.959.090
61	V. SELLING EXPENSES		-	-
62	VI. GENERAL AND ADMINISTRATIVE EXPENSES	27	170.672.005.692	105.609.589.596
70	VII. OPERATING PROFIT		1.533.934.973.928	917.661.134.879
	VIII. OTHER INCOME AND EXPENSES			
71	1. Other income		-	45.454.545
72	2. Other expenses		1.748.905.097	791.375.174
80	Total other operating profit		(1.748.905.097)	(745.920.629)
90	IX. PROFIT BEFORE TAX		1.532.186.068.831	916.915.214.250
91	Realized profit		1.532.186.068.831	916.915.214.250
92	Unrealized profit		-	-
100	X. CORPORATE INCOME TAX (CIT) EXPENSES		306.902.332.702	187.267.311.045
100.1	Current CIT expense	28.1	306.902.332.702	179.867.311.045
100.2	Deferred CIT (income)/expense		-	7.400.000.000
200	XI. PROFIT AFTER TAX		1.225.283.736.129	729.647.903.205
300	XII. OTHER COMPREHENSIVE INCOME AFTER TAX			
301	Gain from revaluation of AFS financial assets		6.463.772.645	(3.817.586.015)
400	TOTAL OTHER COMPREHENSIVE INCOME		6.463.772.645	(3.817.586.015)
500	XIII. NET INCOME ON GENERAL STOCKS		1.225.283.736.129	729.647.903.205
501	Basic earnings per share (VND / share)	29	12.104	7.296

Tran Kim Loan
Prepared by

Hanoi, Vietnam. 15 March 2019

Pham Thi Van
Chief Accountant

Nguyen Thi Thu Hien
Chief Executive Officer



CASH FLOW STATEMENT

For the year ended 31 December 2018 | B03b-CTCK

Code	ITEMS	Notes	Current Year VND	Previous Year (Restated) VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		1.532.186.068.831	916.915.214.250
02	2. Adjustment for:		10.779.400.837	(9.188.787.593)
03	Depreciation and amortization expense	9,10	3.845.328.136	3.739.067.922
06	Interest expense		34.797.234.345	55.959.090
08	Accrued interest income		(27.863.161.644)	(9.166.228.590)
09	Other adjustments		-	(3.817.586.015)
30	3. Increase in non-monetary expenses Decrease in non-monetary income Operating profit before changes in working capital		1.542.965.469.668	907.726.426.657
32	(Increase)/decrease in HTM investments		9.840.307.126	16.688.975.518
33	Increase in loans		(545.844.322.413)	(581.968.431.887)
34	Increase in AFS financial assets		(174.466.503.408)	(157.763.391.724)
36	(Increase)/decrease in receivables and accruals from dividend and interest income from financial assets		74.715.132.973	(72.698.021.768)
37	Increase in receivables from services provided by the Company		(59.694.610.986)	11.644.032.144
39	Decrease in other receivables		127.406.121.400	(125.679.570.612)
40	Increase in other assets		(1.544.986.461)	(1.424.149.901)
42	(Increase)/decrease in prepaid expenses		(2.361.057.643)	13.842.757
43	Current income tax paid	28.1	(209.204.137.923)	(142.794.682.700)
44	Current expenses paid		(19.314.127.701)	(55.959.090)
47	(Increase)/decrease in statutory obligations		(2.525.726.200)	9.914.303.814
48	Decrease in payables to employees		11.707.576.218	(1.472.991.117)
50	Decrease in other payables		130.016.937.995	(70.717.111.273)
51	Other receipts from operating activities		2.866.903.295.832	3.915.399.345.340
52	Other payments for operating activities		(2.915.962.530.626)	(3.866.141.577.771)
60	Net cash flows from/ (used in) operating activities		832.636.837.851	(159.328.961.613)

CASH FLOW STATEMENT

II. CASH FLOWS FROM INVESTING ACTIVITIES				
61	Purchase and construction of fixed assets, investment properties and other long-term assets		(33.086.872.723)	(6.253.611.999)
70	Net cash flow used in investing activities		(33.086.872.723)	(6.253.611.999)
III. CASH FLOWS FROM FINANCING ACTIVITIES				
71	Proceeds from issues of shares and other equity securities		58.201.050.000	-
73	Proceeds from borrowings		1.064.899.840.544	40.000.000.000
73.2	- Proceed from other borrowings		1.064.899.840.544	40.000.000.000
74	Repayment of borrowings		(240.221.356.176)	-
74.3	- Repayment of other borrowings		(240.221.356.176)	-
76	Dividends paid to shareholders		(781.712.995.000)	(30.460.000.000)
80	Net cash (inflow) from financing activities		101.166.539.368	9.540.000.000
90	Net increase in cash and cash equivalents		(156.042.573.612)	(158.360.736.766)
101	Cash and cash equivalents at the beginning of the year	5	404.712.881.195	560.755.454.807
101.1	Cash		404.712.881.195	510.755.454.807
101.2	Cash equivalents		-	50.000.000.000
103	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	1.305.429.385.691	404.712.881.195
103.1	Cash		905.429.385.691	404.712.881.195
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	Cash receipts from disposal of brokerage securities of customers		38.817.357.118.612	16.479.481.425.824
02	Cash payments for acquisition of brokerage securities of customers		(34.798.079.135.854)	(14.938.523.019.918)
07	Cash receipts for settlement of securities transactions of customers		44.506.472.086.701	14.680.993.254.305
08	Cash payments settlement of securities transactions of customers		(48.369.684.824.121)	(16.079.284.723.277)
11	Cash payments for custodian fees of customers		(9.462.527.575)	(12.859.844.982)
14	Cash receipts from securities issuers		36.999.146.382.072	22.100.709.124.564
15	Cash payment to securities issuers		(37.344.914.318.119)	(21.016.209.010.387)
20	Net increase in cash during the year		(199.165.218.284)	1.214.307.206.129
30	II. CASH AND CASH EQUIVALENTS OF CUSTOMERS AT THE BEGINNING OF THE YEAR	22.5	1.534.135.113.732	319.827.907.603
31	Cash at banks at the beginning of the year:		1.534.135.113.732	319.827.907.603
32	- Investors' deposits managed by the Company for securities trading activities		250.301.666.222	120.494.574.270
35	- Deposits of securities issuers		1.283.833.447.510	199.333.333.333
40	III. CASH AND CASH EQUIVALENT OF CUSTOMERS AT THE END OF THE YEAR (40 = 20 + 30)	22.5	1.334.969.895.448	1.534.135.113.732
41	Cash at banks at the end of the year:		1.334.969.895.448	1.534.135.113.732
42	- Investors' deposits managed by the Company for securities trading activities		396.892.320.865	250.301.666.222
45	- Deposits of securities issuers		938.077.574.583	1.283.833.447.510

Tran Kim Loan
Prepared by
Hanoi, Vietnam. 15 March 2019

Pham Thi Van
Chief Accountant



Nguyen Thi Thu Hien
Chief Executive Officer

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2018 | B04-CTCK

Items	Notes	Opening Balance		Increase/(decrease)				Ending balance	
		01/01/2017	01/01/2018	Previous Year		Current Year		31/12/2016	31/12/2017
		VND	VND	Increase	Decrease	Increase	Decrease	VND	VND
		1	2	3	4	3	4	1	2
I. CHANGES IN SHAREHOLDERS' EQUITY									
1. Share capital		1.000.000.000.000	1.000.000.000.000	-	-	58.201.050.000	-	1.000.000.000.000	1.058.201.050.000
2. Charter capital supplementary reserve		63.662.341.500	100.000.000.000	36.337.658.500	-	5.821.005.000	-	100.000.000.000	105.821.005.000
3. Operational risk and financial reserve		63.662.341.500	100.000.000.000	36.337.658.500	-	5.821.005.000	-	100.000.000.000	105.821.005.000
4. Difference from revaluation of financial assets at fair value		5.697.672.030	1.880.086.015	2.285.080.196	(6.102.666.211)	26.620.722.300	(20.156.949.655)	1.880.086.015	8.343.858.660
5. Undistributed profit	21	774.620.397.541	1.401.132.983.746	729.647.903.205	(103.135.317.000)	1.225.283.736.129	(796.895.753.509)	1.401.132.983.746	1.829.520.966.366
5.1. Realized profit		774.620.397.541	1.401.132.983.746	729.647.903.205	(103.135.317.000)	1.225.283.736.129	(796.895.753.509)	1.401.132.983.746	1.829.520.966.366
5.2. Unrealized profit		-	-	-	-	-	-	-	-
TOTAL		1.907.642.752.571	2.603.013.069.761	804.608.300.401	(109.237.983.211)	1.321.747.518.429	(817.052.703.164)	2.603.013.069.761	3.107.707.885.026
II. OTHER COMPREHENSIVE INCOME									
Gain/(loss) from revaluation of AFS financial assets		5.697.672.030	1.880.086.015	2.285.080.196	(6.102.666.211)	26.620.722.300	(20.156.949.655)	1.880.086.015	8.343.858.660
TOTAL		5.697.672.030	1.880.086.015	2.285.080.196	(6.102.666.211)	26.620.722.300	(20.156.949.655)	1.880.086.015	8.343.858.660

Tran Kim Loan
Prepared by
Hanoi, Vietnam. 15 March 2019

Pham Thi Van
Chief Accountant



Nguyen Thi Thu Hien
Chief Executive Officer

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