

CÔNG TY CPCK SÀI GÒN – HÀ NỘI
SAIGON – HA NOI SECURITIES JSC.,

Số/No: 961 /2022/CV - SHS
(V/v: Công bố thông tin
Báo cáo thường niên năm 2021
bằng tiếng Anh)
(Ref: Information disclosure
of Annual Report 2021 in English)

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM
THE SOCIALIST REPUBLIC OF VIETNAM

Độc lập – Tự do – Hạnh phúc
Independence - Freedom - Happiness

Hà Nội, ngày 20 tháng 07 năm 2021
Hanoi, July th, 2021

Kính gửi/To: Ủy ban Chứng khoán Nhà nước/The State Securities Commission
Sở Giao dịch Chứng khoán Việt Nam/ Vietnam Exchange
Sở Giao dịch Chứng khoán Hà Nội/Ha Noi Stock Exchange
Sở Giao dịch Chứng khoán Tp. Hồ Chí Minh/Hochiminh Stock Exchange

1. Tên công ty/Organization name: Công ty Cổ phần Chứng khoán Sài Gòn - Hà Nội/Saigon-Hanoi Securities JSC.,
2. Mã chứng khoán/Securities Code: SHS
3. Mã thành viên/Member code: 069
4. Địa chỉ trụ sở chính/Address of head office: Tầng 1-5, Toà nhà Unimex Hà Nội, số 41, Ngõ Quyền, Hoàn Kiếm, Hà Nội/1st -5th Floors, Unimex Hanoi Building, No. 41, Ngo Quyen road, Hoan Kiem district, Hanoi city.
5. Điện thoại/Telephone: 024.38.181888 Fax/Fax: 024.38.181688
6. Người thực hiện công bố thông tin/ Spokesman: Vũ Đức Tiến – Tổng Giám đốc đồng thời là Người đại diện theo pháp luật/Vu Duc Tien – General Director and Legal Representative
7. Loại thông tin công bố/Information disclosure type: Định kỳ/Periodicity
8. Nội dung của thông tin công bố/Contents of information disclosure:
- Báo cáo thường niên năm 2021 bằng tiếng Anh/Annual Report 2021 in English.
9. Địa chỉ website đăng tải thông tin công bố/The website's address of the disclosure: Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 19/07/2022 tại đường dẫn This information was published on the company's website on 19th July 2022, as in the link <https://www.shs.com.vn/News/2022719/1011377/shs-cbtt-bao-cao-thuong-nien-2021-bang-tieng-anh.aspx>

Chúng tôi xin cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung thông tin công bố/We hereby certify that the information provided is true and correct and we will bear the full responsibility to the law.

Trân trọng/Best regards./.

g

Tài liệu kèm theo/Attached documents:

- Báo cáo thường niên 2021 bằng tiếng Anh/
Annual Report 2021 in English.

Nơi nhận/Recipients:

- Như trên /As stated above;
- Lưu VT, P.PC&QTRR/Kept at Archives
and L&R management department.

CÔNG TY CPCK SÀI GÒN – HÀ NỘI
SAIGON – HA NOI SECURITIES JSC.,



VŨ ĐỨC TIẾN
TỔNG GIÁM ĐỐC
GENERAL DIRECTOR





CONVERTING OPPORTUNITIES TO VALUE

STEADILY MOVING FORWARD

ANNUAL REPORT 2021





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A photograph of a person's hand on a ship's steering wheel, with a large orange circle overlaying the right side of the image. The background shows a blurred view of the sea and sky.

01

GENERAL INTRODUCTION

- MESSAGE FROM THE CHAIRMAN OF THE BOARD
- 2021'S HIGHLIGHTS
- GENERAL INFORMATION
- BASIC INDICATORS

Message from the Chairman of the Board



“

In 2021, the Company successfully raise its charter capital to VND 3,252.7 billion. This is an important milestone that demonstrate the determination and commitment of both the Board of Directors as well as the Executive Board to realize the vision to establish SHS as a multi-functional securities company following Vietnam's leading investment banking model.

”

Dear Shareholders, Investors and Customers!

Continuing the winning momentum of the year 2020, Saigon - Hanoi Securities Joint Stock Company has officially joined the trillion profit club from mid-2021, ending the year with a historic record income before tax of VND 1,752.9 billion during our 14-year of operation. This was 2.3 times higher than annual plan set forth by the General Meeting of Shareholders. The total revenue of our whole service system also increased remarkably to VND 2,895 billion, ranked 9th in the entire securities industry.

Also in 2021, the Company successfully raise its charter capital to VND 3,252.7 billion. This is an important milestone that demonstrate the determination and commitment of both the Board of Directors as well as the Executive Board to realize the vision to establish SHS as a multi-functional securities company following Vietnam's leading investment banking model.

SHS's capacity as a leading advisor in the investment banking business has been well recognized through our highly complex and sophisticated IB, M&A, and capital arrangement transactions, that SHS has successfully consulted, providing satisfaction for our institutional clients who often demand high quality service and have rigorous risk appetite.

The Company's brokerage activities in 2021 were also achieve remarkable success with the burst in both liquidity and market index values of the stock market during the year. Total revenue of this segment reached VND 577.9 billion, an increase of approximately 200% compared to 2020 and 1.5 times higher than the plan set forth by the General Meeting of Shareholders. However, limitations on our brokerage policies as well as the core system has reduced the competitiveness of this business; as a result, the market share of the Company has slightly decreased year on year.

One of the key activities of the Company in 2021 was to successfully upgrade the securities trading infrastructure regardless of the disastrous impact of the COVID-19 pandemic on our project implementation human resources and the logistic delay of the hardware system delivery due to Vietnam's pandemic prevention measures and inspection regulations from the foreign partners. This will be a key stepping stone for the Company towards decisive digital transformation and artificial intelligence (AI) application in 2022.

Even when a successful technology upgrade shall help to ensure the load capacity and meet the system requirement, high level of user convenience

and superior features of other company's trading system is still our big concern, requiring the Board of Executive as well as the Information Technology Department of the Company to pay special attention to the continuation to develop modern and outstanding service features to enhance the customer experience as well as monitoring and evaluating the investment efficiency for each client in a accurate and timely manners, adhering to our direction of "taking the growth of client's net asset value as the main driving force".

After two years of brilliant stock market growth, the year 2022 will be an unpredictable year with many challenge and risks from the prolonged impacts of the Covid-19 pandemic as well as the less attractive valuation of the general market. This requires the Company to be more prudent in the searching, screening as well as investment decision making of our self-trading activities, which has contributed the majority of our profit in the last two years.

One of the key tasks in 2022 for the Company is to significantly improve the competitiveness of brokerage activities via our integrated solution efforts from the improvement of the trading system and software, implementation of derivative trading service, to the restructuring of our organization, adjustment of the income sharing scheme to motivate our brokers, as well as developing new product in a systematical and professional way or taking advantage of the client base from our strategic partners such as T&T Group and SHB.

Ladies and gentlemen, here are some of my thought that I would like to share with you as the Chairman of the Board of Directors of the Company. Please find out for more detailed information in this Annual Report. I hope that you are satisfied with the information provided. I wish you and your family good health, happiness, lots of good luck in life, and great success in your investment decision!

Sincerely thank you!

On behalf of the Board
Chairman

Do Quang Hien



2021's highlights

TOTAL ASSETS REACHED VND

10,910.9 BILLION,

AN INCREASE OF 57.5% COMPARED TO THE END OF 2020.

RANKED

6th

ON HNX IN TERMS OF BROKERAGE MARKET SHARE OF LISTED STOCKS (4.49%).

ACCOUNTING PROFIT AFTER TAX REACHED A NEW RECORD OF VND

1,396.3 BILLION,

1.9 TIMES OVER THE SAME PERIOD LAST YEAR, TOP 5 IN THE SECURITIES INDUSTRY.



MEMBERS WITH THE LARGEST GOVERNMENT BOND BROKERAGE MARKET SHARE ON HNX (IN THE GROUP OF OVER 10% MARKET SHARE).

EPS OF

5,795 VND/SHARE,

TOP 5 IN THE SECURITIES INDUSTRY.



OUTSTANDING MEMBERS OF HANOI STOCK EXCHANGE, HO CHI MINH STOCK EXCHANGE, VIETNAM SECURITIES DEPOSITORY (VSD).

TOTAL REVENUE INCREASED SIGNIFICANTLY, REACHED VND

2,899 BILLION,

TOP 9 IN THE SECURITIES INDUSTRY.

SUCCESSFULLY INCREASED CHARTER CAPITAL TO VND

3,252.7 BILLION

ROE REACHED

30.6%

HIGHER THAN THE INDUSTRY AVERAGE OF 24.3%.



IMPROVED CORPORATE GOVERNANCE AND A COMMUNITY CONTRIBUTOR.

General information

Transaction name:	Saigon-Hanoi Securities Joint Stock Company
License of Establishment and Operation:	No. 66/UBCK-GP issued by SSC on November 15th, 2007
Certificate of Business Registration	No. 0102524651 issued by Hanoi Planning and Investment Department for the first time on November 15th, 2007.
Stock ticker:	SHS
Member code:	069
Charter capital:	VND 3,252.7 Billion (from October 27th, 2021)
Owner's capital:	3,742.3 Billion
Address:	1-5 Floor, Unimex Hanoi Building, No. 41, Ngo Quyen, Hang Bai, Hoan Kiem, Hanoi
Phone:	84-24-38 181 888
Fax:	84-24-38 181 688
Website:	http://www.shs.com.vn



VISION

To become a leading securities Company as an investment bank in Vietnam and a prestigious brand in the Asian stock market.



MISSION

To create maximum profits for shareholders; contribute to build, and develop Vietnam's stock market safely and effectively, to create a good working environment, high income, and promotion opportunities for employees, to provide diversified and quality financial/securities services to customers and partners.



CORE VALUES

Integrity, creativity, professionalism, customer satisfaction.



History of formation and development



2007

Officially established with charter capital of VND 350.0 billion and a head office at 162-164, Thai Ha, Dong Da, Hanoi.
Member of Vietnam Securities Depository.



2008

Member of the Ho Chi Minh City Stock Exchange and the Hanoi Stock Exchange.
Established Ho Chi Minh City Branch at 41, Pasteur, Nguyen Thai Binh, District 1, Ho Chi Minh City.



2009

Moved Head Office to Level 1&5, Dao Duy Anh Building, No. 9, Dao Duy Anh, Dong Da, Hanoi.
Increased charter capital to VND 410.6 billion through issuing bonus shares to existing shareholders.
Listed on the Hanoi Stock Exchange under stock ticker SHS on June 25th, 2009.
Established Da Nang Branch at 97 Le Loi, Thach Thang, Hai Chau, Da Nang.



2010

Increased charter capital to VND 1,000.0 billion.
Established Nghe An Branch Specialized government bonds trading member at Hanoi Stock Exchange.



2011

Moved Ho Chi Minh City Branch to 141-143 Ham Nghi, Nguyen Thai Binh, District 1, Ho Chi Minh City.
Moved the Head Office to Level 1&3, Union Conference Center Building, No.1, Yet Kieu, Hoan Kiem, Hanoi.



2013

Moved Ho Chi Minh City Branch to 3rd Floor, Artex Saigon Building, No. 236-238 Nguyen Cong Tru, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City.



**10
TOP**

2014

Became one of the top-10 securities companies with the largest brokerage market share on both HNX and HSX.
Established Thang Long Transaction Office at 3rd floor, Building M5, No. 91, Nguyen Chi Thanh, Lang Ha Ward, Dong Da District, Hanoi.



**5
TOP**

2015

Became one of the top-5 securities companies with the largest brokerage market share on both HNX and HOSE



2016

Established Dong Nai Representative Office at 129, Ha Huy Giap, Quyet Thang, Bien Hoa, Dong Nai.



2017

Expanded the Ho Chi Minh City Branch at Floor 1&3, Building AS, No. 236-238 Nguyen Cong Tru, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City



2018

Moved Head Office to Level 1-5, Unimex Hanoi Building, No. 41, Ngo Quyen, Hang Bai, Hoan Kiem, Hanoi.
SHBS officially merged into SHS and increased its charter capital to VND 1,054.0 billion by stock swap method.



2019

Moved Da Nang Branch to Level 8, Thanh Loi 2 Building, No.3, Le Dinh Ly, Vinh Trung, Thanh Khe, Da Nang.
Increased charter capital to VND 2,072.7 billion.



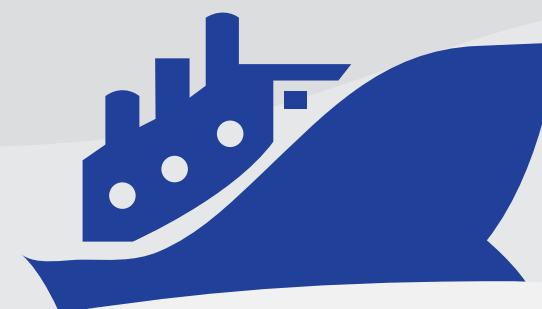
2020

Established Dong Nai Representative Office at Floor 3, DG Tower, No. 15 Tran Phu, Ngo Quyen, Hai Phong.



2021

Increased charter capital to VND 3,252.7 billion by share offering to existing shareholders, employee stock ownership plan and from capital surplus.





Fields of operations

01

Stock brokerage

SHS is a reputable and reliable securities brokerage services provider for thousands of clients with professional staffs and offering diversified financial services to fully satisfy its client demand. SHS's brokerage services are provided to not only domestic but also foreign individuals and organizations. In addition, SHS offers a variety of trading methods such as direct floor trading, placing orders through brokers, recorded phone system, SHPro online trading platform, website, or mobile application that help investors place orders quickly and conveniently. SHS provide a variety of securities brokerage services including put-through, board lot, odd lot transactions for both listed and unlisted stocks, bonds, and fund

certificates, etc.. SHS also provides auction services in various forms (such as directly organizing the auction at SHS, at enterprises, acting as an auction agents of the Stock Exchange, etc.). Other services including placing buy/sell orders; cash advance from securities selling, transfer cash from trading accounts to bank accounts and vice versa; transfer cash among trading accounts, odd-lot selling register; stock options register, management of normal accounts and margin accounts, transfer cash/stocks between these two accounts, provide real-time stock quotes and prices, auction schedules, and other services according to client demand and within SHS's scope of works.

02

Depository and Stock management

Depository and stock management are indispensable services for securities companies that offer securities brokerage services. Therefore, SHS provides a variety of depository services to customers including, but not limited to, securities custody and re-custody, rights exercise, securities transfer and settlement, giving and inheriting securities, blockade and release securities.

SHS is also a professional stock management service provider for many issuers, contributing to saving costs and time for businesses and increasing the liquidity of managed securities through specific services such as tracking and managing transfers, exercising rights for shareholders and bondholders, reporting on securities management, securities transfer and securities owners, etc.

03

Securities investment

SHS uses its own capital and investment vehicles flexibly to conduct securities trading to increase its profits, while adhering to investment limits prescribed by law and without conflicting interests with clients. The Company's portfolio is well diversified, including both listed and unlisted stocks, bonds, and fund certificates in various size and sector. The stock selection is to businesses that have growth potential, high-quality assets and assessed as being able to bring high profitability to SHS.

04

Analysis and investment advisory

To support client's investment activities, SHS provides a variety of analytical reports (such as macro analysis reports; market commentary, industry, business and stock analysis, and investment recommendation reports) and investment advisory services through multimedia such as newsletters; analyst reports published in newspaper, radio, the Internet or direct email to clients, organization of investment opportunity seminars, company visits, and stock quotes, etc.

05

Financial advisory

SHS offers a wide range of financial advisory services such as stock issuance advisory and agent (private and public offering), bond issuance, equitization and listing advisory, business type change advisory, divestment and share auctions advisory, corporate restructuring advisory, mergers and acquisitions advisory, and other (organization of General Meetings of Shareholders, information disclosure, annual report, registering as public companies, registering transactions, managing shareholders, raising capital, etc.). In addition, SHS also provides auction advisory services in different forms (such as directly organizing auctions at enterprises, at SHS, acting as auction agents of the Stock Exchange, etc.). Financial advisory services are performed by a team of professional and experienced advisors of SHS.

06

Underwriting

Underwriting is an important SHS service, in which the Company provides underwriting services in different forms (such as firm commitment guarantees and best effort guarantee) for a variety of securities such as stocks and bonds, etc.

07

Financial services

In order to meet the capital requirements for client's securities investment, SHS offers a variety of financial services. These include cash advance from selling securities, margin financing, investment advisory and management of collateral for third-parties providing financial services to SHS' clients. SHS ensures its services to be fast, flexible, and suitable for a wide range of customers.





Mid and long - term development strategies

GENERAL STRATEGY

To equally develop the traditional activities of a versatile securities Company, in which taking brokerage and financial advisory services as its foundation.



BROKERAGE ACTIVITIES

Being in the top-five securities companies with the largest brokerage market share on both HOSE and HNX, promoting the development of brokerage activities in both breadth and depth in quality, improving the quality of investment advisory activities, and maintaining the stability of financial resources to serve the investors' needs.

FINANCIAL ADVISORY ACTIVITIES

SHS aims to provide sophisticated and high value-added investment banking services such as underwriting, mergers and acquisitions, corporate restructuring. Thereby, positioning SHS as one of the leading financial advisors and capital arrangers in the Vietnamese financial market.



INVESTMENT ACTIVITIES

Continue to maintain the investment portfolio toward overweighting on long-term investment in businesses with good performance, solid foundation and could allow the Company to participate and support their sustainable development. Short-term portfolios are invested according to the general market trend and have a focus on risk management

TREASURY ACTIVITIES

SHS raise its equity capital to diversify its funding cooperation channels, towards risk diversification on the basis of financial self-reliance.



CORPORATE GOVERNANCE ACTIVITIES

Completing the corporate governance model in line with the Company's strategic orientation, complying with current legal regulations and modern management practices.

Network and operating area

OPERATING AREA

SHS has an operating area covering the whole country

SUBSIDIARIES, AFFILIATES

SHS has no subsidiaries or affiliates.

HEADQUARTERS

Address: 1-5 Floor, Unimex Hanoi Building, No. 41, Ngo Quyen Street, Hang Bai Ward, Hoan Kiem District, Hanoi
Phone: 84-24-38181 888
Fax: 84-24-38181 688
Email: contact@shs.com.vn
Website: <https://www.shs.com.vn>

THANGLONG TRANSACTION OFFICE

Address: 3rd Floor, M5 Building, No. 91, Nguyen Chi Thanh Street, Dong Da District, Hanoi
Phone: 84-24-32696 666
Fax: 84-24-32919 999
Email: contact-thanglong@shs.com.vn

DANANG BRANCH

Address: 8th Floor, Thanh Loi 2 Building, No. 3, Le Dinh Ly, Vinh Trung, Thanh Khe, Da Nang
Phone: 84-236-3525 777
Fax: 84-236-3525779
Email: contact-dn@shs.com.vn

DONG NAI REPRESENTATIVE OFFICE

Address: No. 129, Ha Huy Giap Street, Quyet Thang Ward, Bien Hoa City, Dong Nai Province
Phone: 84-251-3819989

HO CHI MINH CITY BRANCH

Address: Floor 1&3, AS Building No. 236-238, Nguyen Cong Tru Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City
Phone: 84-28-3945 1368
Fax: 84-28-3915 1369
Email: contact-hcm@shs.com.vn

HAI PHONG REPRESENTATIVE OFFICE

Address: Floor 3, DG Tower, No. 15, Tran Phu Road, Ngo Quyen Ward, Hai Phong City
Phone: 078 317 0939

QUẦN ĐẢO HOÀNG SA

QUẦN ĐẢO TRƯỜNG SA



Achievements and awards

HONORS BY THE STATE MANAGEMENT AUTHORITIES



HANOI PEOPLE'S COMMITTEE

Merit certification for achievements in the movement of the Association of Small and Medium Enterprise from 2015 to 2019.

Merit certification for achievements in the movement thematic budget 2017.

Merit certificate for achievements in paying to the State Budget in Hanoi city in 2019.

Merit certificate for achievements in the emulation movement "Honoring entrepreneurs and enterprises in Thang Long" of the Association of Small and Medium Enterprises in 2021.



HANOI CENTRAL COMMITTEE OF THE VIETNAM FATHERLAND FRONT

Merit certificate for actively campaigning to support the Fund "For Vietnam's Seas and Islands" in 2021.



MINISTRY OF PLANNING AND INVESTMENT

Outstanding SOE Equitization and Equitization Advisor in 2014-2015.

Outstanding IPO Advisor in 2016-2017.

Prestigious securities Company in 2015.

Outstanding M&A Advisor in 2017-2018 and 2019.



MINISTRY AND DEPARTMENT OF LABOR - INVALIDS AND SOCIAL AFFAIRS

Merit certificate for making many contributions to the protection and care of children in 2019.

Merit certificate for contributions to children with special and difficult circumstances in Hanoi city in 2020.



HANOI DEPARTMENT OF INDUSTRY AND TRADE

Emulation flag for the unit of Excellence in the Emulation Movement 2020.



INSTITUTE OF ECONOMICS AND CULTURE

Top 10 Gold Quality Services 2020 - Award for Securities Brokerage Service.



STATE SECURITIES COMMITTEE

Merit certificate for contribution to the development of the SSC in the period of 1996-2016 and 2017.



HANOI STOCK EXCHANGE

Outstanding securities companies in the period 2005-2015 and from 2015 to 2021.

The best listed corporate governance Company in 2016-2017.



HO CHI MINH STOCK EXCHANGE AND INVESTMENT NEWSPAPER

Outstanding securities Company from 2017 to 2021.

Top 50 Best Annual Reports awarded in 2013, 2016, and 2017.

Top 30 Best Annual Reports and Top 20 Best Governing Reports of the medium-cap group awarded in 2018.

Top 10 Best Annual Reports of the medium-cap group awarded in 2019, 2020.



VIETNAM SECURITIES DEPOSITORY

Outstanding securities companies in securities depository activities in 2016 and 2017.

Outstanding members in payment activities in 2018, 2019 and 2020.



HANOI TAX DEPARTMENT

Taxpayer who well complied with tax law policies in 2017.



HONORS BY OTHER ENTITIES



INTELLECTUAL PROPERTY OF VIETNAM

Top 50 Famous Brands in 2018.

Top 20 Famous Brands in 2020.



HANOI SMALL AND MEDIUM ENTERPRISES ASSOCIATION

Outstanding Entrepreneurs and Enterprises in Hanoi Gold 2015.



VIETNAM CHAMBER OF COMMERCE AND INDUSTRY

Top 100 Enterprises with Good Management Capacity Index from 2016 to 2018.

Best Financial Management Capability Index of Vietnam Securities Industry in 2018.



VIETNAM ASSOCIATION OF ACCOUNTANTS & AUDITORS AND BUSINESS FORUM NEWSPAPER

Achieved the Best Financial Capacity Index for three consecutive years (2017-2019).



VIETNAM ASSOCIATION FOR THE DEVELOPMENT OF CORPORATE CULTURE

Merit Certificate for Actively Responding to the Campaign "Building Vietnamese Corporate Culture" launched by The Prime Minister in the 2016 - 2021 period.



ASIA PACIFIC ENTERPRISE AWARDS (APEA)

Best Enterprise in Asia in 2021.



VIETNAM ASSESSMENT REPORT JOINT STOCK COMPANY (VIETNAM REPORT)

Top 50 Most Prestigious and Effective Public Companies of the year and No. 1 in the Securities Industry in 2021.

Top 500 Largest Private Enterprises in Vietnam in 2021.



Basic indicators (KPIs)

BALANCE SHEET

(Unit: VND billion)

	2017	2018	2019	2020	2021
Total assets	4,134.5	4,869.0	6,072.7	6,929.7	10,910.9
Liabilities	2,668.5	3,003.6	3,380.4	3,703.4	4,855.3
Owner's equity	1,466.0	1,865.3	2,692.3	3,226.3	6,055.6
Charter capital	1,000.0	1,054.0	2,072.7	2,072.7	3,252.7
Number of outstanding shares (shares)	100,000,000	105,395,674	207,268,201	207,268,201	325,265,027

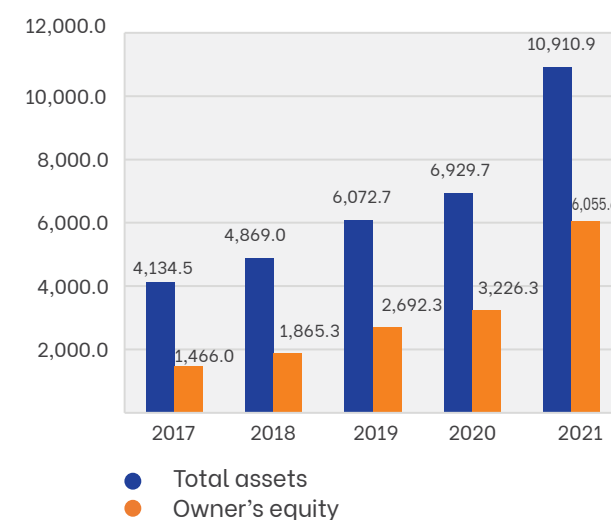
INCOME STATEMENT

	2017	2018	2019	2020	2021
Total revenue and other income	1,093.7	1,247.9	1,072.4	1,808.5	2,899.8
Total expenses	643.0	837.2	760.4	869.6	1,146.9
Profit before tax	450.7	410.7	312.0	938.9	1,752.9
Profit after tax	369.6	358.1	254.6	754.3	1,396.3

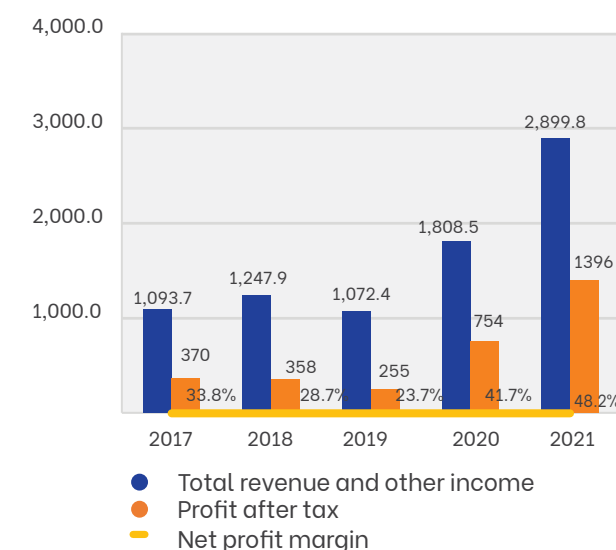
OTHER SPECIAL RATIOS

	2017	2018	2019	2020	2021
Quick ratio	4.0%	66.0%	31.2%	18.2%	15.5%
Current ratio	192.3%	375.5%	177.5%	191.2%	257.8%
Return on Equity (ROE)	28.7%	21.5%	11.2%	25.5%	30.1%
Return on Assets (ROA)	9.9%	8.0%	4.7%	11.6%	15.7%
Capital adequacy ratio as of 31/12	294.2%	351.6%	338.4%	347.9%	386.6%
Book value per share (BV) (VND/share)	14,659	17,698	12,990	15,563	18,617
Basic earnings per share (EPS)	2,925	2,746	1,359	3,475	5,795
Price-to-earnings ratio (P/E)	7.2	4.2	5.7	6.9	8.7
Price-to-book value ratio (P/B)	1.4	0.7	0.6	1.6	2.7

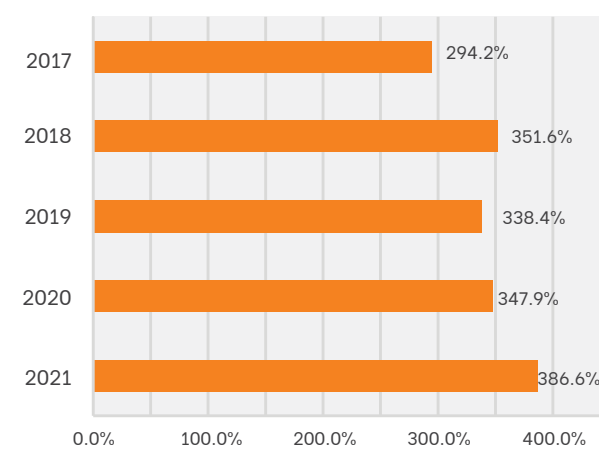
Total assets and Owner's equity growth (VND billion)



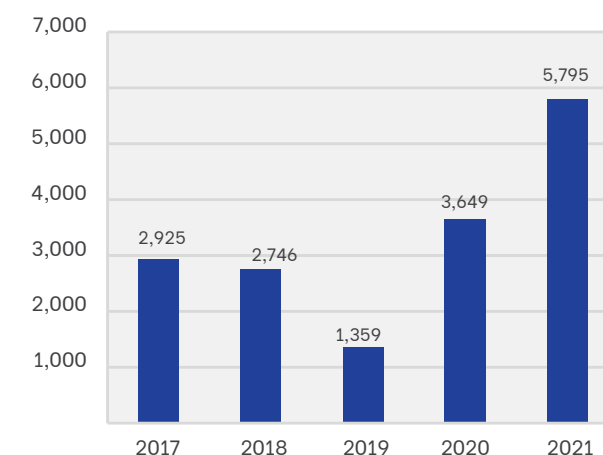
Revenue, net profit and profit margin (VND billion)



Capital adequacy ratio as of 31/12/2021



Earnings per share (EPS) (VND/share)



02

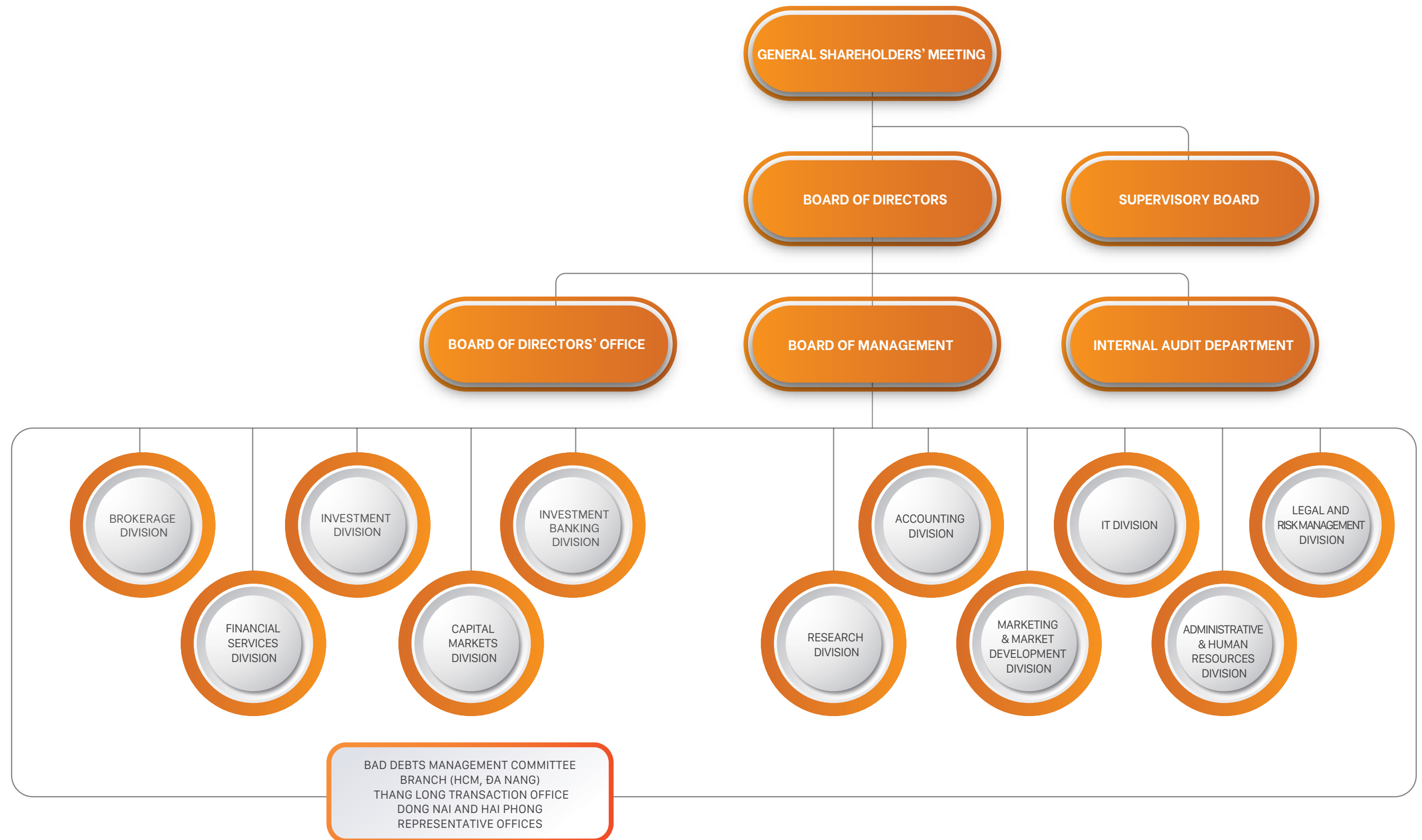
CORPORATE GOVERNANCE

- ORGANIZATION STRUCTURE
- KEY PERSONNEL
- BOARD OF DIRECTORS
- SUPERVISORY BOARD
- INTERNAL CONTROL, INTERNAL AUDIT AND RISK MANAGEMENT
- SALARY, BONUS, REMUNERATION AND OTHER BENEFITS
- EXECUTION OF REGULATIONS ON CORPORATE GOVERNANCE
- INFORMATION FOR SHAREHOLDERS





Organizational structure





Key personnel

BOARD OF DIRECTORS



MR. DO QUANG HIEN

Chairman of the Board (non-independent and non-executive member of the BOD)



MR. LE DANG KHOA

BOD member (independent and non-executive member of the BOD)



MR. VU DUC TIEN

BOD member (executive and non-independent member of the BOD) and General Director



MR. MAI XUAN SON

BOD member (non-independent and non-executive member of the BOD)



MRS. NGUYEN DIEU TRINH

BOD member (independent and non-executive member of the BOD)

Date of appointment and reappointment: 03/12/2007, 06/04/2012 and 26/04/2017

Date of birth: 29/10/1962

Education: Radio physics engineer – Vietnam National University, Hanoi

Ownership: 1,769,794 SHS shares with voting rights (percentage of 0.54%)

Working experience: 37 years of experience in commerce, manufacturing, finance, banking and securities

Current positions:

At listed companies: Chairman of the Board – Saigon-Hanoi Commercial Joint Stock Bank

Chairman of the Board – Saigon-Hanoi Securities Joint Stock Company

At unlisted companies: Chairman of the Board and General Director – T&T Group Joint Stock Company

Chairman of the Board – Saigon-Hanoi Insurance Joint Stock Corporation

Chairman of the Board – SHB Industrial and Urban Development Joint Stock Company

Chairman of the Board – T&T Ha Giang Mining and Processing Joint Stock Company

Other companies: President of Hanoi Association of Small and Medium Enterprises

Member of Central Committee of Vietnam Fatherland Front

Date of appointment and reappointment: 22/03/2013 and 26/04/2017

Date of birth: 18/08/1974

Education: Master of Business Administration – National Economics University

Bachelor of Accounting – Banking Academy

Ownership: 212,500 SHS shares with voting rights (percentage of 0.065%)

Working experience: 12 years of experience in banking and securities

Current positions:

At listed companies: Deputy General Director of Saigon-Hanoi Commercial Joint Stock Bank

Member of the Board – Saigon-Hanoi Securities Joint Stock Company

At unlisted companies: Vice Chairman of the Board – Saigon-Hanoi Insurance Joint Stock Corporation

Member of the Board of SHB Finance Company Ltd.

Date of appointment and reappointment: 15/09/2014 and 26/04/2017 to BOD member

01/11/2014, 01/11/2017, 01/11/2020 to General Director

Date of birth: 02/09/1973

Education: Bachelor of Banking and Finance – Banking Academy

Bachelor of English – Hanoi University of Foreign Languages

Certificate of financial analysis practice – SSC

Ownership: 8,021,994 shares with voting rights (percentage 2.47%)

Working experience: 26 years of experience in finance, banking and securities

Current positions:

At listed companies: Member of the Board and General Director of Saigon-Hanoi Securities Joint Stock Company

Chairman of the Board of Petrovietnam Machine and Equipment Joint Stock Corporation

Vice Chairman of the Board of Thanh Hoa Petroleum Construction Joint Stock Company

Member of the Board of Petroleum Infrastructure Services Investment Joint Stock Company

At unlisted companies: Member of the Board of Saigon-Hanoi Insurance Joint Stock Corporation

Date of appointment and reappointment: 24/01/2014 and 26/04/2017

Date of birth: 25/07/1974

Education: Bachelor of Business Administration – Hanoi University of Commerce

Bachelor of English – Hanoi University of Foreign Languages

Ownership: Number of shares owned and represented: 18,337,371 shares, accounting for 5.64% of charter capital.

In there: Personal ownership: 135,077 shares, accounting for 0.041% of charter capital.

Authorized to represent major shareholders – T&T Group Joint Stock Company: 18,202,294 shares, accounting for 5.60% of charter capital.

Number of shares held by related people: 18,202,294 shares, accounting for 5.60% of charter capital

Working experience: 24 years of experience in commerce, manufacturing, finance, banking and securities

Current positions:

At listed companies: Member of the Board of Saigon-Hanoi Securities Joint Stock Company

At unlisted companies: Member of the Board and Deputy General Director of T&T Group Joint Stock Company

Chairman of the Board of Fruit and Vegetable Corporation Joint Stock Company

Member of the Board of Thong Nhat Electromechanical Joint Stock Company

Chairman of the Board of Viet Ha Trading and Investment Joint Stock Company

Member of the Board of Hanoi Knitting Joint Stock Company

Deputy General Director of Hung Yen T&T Company Ltd.,

Director of T&T Motor Company Ltd.,

Date of appointment and reappointment: 03/01/2020

Date of birth: 30/06/1979

Education: Master of Banking and Finance – French-Vietnamese Management Training Center (CFVG)

Bachelor of Business Administration – National Economics University

Ownership: 135,000 SHS shares with voting rights (percentage of 0.041%)

Working experience: 21 years of experience in finance, accounting, investing and securities

Current positions:

At listed companies: Member of the Board of Hanoi School Equipment and Book Joint Stock Company

At unlisted companies: Member of the Board of Armephaco Military Medical Equipment and Pharmaceutical Joint Stock Company

Change in the BOD's membership during 2021:

There was no change in 2021.



Key personnel

SUPERVISORY BOARD



MRS. PHAM THI BICH HONG
Head of Supervisory Board
(in charge member of the SB)

Date of appointment and reappointment: 15/01/2008, 06/04/2012 and 26/04/2017
Date of birth: 08/02/1968
Education: Master and Bachelor of Finance and Accounting – University of Finance and Accounting (now the Academy of Finance)
Securities brokerage practice certificate – SSC
Ownership: 142,120 SHS shares with voting rights (percentage of 0.044%)
Working experience: 32 years of experience in textiles, banking and securities

Current positions:

At listed companies: Member of Supervisory Board of Saigon-Hanoi Commercial Joint Stock Bank
Head of Supervisory Board of Saigon-Hanoi Securities Joint Stock Company
At unlisted companies: None



MR. VU DUC TRUNG
Member of Supervisory Board (non-in charge member of SB)

Date of appointment and reappointment: 06/04/2012 and 26/04/2017
Date of birth: 25/12/1980
Education: Master of Business Administration – Edith Cowan-Australia University
Bachelor of Auditing – National Economics University
Certified practicing auditor – Vietnam Association of practicing auditors
Certificate of fund management practice – SSC
Ownership: 1,110,000 SHS shares with voting rights (percentage of 0.34%)
Working experience: 19 years of experience in auditing, commerce, manufacturing and securities

Current positions:

At listed companies: Member of the Board of Director – Thang Long Corporation Joint Stock Company
Member of Supervisory Board of Saigon-Hanoi Securities Joint Stock Company
At unlisted companies: Member of the Board and Deputy General Director of Saigon-Hanoi Insurance Joint Stock Corporation
Member of the Board of Fruit and Vegetable Corporation Joint Stock Company



MRS. LUONG THI LUU
Member of Supervisory Board
(non-in charge member of SB)

Date of appointment and reappointment: 27/04/2015 and 26/04/2017
Date of birth: 09/11/1983
Education: Master in Banking and Finance – National Economics University
Bachelor of General Accounting and Insurance Economics – National Economics University
Ownership: 25,000 SHS shares with voting rights (percentage of 0.01%).
Working experience: 15 years of experience in commerce, manufacturing and securities

Current positions:

At listed companies: Member of Supervisory Board of Saigon-Hanoi Securities Joint Stock Company
At unlisted companies: Member of Supervisory Board of Tan Mai Service and Trade Production Joint Stock Company
Member of Supervisory Board of Tam Son Construction and Investment Joint Stock Company

CHANGE OF THE SUPERVISORY BOARD'S MEMBER DURING 2021:

- Appointed: None.
- Dismissed: None.

BOARD OF MANAGEMENT



MR. VU DUC TIEN
BOD's member and General Director

Date of appointment and reappointment: 15/09/2014 and 26/04/2017 to BOD's member
01/11/2014, 01/11/2017 and 01/11/2020 to General Director
Other information: (Please see at the "Board of Directors" section)



MR. TRAN SY TIEN
Deputy General Director and Chief Accountant

Date of appointment and reappointment: 16/04/2014, 16/04/2017 and 16/04/2020 to Deputy General Director
20/09/2011 to Chief Accountant
Date of birth: 06/05/1973
Education: Bachelor of Banking and Finance – Hanoi National Economics University
Bachelor of Credit – Banking Academy
Certificate of financial analysis practice – SSC
Ownership: 445,000 SHS shares with voting rights (percentage of 0.137%)
Working experience: 27 years of experience in banking and securities.

Current positions:

At listed companies: Deputy General Director and Chief Accountant of Saigon-Hanoi Securities Joint Stock Company
At unlisted companies: Member of the Board of Aviation Insurance Joint Stock Company



MRS. TRAN THI THU THANH
Deputy General Director

Date of appointment and reappointment: 01/08/2018, 01/08/2021 to Deputy General Director
Date of birth: 08/04/1975
Education: Bachelor of Banking and Finance – Banking Academy
Bachelor of English – University of Foreign Language Education
Certificate of fund management practice – SSC
Ownership: 445,000 SHS shares with voting rights (percentage of 0.137%)
Working experience: 26 years of experience in banking and securities

Current positions:

At listed companies: Deputy General Director of Saigon-Hanoi Securities Joint Stock Company
At unlisted companies: None



Key personnel

BOARD OF MANAGEMENT



MR. NGUYEN CHI THANH
Deputy General Director cum Director of HCM Branch and Chief of Hai Phong Representative Office



MRS. TRAN PHUOC HA NHI
Director of Da Nang Branch

Date of appointment and reappointment: 05/05/2014, 05/05/2017 and 05/05/2020 to Deputy General Director

26/11/2019 to Director of Ho Chi Minh Branch 18/09/2020 to Chief of Hai Phong Representative Office

Date of birth: 13/11/1980

Education: Master of Business Administration – Boston University (USA)
Bachelor of Foreign Economics – Hanoi Foreign Trade University
Certificate of fund management practice – SSC

Ownership: 445,000 SHS shares with voting rights (percentage of 0.137%)

Working experience: 18 years of experience in project and securities

Current positions:

At listed companies: Deputy General Director of Saigon-Hanoi Securities Joint Stock Company

Director of Ho Chi Minh City Branch-Saigon-Hanoi Securities Joint Stock Company

Head of Representative Office of Saigon – Hanoi Securities Joint Stock Company in Hai Phong

At unlisted companies: None

Date of appointment and reappointment: 09/08/2011

Date of birth: 29/03/1982

Education: Master of Business Administration – Columbia Southern University

Bachelor of Accounting – Da Nang University of Economics
Securities brokerage practice certificate – SSC

Ownership: 48,512 SHS shares with voting rights (percentage of 0.01%)

Working experience: 14 years of experience in securities

Current positions:

At listed companies: Director of Da Nang Branch of Saigon-Hanoi Securities Joint Stock Company

At unlisted companies: None

CHANGE OF THE BOARD OF MANAGEMENT'S MEMBERS DURING THE YEAR 2021:

- Appointed: None.
- Dismissed: None.

Board of Directors

► Members of the Board of Directors

No.	Full Name	Position	Membership	Term	Start/End date of term
1.	Do Quang Hien	Chairman	Non-independent and non-executive	2017-2022	Start: 26/04/2017
2.	Le Dang Khoa	Member of the BOD	Independent and non-executive	2017-2022	Start: 26/04/2017
3.	Vu Duc Tien	Member of the BOD	Non-independent and executive	2017-2022	Start: 26/04/2017
4.	Mai Xuan Son	Member of the BOD	Non-independent and non-executive	2017-2022	Start: 26/04/2017
5.	Nguyen Dieu Trinh	Member of the BOD	Independent and non-executive	2017-2022	Start: 26/04/2017

(Please see information of the members of the Board of Directors in the “Key Personnel” section).

► Sub-committees under the Board of Directors

The Board of Directors established sub-committees directly under the Board of Directors, assigning tasks to each member.

Members are responsible for specific areas of work, including:

No.	Sub-committee	Person in charge	Responsibilities
1.	General governance	Mr. Do Quang Hien (Chairman of BOD)	Administering and supervising executive activities. Seeking and introducing resources to support the business activities of the Company and the Board of Directors' operations, ensure compliance with laws and governance practices
2.	Policy development		Developing and planning long-term and short-term strategies.
3.	HR, Remuneration, and system administration	Mr. Vu Duc Tien (Member of BOD) Mrs. Nguyen Dieu Trinh (Member of BOD)	Developing the salary, bonus and remuneration scheme according to regulations standards and practice of business activities, monitoring The Board of Directors' implementation and measures effectiveness.
4.	Risk management, finance and accounting, PR, Branding	Mr. Mai Xuan Son (Member of BOD) Mrs. Nguyen Dieu Trinh (member of BOD)	Examine the risk management system and the internal auditing process. Conduct internal inspections of the Company's activities on a regular and irregular basis without disrupting the operations; prepare reports and solutions for the Board of Directors and CEO to handle if necessary.
5.	Risk Management and Internal Audit, Technology	Mr. Le Dang Khoa (Independent Member of BOD)	

Members in charge of sub-committees under the Board of Directors are assigned to update the information and development of the Company on the basis of records, data and reports of the Supervisory Board, Board of Management, Internal Audit Department and reporting to all members of the Board of Directors to take action, guide and support the Board of Directors to find appropriate solutions, especially the market fluctuates strongly and the economy has many policies affecting.

On a monthly and quarterly basis, the Risk Management Division sends reports on trading activities and a list of important risks identified in the month and quarter along with the action plan and monitoring results to the Risk Management sub-committee. The Risk Management sub-committee held a meeting to review and approve transactions within its competence.

► Meetings of sub-committees under the Board of Directors

No.	Sub-committee	Number of meetings	Meeting Contents	Meeting results
1.	General administration	06	Developing a strategic direction for the Company's Development to submit to the General meeting of Shareholders for approval and implement in accordance with the resolution of the General Meeting of Shareholders. Build and deploy operations under the direction and supervision of the Administrative Council, defining the role and limiting the authority of the Administrative Council to the Company's business activities and BOD.	Developing and implementing specific and detailed strategies for business activities, actively exploiting opportunities, promoting enterprise advantages to win a high position in the market, achieve business efficiency, achieve and exceed the set plan; controlling, directing and supporting the Board of Directors in the administration and operation of SHS's activities, responding appropriately to unusual developments and the unpredictable, prolonged, and large-scale impacts of the COVID-19 pandemic.
2.	Policy development	04	Formulate and implement policies to expand the Company's business activities, with an emphasis on brokerage, capital, investment, financial consulting, and underwriting, from the Company's strengths and benefits from macroeconomic policies and the stock market's upward trend.	
3.	HR, Remuneration, and system administration	02	Review and improve the Company's salary, bonus, welfare, and training policies in order to maximize human resources. To guarantee that the system runs smoothly and efficiently, consider increasing or decreasing the scale of recruiting and training in some positions.	Ensure that the personnel is competent, experienced, and aligned with SHS's development philosophy; utilizing human advantages, guaranteeing that income and profit created by a single SHS officer is higher or at least equivalent to those in top securities firms.
4.	Risk management and internal audit	04	Developing, revising, and implementing the risk management plan and internal audit on a regular and irregular basis, as well as setting up and operating the risk management system in accordance with SHS's business operation conditions; Examine suitability and adherence to policies, as well as taste and risk limits.	Periodically and irregularly inspect, monitor, and handle five types of significant risks according to the regulations of the State Securities Commission, ensuring the entire system's operation is in compliance with the law, financial safety, and sustainable efficiency.

5.	Financial Accounting and Internal Control	08	Check the compliance and suitability of the financial accounting system and the financial statements prepared by the Board of Management and the auditor. Examine the internal control system, as well as the system of internal regulations, processes, and regulations, to ensure that the system is in compliance with the law and operates in a synchronized and consistent manner.	Ensure financial statements are prepared in accordance with legal regulations and disclosed in a timely and transparent manner. Ensure that the Company's business activities have complete, detailed, clear and feasible guidelines.
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► Assessment of activities of sub-committees under the Board of Directors

In 2021, the sub-committees under the Board of Directors had well performed their roles and responsibilities, including directing, orienting, and advising the Board of Directors without deep interference in the business activities of the Company as well as the activities of each department. The Board of Management played an active role in its management and was in compliance with the law for the Company's activities. Through the activities of the sub-committees under the Board of Directors, the Company's key issues arising in each field were discussed and agreed upon a solution. The sub-committees under the Board of Directors played an important role in advising the Board of Directors on important decisions that affect the Company's entire operation.

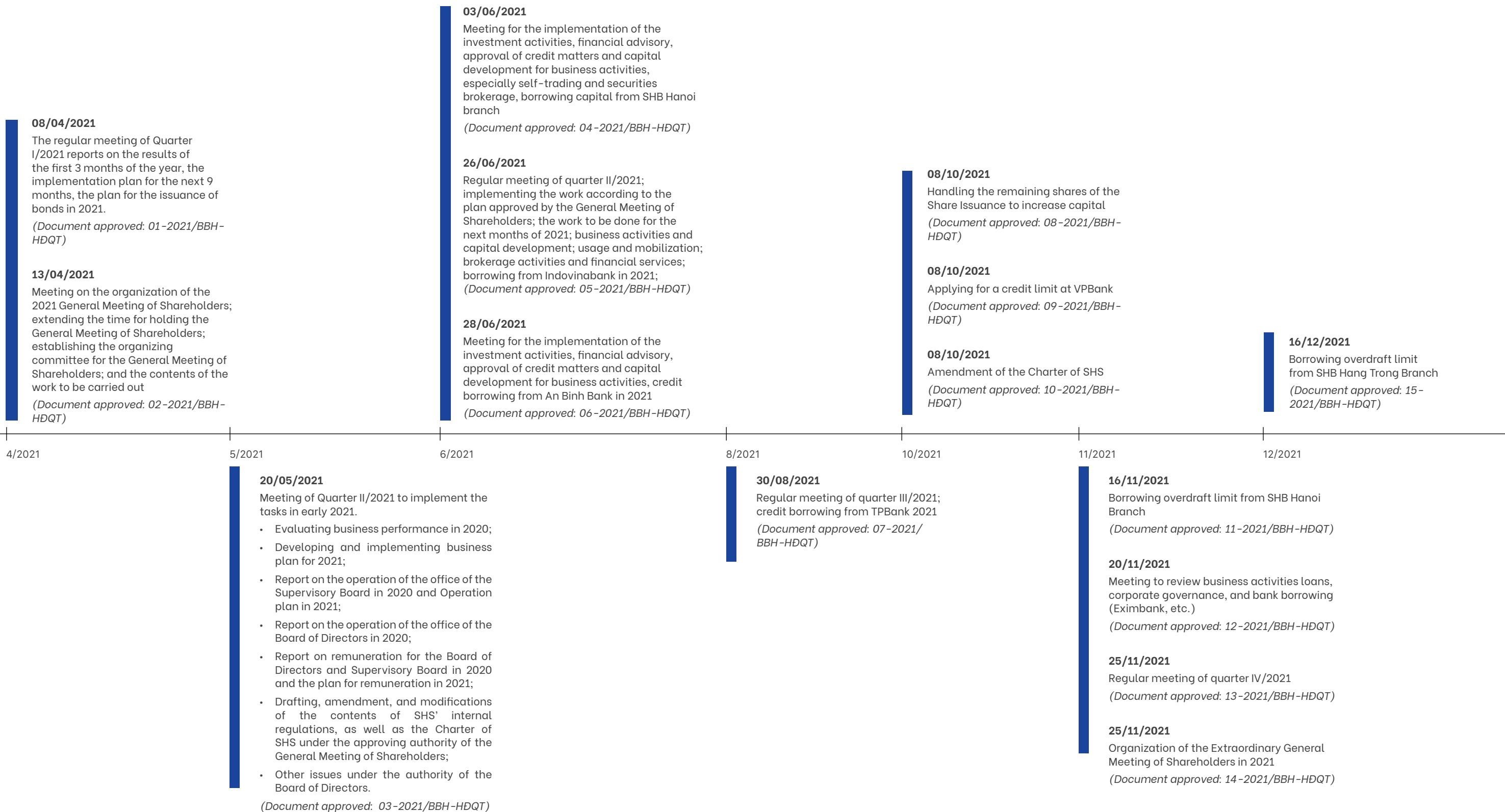
During the process of supervision and administration, the sub-committees under the Board of Directors noted a strong growth rate and a transformation of the Company's business activities in both quantity and quality in the context of the exciting developments

in the stock market, along with increased risks in the following activities: investment, capital management, and financial consulting. Therefore, it is necessary to strengthen the supervision and risk management of the Board of Directors. The business activities that the Board of Directors paid special attentions to are: self-trading in listed and unlisted stocks, capital mobilization, treasury trading, financial advisory, share margin financing, and the bond business. With these activities, the throughout tasks of the sub-committees in 2021 and the following years are to strengthen its meetings, discussion, examination, and review the financial situation, operation, operation management, regularly updating any changes, reporting to the Board of Directors to have appropriate handling plans and solutions, mitigating the risks while ensuring the operation is proactive and flexible under the control of the Board of Management within its permitted framework.

► Departments and individuals supporting the Board of Directors

Office of The Board of Directors	- Implement the direction of the Chairman of the Board of Directors in organizing the General Meeting of Shareholders and the work of the Board of Directors and Supervisory Board. - Manage shareholders of the Company and support shareholders to exercise their rights. - Prepare and archive documents related to the General Meeting of Shareholders and BOD.
Internal Audit Department	- Perform internal audits of the Company's management and business activities. - Request and make proposals towards thoroughly resolving the Company's shortcomings and risks, contributing to the improvement of the Company's business operation quality. - Sending report on internal audit activities at the request of the Board of Directors and the State Management Agency.
Company Secretary Person in charge of investor relations Person in charge of corporate governance	- Mrs. Doan Thi Nhu Quynh - Deputy Chief of the BOD's Office - Education: Bachelor of Foreign Affairs University - Experience: 13 years of experience in finance, banking, securities. - Telephone: 024.38.181.888 (Ext: 312) - Email: quynh.dtn@shs.com.vn

► Meetings of the Board of Directors





► Activities of the Board of Directors in 2021

The Company's activities in 2021 was dictated by the movements of the stock market and the Covid-19 pandemic. The Board of Directors and the Board of Management continued to monitor and direct the comprehensive development of SHS business activities, improving risk management, particularly in light of the severe impacts of the Covid-19 pandemic to the economy and the stock market.

- The Board of Directors directs and closely follows the Board of Management in implementing the resolutions of the Board of Directors and the General Meeting of Shareholders.
- The Board of Directors supervised the timely completion, submission and disclosure of information the periodic Financial Statements and Annual Report of 2020, information disclosure documents under its authority;
- Supervising the safety and business suitability organization of the 2021's General Meeting of Shareholders in accordance with the provisions of the law on June 16, 2021 at Army Hotel - Hanoi and live stream to <http://dhcd.shs.com.vn>
- Facilitating of the investment activities in corporate bonds and corporate bonds issuance to increase the Company's capital advantage and financial safety ratios.
- Facilitating the financial advisory and underwriting activities, corporate equitization/divestiture/share offering/share listing, securities brokerage and self-trading activities.
- The Board of Directors strengthened its supervision on financial advisory activities, financial services, cost control over corporate and management expenses, risk management, inventory and bad debt restructuring; Members of the Board of Directors in charge of risk management and finance must attend monthly or quarterly meetings with the General Director and the Head

of the Supervisory Board to update the Company's business performance, discuss about the issues arise and solutions applied.

- The Board of Directors held 15 official meetings as well as informal meetings between the Chairman of the Board of Directors and members of the Board of Directors, the Board of Management, and the Supervisory Board to discuss and approve issues concerning the Company's strategic direction, decide on issues under the authority of the Board of Directors, such as: completing the increase of charter capital and using the mobilized capital effectively and according to the plan approved by the General Meeting of Shareholders; paying cash dividends to shareholders, expanding the derivatives business, issuing covered warrants, issuing shares, issuing bonds, investing in bonds and stocks, establishing financing plans, and following up with the matters submitted to the Annual General Meeting of Shareholders for approval and an implementation plan thereafter.
- Reviewing and approving the strategic investments of the Company, senior management personnel structure issues, salary and bonus issues, personnel structure under the authority of the Board of Directors.
- Focusing on maintaining its brokerage market share at the top of both the HOSE and the HNX, producing diversified brokerage products to fulfill the needs of investors while ensuring legal compliance. Continue to expand its other activities and grow strongly in tandem with ensuring the safety of investors' and the Company's capital. Issuing 03 Resolutions, singing the approval of nearly 100 documents, including Regulations, Minutes, Resolutions, Decisions, and Reports pertaining to many of the Company's key matters, which served as the Board of Management's foundation and orientation.

Attendance in meetings of members of the Board of Directors is as follows:

No.	Full Name	Title	Part of the BOD in 2021	Number of meetings attended/authorized to attend
1	Do Quang Hien	Chairman of BOD	01/01/2021-31/12/2021	15/15
2	Le Dang Khoa	Member of BOD	01/01/2021-31/12/2021	15/15
3	Vu Duc Tien	Member of BOD and General Director	01/01/2021-31/12/2021	15/15
4	Mai Xuan Son	Member of BOD	01/01/2021-31/12/2021	15/15
5	Nguyen Dieu Trinh	Member of BOD	01/01/2021-31/12/2021	15/15

► Documents approved by the BOD

In 2021, the Board of Directors approved 3 resolutions and 34 decisions as follows:

NO.	Number	Day	Details
I	Resolutions		
1	01-2021/NQ-HĐQT	08/04/2021	Approval of the plan to issue bonds in the first phase of 2021.
2	02-2021/NQ-HĐQT	28/10/2021	Amendment to the SHS Charter
3	03-2021/NQ-HĐQT	08/12/2021	Holding Extraordinary General Meeting of Shareholders in 2022
II	Decisions		
1	01-2021/QĐ-HĐQT	16/01/2021	SHS Outstanding Department Award in 2021 (Bond of the Issuance, Underwriting & Agent Financial Advisory Department in 2021.
2	02-2021/QĐ-HĐQT	16/01/2021	SHS Outstanding Department Award in 2021 (Investment Department)
3	03-2021/QĐ-HĐQT	16/01/2021	SHS Outstanding Individual Award in 2021
4	04-2021/QĐ-HĐQT	01/04/2021	SHS provides advisory services for PVM
5	05-2021/QĐ-HĐQT	13/04/2021	Holding the 2021 General Meeting of Shareholders
6	06-2021/QĐ-HĐQT	13/04/2021	Establishment of the Board of Organizers of the 2021 General Meeting of Shareholders
7	07-2021/QĐ-HĐQT	22/04/2021	Receiving and appointing Chief of Office of the BOD
8	08-2021/QĐ-HĐQT	03/06/2021	Borrowing according to the limit at SHB Hanoi Branch
9	09-2021/QĐ-HĐQT	14/06/2021	Establishment of the Shareholder Verification Board of the 2021 General Meeting of Shareholders
10	10-2021/QĐ-HĐQT	25/06/2021	Borrowing according to the limit at Indovina bank in 2021
11	11-2021/QĐ-HĐQT	25/06/2021	Implementation of the plan of issuing shares to increase charter capital
12	12-2021/QĐ-HĐQT	25/06/2021	Employee stock ownership plan for SHS employees
13	13-2021/QĐ-HĐQT	25/06/2021	Commitment to comply with legal regulations
14	14-2021/QĐ-HĐQT	25/06/2021	Commitment to listing shares on the stock exchange
15	15-2021/QĐ-HĐQT	25/06/2021	Plan to ensure that the issue of shares to raise charter capital complies with foreign ownership restrictions.

NO.	Number	Day	Details
16	16-2021/QĐ-HĐQT	25/06/2021	Approval of share issuance documents to increase charter capital
17	17-2021/QĐ-HĐQT	29/6/2021	The plan to borrow capital from ABBank in 2021
18	18-2021/QĐ-HĐQT	29/6/2021	Remuneration for the Board of Directors and Supervisory Board in the fiscal year 2021
19	19-2021/QĐ-HĐQT	19/07/2021	Allocation plan of the Employee stock ownership plan for SHS employees
20	20-2021/QĐ-HĐQT	21/07/2021	Re-appointment of Deputy General Director
21	21-2021/QĐ-HĐQT	10/08/2021	Last registration date to exercise the right to receive bonus shares
22	22-2021/QĐ-HĐQT	10/08/2021	Cash dividend payment
23	23-2021/QĐ-HĐQT	10/08/2021	Last registration date to exercise the right to buy ESOP
24	24-2021/QĐ-HĐQT	10/08/2021	Implement the plan for share issuance
25	25-2021/QĐ-HĐQT	30/08/2021	Credit lending from TPBank in 2021
26	26-2021/QĐ-HĐQT	08/10/2021	Handling the remaining shares of the bonus share issuance and issuing additional shares to existing shareholders
27	27-2021/QĐ-HĐQT	08/10/2021	Handling the remaining shares of the ESOP issuance
28	28-2021/QĐ-HĐQT	08/10/2021	Apply for a loan limit at VPBank
29	29-2021/QĐ-HĐQT	23/11/2021	Overdraft limit loan
30	30-2021/QĐ-HĐQT	25/11/2021	Contribution of additional assets to secure loans
31	31-2021/QĐ-HĐT	-	Not issued
32	32-2021/QĐ-HĐQT	09/12/2021	Establishment of the Shareholder Verification Board of the Extraordinary General Meeting of Shareholders in 2022
33	33-2021/QĐ-HĐQT	09/12/2021	Establishment of the Board of Organizers of the Extraordinary General Meeting of Shareholders in 2022
34	34-2021/QĐ-HĐQT	16/12/2021	Approving the borrowing plan according to the credit line at SHB Hang Trong Branch

► Activities of the independent members of the Board of Directors

In the structure of the Board of Directors in 2021, the Company has 2/5 independent members, and 4/5 of BOD members are non-executive. Independent BOD members of SHS actively and proactively participated in the management, supervision, and guiding the Company's business activities, utilizing their professional knowledge, expertise, and many years of experience in the field of their own to advise, recommend, and propose to the Company's Board of Directors and the Board of Management.

Independent members of the Board of Directors perform their duties as assigned duties of the General Meeting of Shareholders and the Board of Directors, their responsibilities to the Company, complying with the Securities Law, the current Law on Enterprises and guiding documents, complying with the provisions of the Charter, internal governance regulations of the Company and other internal regulations.

Independent members of the Board of Directors fully attended the General Meeting of Shareholders and the meetings of the Board of Directors, and regularly met directly with the Chairman of the Board of Directors and members of the Supervisory Board, Board of Management. Therefore, the directions of the Board

of Directors always ensure objectivity and timeliness in the day-to-day business activities of the Company, ensuring the common interests of shareholders and the Company.

To perform their governance and supervision duties, the independent BOD members coordinate with the Supervisory Board and the Internal Audit Department under the Board of Directors to inspect and verify the reasonableness, compliance, risk management, sustainable and safe development of the Company's business activities, based on the reports and data provided by the Supervisory Board, the Board of Management, conducting periodic and extraordinary internal inspection on specific matters. At many important moments, the independent BOD members had made recommendations to the Board of Directors and the Board of Management to adjust several activities of the Company

The Company does not make any distinction between independent members of the Board of Directors and other members of the Board of Directors. The independent members of the Board of Directors are engaged in their task and have actively contributed to the general decision-making of the Board of Directors.

► Training on corporate governance

In 2021, training courses on corporate governance that the members of the Board of Directors, members of the Supervisory Board, the General Director, other managers, and the Company Secretary participated in were:

Secretary of the Board of Directors

Workshop on Sustainable Development Report, Annual Report organized by SSC and IFC.

Workshop on Corporate Governance organized by HNX and member securities companies.

Workshop on Company Secretary, Corporate Governance.

Board of Management

Seminars and instructions of the State Securities Commission, the Stock Exchange, and VSD on access and implementation of new legal documents on information disclosure, corporate governance, organization and operation of securities companies, etc.

Company Managers

The 2020 corporate governance training program was organized and certified by the Securities Research and Training Center (SRTC).

Annual Forum on Corporate Governance Promoting Corporate Governance in the New Normal, an event organized by the Vietnam Board of Directors (VIOD) in collaboration with the State Securities Commission in December 2021.

HNX Member Conference Forum on Corporate Governance coordinated by HNX with the State Securities Commission, the Vietnam Securities Depository (VSD), the Ho Chi Minh City Stock Exchange, Vietnam Securities Business Association, Vietnam institutes of Directors (VIOD).

The 2020 Audit Committee Training Program is organized and certified by the Institute Member of the Vietnam Board of Directors (VIOD) in collaboration with the SSC.

Webinar "Legal regulations on corporate governance applicable to public companies" On December 3, 2021, organized by the State Securities Commission (Science Research and Training Center – SRTC).

Head of Supervisory Board

Senior Management Training Program 7th Board Member Certification – DCP7.



01

Remarks by the Board of Directors of Saigon-Hanoi Securities Joint Stock Company (SHS):

In 2021, despite facing many difficulties and challenges from the COVID-19 pandemic, with the determination of the Government and the people in the prevention and control of the pandemic, Vietnam is still among the highest growth countries globally. The stock market in 2021 has reached new height that had surprised most of the professional experts.

Entering 2022, with the belief that Vietnam's economy will develop thanks to the Government's flexible opening-up policies, the stock market is forecasted to continue its development trend in the direction of acceleration, sustainability, and growth as a key capital mobilization channel for the economy in the long term. As a member security company and a listed company, SHS continues to be a confident, dynamic, impressive and quality entity.

SHS continues to develop sustainably, safely, effectively, with strong financial capacity, providing diversified and differentiated products and services, for the goal of "All for the growth of client's net asset value". In 2022, SHS focuses on strengthening its brokerage-related services, increasing the number of

new securities accounts and clients' net asset values. After upgrading the software and modernizing the information technology system, SHS also plans to launch its derivative products in 2022.

Furthermore, the business segment required more development in 2022 is the service segment. SHS aims to continue to maintain its position as one of the leading stockbrokers in Vietnam, in the top 5 securities companies with the largest listed stock brokerage market share on HNX and HOSE. SHS's business operation plan in 2022 targets its revenue and profit will continue to have a minimum growth rate of 20%. SHS's brokerage sales in 2021 reached VND 580 billion. In 2022, the submitted target to the Board of Directors for approval shall be approximately VND 1,100 - 1,200 billion. The margin loan outstanding is expected to double from 2021.

02

The Board of Directors orients the activities of the Board of Directors and the Company's activities in 2022 as follows:

- The Board of Directors for the term 2022-2027 will innovate in its thinking, organization, and management methods to keep up with positive changes from the legal framework, micro, macro-economy and the stock market.
- The Board of Directors continues to play a key role in orienting the entire business strategy of the Company.
- The Board of Directors maintains regular meetings and discussions on issues under the authority of the Board of Directors and strategic issues for the Company's development.
- All members of the Board of Directors must actively participate in the activities of the Board of Directors and its sub-committees to promptly grasp the fluctuations of the market as well as the Company's activities.
- Sub-committees under the Board of Directors shall be proactive in its activities; update, advise and report to the Board of Directors on the current status of the Company's activities to propose solutions and directions in a timely manner.
- The Board of Directors supervises and promotes information technology innovation, applies a new salary scheme, and closely monitors risks.
- The Board of Directors supports, advises and consults the Board of Management in seeking, accessing and utilizing external capital, from its partners, clients and enterprises to increase its capital scale and expand its business operations, client growth, and product development.
- The Board of Directors has and will continue to support and advise the Board of Management, the Office of the Board of Directors and relevant departments to amend, supplement and complete the Company's Charter, Internal Governance Regulations, Organizational Regulations and the operation of the Board of Directors, Supervisory Board and relevant documents/regulations of SHS to serve as a legal framework for SHS's business activities to be implemented in compliance with the provisions of law.
- The Board of Directors together with the Board of Management of SHS shall seek and utilize innovative and breakthrough solutions in its business activities, breaking out from the traditional practices, markets, products, and clients, etc.
- The Board of Directors continues to apply measures to improve its corporate governance capacity towards international and Vietnamese standards; strengthen internal inspection, control, risk management and financial adequacy ratio.
- Completing the implementation of solutions to maintain and increase market share benefiting from foreign investors' cash flow, especially foreign institutional clients recently entered the market.
- Completing the implementation of a group of solutions related to operating costs control and financial safety indicators of SHS in the context of the restructuring of the securities industry along with the introduction of various new regulations that will have impacts to operating costs, financial safety indicators and affect the flexibility in management and administration of SHS.
- Completing the implementation of solutions to deal with potential challenges, ensuring the Company's operations are flexible and agile, and seize opportunities well.
- Completing the implementation of a group of solutions to increase SHS' competitive advantages through innovation, developing service quality, continuing to invest in human resources and technology, maintaining and improving market share and image, investing in research and application of AI technology in business operations and corporate governance if deemed appropriate.

03

The Board of Directors' operational orientation

- The Board of Directors shall prioritize the investments in long-term growth companies with healthy and transparent financial and business operations.
- The Board of Directors will organize a Development Strategy Research Committee and engage an international advisor to restructure and reform the Company, as well as develop SHS's vision over the next three, ten, and fifteen years, with the following two objectives: Phase 1: Business Development and Phase 2: Technology Development.
- The Board of Directors shall prioritize the concurrent establishment and implementation of a long-term, effective and sustainable development strategy, in parallel with controlling, managing risks, maintaining results, and protecting the interests of investors and shareholders.
- The Board of Directors maintains regular meetings and discussions on issues within the Board's authority and strategic issues for the Company's development..
- All members of the Board of Directors must actively participate in the activities of the Board of Directors and the Sub-committees under the Board of Directors to promptly grasp any fluctuation of the market and the Company's activities.
- Sub-committees under the Board of Directors actively strengthen their activities, update, make recommendations and report to the Board of Directors on the current situation of the Company's activities to propose solutions and timely handling measures.
- The Board of Directors commits to assist, advice, and recommend to the Board of Management in seeking, accessing and utilizing external capital, from its partners, clients and enterprises to increase its capital scale and expand its business operations, client growth, and product development.

04

The Board of Directors directs the Board of Management to continue carrying out the following tasks:

- Successfully carry out the strategic objectives assigned by the General Meeting of Shareholders, strictly comply with the law, the Company's Charter and the operational orientation of the State management agencies.
- Continue to take enhanced measures to improve governance capacity in accordance with international standards on corporate governance, risk management and financial safety; ensure that SHS's operations to be transparently, safely, effectively and in compliance with the regulations.
- Continue to complete the regulations and processes system, creating a legal framework for business activities on the basis of compliance with legal regulations and improved professionalism.
- Continue to diversify its products and services; maintain an effective self-trading portfolio.
- Continue to invest in listed securities, materialize the private investments, and rebalance the investment portfolios through participation in equalization auctions, IPOs of SOEs, divestment of non-core capital of the groups, corporations, debt restructuring activities of banks.
- Continue to utilize and develop SHS's business advantages in its ecosystem of industries and companies (Major Shareholders, Strategic Shareholders, strategic and long-term clients, etc.) for the highest benefits of these partners.
- Continue to promote the issuance and listing of shares, creating great opportunities for SHS's Investment, Brokerage, Financial Advisory and Underwriting activities.
- Effectively utilize the newly raise charter capital in reasonable situations and timelines to increase SHS's competitive advantage under fierce competitive pressure from other securities companies with more abundant funding and charter capital; at the same time, to meet new requirements on business capital for new products and services introduction.
- Implement the business plans for derivatives and covered warrants, investment, advisory, brokerage activities on bond products.
- Uphold the spirit of Integrity - Solidarity - Responsibility - Discipline in each employee of the Company in order to establish and maintain a collective strength.
- Develop SHS sustainably, with a focus on community work, environmental protection and social security, showing high responsibility to society and the community.



Supervisory board

► Members of the Supervisory Board

No.	Full name	Title	Type of Membership	Term	Start/End dates of term
1.	Pham Thi Bich Hong	Head of the SB	In charge	2017-2022	Start: 26/04/2017
2.	Vu Duc Trung	Member of the SB	Non-in charge	2017-2022	Start: 26/04/2017
3.	Luong Thi Luu	Member of the SB	Non-in charge	2017-2022	Start: 26/04/2017

(Please refer to the Key personnel section for information of members of SB)

► Meetings of the Supervisory Board During 2021

No.	Meeting	Meeting contents	Number of members attending	Percentage
1.	Meeting on 20/01/2021	Assigning tasks to the members of the Supervisory Board. Assigning the activities of research, developing and amendment the Operational Regulations of the Supervisory Board in accordance with the new provisions of the Law.	3/3	100%
2.	Regular Meeting Q1/2021 (on 18/2/2021)	Examining business activities during the fourth quarter of 2020 and consolidated business figures of 2020. Appraising the 2020 financial statements to be submitted to the 2021 Annual General Meeting of Shareholders. Consolidating the Annual Report of the Supervisory Board to be submitted to the 2021 Annual General Meeting of Shareholders. Agreeing on the Operation Regulation of the Supervisory Board to be submitted to the 2021 Annual General Meeting of Shareholders.	3/3	100%
3.	Meeting on 13/05/2021	Approving the data from inspection and appraisal of business results in the first quarter of 2021 to submit to the Board of Directors	3/3	100%
4.	Regular Meeting QII/2021 (on 05/06/2021)	Evaluating the Supervisory Board's activities during the first quarter of 2021 and prepared for the second quarter of 2021. Selecting an independent auditor to audit the semi-annual and annual 2021 Financial Statements, Financial Safety Report, and proposing to the Board of Directors for approval.	3/3	100%

5.	Regular Meeting QIII/2021 (on 09/07/2021)	Evaluating the Supervisory Board's activities during the first 6 months of 2021 and prepared for the third quarter of 2021. Assessing business activities and financial activities of the Company during the first 6 months of 2021. Attending preliminary meetings, summarizing the business activities of the Company during the first 6 months of 2021 and consolidating the results of the meetings of the Board of Directors.	3/3	100%
6.	Regular Meeting QIV/2021 (on 29/09/2021)	Evaluating the Supervisory Board's activities during the first three quarters of 2021 and preparing for the fourth quarter of 2021. Assessing the business situation and financial situation of the Company in the third quarter of 2021 and the first 9 months of the year through direct inspection or through reports of internal audit and internal control. Assessing the implementation of the Resolution of the General Meeting of Shareholders and the Resolution of the Board of Directors in 2021; assessing the level of completion of the Company's plan.	3/3	100%

► Supervisory Board's operations in 2021

Supervisory Board's operations

Based on the responsibilities and rights of the Supervisory Board stipulated by the Company's Charter, Operational Regulation of the Supervisory Board and its operational plans in 2021, the Supervisory Board conducted the following:

Supervising legal compliance, the execution of the Company's Charter and implementation of the Resolution of the Annual General Meeting of Shareholders

In 2021, The Supervisory Board monitored the compliance with legal provisions and the Company Charter of the members of the Board of Directors, Board of Management and the Chief Accountant to ensure that the Company strictly complied with the provisions of law and the Company's Charter in its operations.

The Supervisory Board also closely monitored the implementation of Resolution No. 01-2021/NQ-DHDCD dated August 16th 2021 issued by the Annual General Meeting of Shareholders. The issues raised in the Resolution have been fully and seriously implemented by the Board of Directors and Board of Management. The Supervisory Board participated in counting votes at the Annual General Meeting of Shareholders 2021 and provided comments on the scope of its responsibilities and rights.

The Supervisory Board also closely monitored the implementation of information disclosure obligations for listed companies, securities companies, major shareholders, internal shareholders and related persons.

In 2021, there were no serious violations related to the obligation of information disclosure.

Supervising the activities of the Board of Directors.

The Supervisory Board participated in a number of regular meetings of the Board of Directors, checked the results of the consultation sessions with the Board of Directors members on important issues of the Company as well as the Meeting Minutes, Resolutions, and Decisions issued by the Board of Directors.

In 2021, the Board of Directors held 15 meetings by direct meeting and collecting written opinions. the Board of Directors issued 3 resolutions, 34 decisions related to the Company's key issues such as:

Approving plans for issuing bonds, borrowing capital, implementing business plans, holding Annual General Meeting of Shareholders, Extraordinary General Meeting of Shareholders, amending the Company's Charter, approving the remuneration of the Board of Directors and the Supervisory Board, the plan to allocate the right to buy shares under the selection program for SHS employees, SHS Excellent Collective Award in 2021, etc.

Monitoring the Company's activities.

The Supervisory Board has supervised the activities of the Company through periodic inspections, directly at the Head Office of the Company and its branches, representative offices or indirectly through reports of the Board of Management, Internal Control Department, and Internal Audit Department. Inspection and supervision activities focus on the following key areas:

- Inspecting and supervising the compliance with the law, the Resolution of the 2021 Annual General Meeting of Shareholders, the implementation of the business plan, the financial situation of the Company, the organization and administration of the Company.
- Inspecting and evaluating risk management in business activities.
- Checking the compliance with processes and regulations in the majority of departments of the Company as well as the effectiveness of inspection and control activities.
- Checking and evaluating the effectiveness of business activities.

Proposing the selection of an independent auditor and appraise the audited financial statements.

The Supervisory Board appraised and confirmed the correctness of the figures of the Financial Statements for 2021 and reviewed the Company's financial statements which were audited by AASC Auditing Firm Co., Ltd. The Supervisory Board agreed with AASC's figures and confirmed that the financial statements presented a true and fair view in all material respects of the Company's financial position as of December 31, 2021, and the results of its operations, cash flows and changes in equity for the year ended December 31, 2021, the statement of financial adequacy ratio as of December 31, 2021 was consistent with current Vietnamese Accounting Standards and Regulations and relevant legal regulations.

The Supervisory Board discussed with a number of independent auditors to select and propose to the Board of Directors to issue a decision to approve an independent auditor to audit the financial statements in 2021.

Resolving shareholders' inquiries to the Company.

In 2021, the Supervisory Board did not receive any inquiries from shareholders or groups of shareholders holding 5% or more of voting shares requesting a review of the Company's operations, the activities of the Board of Directors or the Board of Management.

Establishing and Completing the regulations and procedures of the Company and other tasks of the Supervisory Board

The Supervisory Board has completed the Operational Regulations of the Supervisory Board and submitted it to the 2021 Annual General Meeting of Shareholders for approval and contributed on the development of the Financial Regulations, Internal Audit Regulations, and the Company's Charter.



► The Supervisory Board’s Evaluation

Based on the operating results of the SB in 2021, the SB evaluates aspects of the Company and its activities as follow:

Compliance with laws and regulations on accounting

The Company has strictly implemented the provisions of current laws in business activities and complied with the current accounting standards in the preparation of financial statements and report on capital adequacy ratio.

Management of the Board of Directors, Board of Management and other managers

The Board of Directors strictly complied with the provisions of the law and the Charter, Corporate Governance Regulations in directing and supervising the activities of the Board of Management. The Board of Directors conducted meetings and issued appropriate and timely resolutions and decisions, positively affecting the Company’s business activities.

The Board of Management has been united, proactive, creative, decisive and flexible in management, well grasping the business opportunities, and made good efforts to implement relatively well the business plan that the 2021 General Meeting of Shareholders passed.

The management staff were dedicated, professional, made great efforts in the management work as well as successfully completed the assigned work.

The Supervisory Board did not notice any abnormal signs, non-compliance with the laws and regulations of the Company in the direction, administration and management of the Board of Directors, the Board of Management and other managers.

Company’s performance

In 2021, the Board of Directors, the Board of Management and all officers and employees of the Company have made good efforts to implement the business plan set out by the General Meeting of Shareholders. In addition, the Company has managed risks well, did not generate any bad debt, and complied with the provisions of law in business activities, financial accounting and information disclosure.

Evaluation on coordination between the Supervisory Board and the Board of Directors, the Board of Management, shareholders

The Supervisory Board has maintained a good relationship with the Board of Directors and the Board of Management based on the principle of maximizing shareholders’ interests, complying with the law and regulations of the Company.

In 2021, the Supervisory Board maintained a good relationship with the shareholders and did not receive any complaints from the shareholders regarding the direction, administration and management activities of the Board of Directors, Board of Management, and managers of the Company as well as business activities of the Company.

Evaluation on the Supervisory Board’s activities

Within its authority, the Supervisory Board has fully performed its responsibilities in accordance with the provisions of law and the Charter of the Company.

► Operation Plan for 2022

To comply with the supervisory responsibilities stipulated by the Law on Enterprises and the Company Charter, the Supervisory Board set forth the operation plan for 2022 as follow:

Overall responsibilities:

- Continue to inspect and supervise the operation and management activities of the Board of Directors and the Board of Management, and check the rationality, legality, compliance, honesty and prudence in management and operation of the business as well as the management of capital, supplies and assets of the Company.
- Review the plans and reports of the Company on its financial situation; business situation; development plans, management of organization, labor, salary, bonuses, and other policies related to the Company and its employees.
- Review the inspection and control results of the Internal Control Department, Internal Audit Department and feedback of the Board of Directors and CEO of the Company.
- Coordinate with the Company to understand difficulties and problems in different areas of business activities to approach and resolve these issues.
- Maintains smooth coordination in operation among the Board of Directors, Board of Management and the departments in the Company.
- Participating in training classes to improve professional qualifications and attending all specialized conferences and seminars related to supervisory matters.
- Maintain regular meetings of the Supervisory Board to summarize the work of the past quarter and set the direction of activities in the next quarter.

Human resources plan :

No.	Full name	Position	Expected assigned works
1	Pham Thi Bich Hong	Head of the SB	Overall management. In charge of inspection and control of the Investment Department, Capital Markets Department, Accounting and Finance Department, Internal Auditing Department, Legal and Risk Management Department.
2	Vu Duc Trung	Member of the SB	In charge of inspection and control of the Investment Banking Department, IT Department, PR & Marketing Department, Administration Department and Debt Handling Board.
3	Luong Thi Luu	Member of the SB	In charge of inspection and control of the Brokerage Department and Financial Services Department.

Detailed tasks in 2022:

- Together with the Office of the Board of Director and the Legal Department to review the entire legal framework to comply to the newly promulgated State regulations such as the development of Financial Regulations, Salary Regulations, etc.
- Strengthen the management of the Company through establishing strong internal audits.
- Inspect the Head Office according to the quarter, semi-annual, and annual plan.
- Inspect 2 branches together with the Internal Control Department and the Internal Audit Department.





Internal control, risk management, and internal audit



► Internal control

Internal control comprises of the internal control system and internal control department.

Internal control system

The SHS's Internal Control System includes the organizational structure, personnel, internal processes and regulations applicable to all positions, units, divisions and activities of the Company. Main targets of the internal control system:

- The Company's operations comply with the provisions of law, while being safety and efficiency.
- Ensuring the rights of clients.
- Safe and effective protection, management and use of the Company's assets and resources.
- Financial information system and management information are adequate, timely, honest and reasonable in preparing the financial reports of the Company.

Internal Control Department

The internal control department of SHS is independent, dedicated to the Legal & Risk Management Department and under the Board of Directors of the Company. The Internal Control Department is responsible for reporting directly to the General Director. Operational responsibilities of the Internal Control Department are:

- Checking and supervising the compliance with the provisions of law and regulations of the Company of the functional departments and of securities practitioners in the Company.

- Supervising the internal conflicts of interests; supervising the implementation of duties of the Company's staffs; and supervising the implementation of duties of its partners on the authorized works.
- Checking the content and monitoring the implementation of the code of professional ethics.
- Supervising the calculation and compliance with financial security regulations.
- Preserving, keeping and segregating the client's assets.
- Controlling the compliance with the law on money laundering prevention.
- Other contents according to the tasks assigned by the General Director

Internal control activities in 2021

Regarding the internal control system: In 2021, the Company continued to improve and complete the quality of its internal control system including evaluation and improvement of internal processes and regulations; improve the control capacity of the whole system, contributing to improving the business efficiency of the Company. Controlling activities are established to exist in all business divisions, at all levels and in all activities throughout the Company. Depending on the objectives, each process, characteristics of each department have

its own control operations: compliance or automatic control, preventive control or detection.

Regarding the Internal Control Department: The Internal Control Department operates on the basis of the Annual Control Plan approved by the General Director including the regular control plans and periodic control plans.

- In 2021, Internal Control focused on checking regularly (daily, monthly) to deal with high-risk activities. Focused control activities were: compliance with the current regulations and compliance with the internal processes and regulations of the Company by each officer and employee; monitoring the activities with potential conflicts of interest mainly in activities such as brokerage, investment, margin financing; the enforcement of responsibilities of officers and employees such as brokerage, settlement, margin financing, debt collection, installation of systems, authorization; the compliance with the rules of professional ethics of the employees; the compliance with the limits of mobilization, lending, investment, guarantee issuance; the signing of contracts such as account opening, contracts on financial services products, etc.; the completion of documents such as contracts, orders; the preparation and presentation of external reports, etc.
- For periodic control testing activities, the Internal Control Department focused on controlling the inadequacy of systems, procedures, regulations internal; operation and performance of departments and branches; the preparation and presentation of the financial statements and the financial safety ratio report of the Company.
- Through regular and periodic control activities, the Internal Control Department has reported promptly to the Board of Directors on the limitations and shortcomings of the internal processes, regulations, financial and operational issues of the Company and coordinate with the relevant departments,

divisions and branches to timely complete and amend the weaknesses of the internal control system. In addition, the Internal Control Department has coordinated with the Legal Department and functional departments to assess the effects of the new policies and regulations of the State Management Agency to help the Company proactively comply with and apply these new changes in completing software upgrades and adding new features. Closely coordinate with the Product Development Project Department, the professional departments to develop risk control procedures for new products

Internal control plan for 2022

Regarding the internal control system: Focusing on improving the system to ensure compliance with the new provisions of the Law on Enterprises, the Law on Securities and its amendments, supplements and guidelines. Reviewing and evaluating the entire system of regulations and procedures of the functional departments, increasing the amendment, supplement and completion of the procedures to suit the development of the personnel size, as well as business activities of the Company.

Regarding the Internal Control Department: Implementing the annual inspection and control plan approved by the General Director, focus on assessing and well controlling the risks of the Company, contributing to the prevention and timely detection of errors and fraud. Closely coordinating with the Information Technology Innovation Project Department and functional departments in the completion of the software upgrade and the inclusion of new features. Closely coordinating with the Product Development Project Department and functional departments in the establishment of the risk control procedures of the new products.

► RISK MANAGEMENT

Risk management model



The first line (Functional Department): responsible for performing the risk management function, directly performing functional activities according to their functions and tasks, responsible for managing and controlling the risks arising in the course of operation.



The second line (Risk Management Department): performs the functions of risk monitoring of the whole Company, and monitors the implementation of risk management of the first line, develops procedures and guidelines for material risks, establishes and develops risk measurement methods.



The third line (Internal Audit Department under the Board of Directors): performs the function of independent assessment of the effectiveness and efficiency of the risk management system of SHS.

Risk management process

The risk management process of SHS was established with reference from international standards under the 5 steps to identify, measure, monitor, report and effectively handle all types of risks.



Identification of the main risks of the Company

SHS focuses on identifying and handling 6 types of material risks including: legal risk, operational risk, market risk, credit risk, liquidity risk and brand risk.

01

Legal risk

Identification: Legal risks are the types of risks that arise due to the Company's non-compliance, inadequate compliance, inconsistency with the current legal provisions in the process of operation; The Company operates and provides products and services without the provisions of law; The Company signs illegal contracts, exceeding the authority, omission of important terms; Disputes and lawsuits related to economic contracts that the Company has signed with customers, partners, employees, etc.

Identification methods: Legal risks are identified during the process of the Legal Department coordinating with the relevant departments to review the applications of the current and newly issued legal regulations to the actual practices in the Company

Risk detection and mitigation measures: The Company has established a Legal Department

to provide legal advice to the Board of Directors and departments and branches in the Company; participate in the construction of products and services of the Company; draft and review the majority of agreements, contracts, documents and papers of the Company; update and disseminate legal documents, schemes and policies for the whole Company, etc. Legal officers are regularly requested to participate in legal seminars and provide full comments on draft legal documents when required. In addition, the Company also focuses on improving legal knowledge and experience for the Board of Directors and department managers on the basis of strengthening the exchange, training, sharing legal knowledge and experience with the Legal Department and State management agencies related to legal activities.

02

Operational risk

Identification: Operational risk is the risk that occurs due to technical errors, system errors of information technology systems; due to inadequate business processes and procedures; due to human error, improper or deliberate misconduct; due to financial control and late and erroneous reporting; due to lack of business capital and other external objective reasons.

Identification methods: Operational risks are identified during the process of the Legal Department, Internal Control Department and Risk Management Department coordinating with relevant departments to review the internal processes, regulations and actual operations of the Company; during the process of the Internal Audit Department and the Supervisory Board independently evaluate the internal control system of the Company.

Risk detection and mitigation measures: The Company has developed an internal control system

and established an internal control department. Additionally, the Company also took several measures to mitigate this risk, such as: issuance of the Professional Codes of conduct and supervising the compliance of this code; frequently review, amend, supplement, and update the internal processes, regulations, and procedures; enhancing automation in the provision of products and services, minimizing manual operations; upgrading security software, coordinating closely, regularly and continuously with the software providers to ensure the stability and security of the trading system; establishing approval limits; assigning clear responsibilities; strengthening mechanisms for cross-examination, mutual supervision between departments and individuals; strengthening inspection activities, controlling compliance with internal regulations, processes and regulations; building backup mechanisms to deal with the arising risks

03

Market risk

Identification: Market risk is the risk arising in the Company's investment activities, deposits, margin financing, etc. which is caused by the decrease in the value of the Company's investments, decrease in deposit interest rates and decrease in the value of the client's collateral for loans, thereby causing adverse effects for the Company.

Identification methods: Market risk is identified by regular monitoring and analysis on the basis of close coordination between the Risk Management Department and the relevant functional departments such as Investment, Financial Services, and Capital Market.

Risk detection and mitigation measures: The Company takes various measures to prevent and detect market risks such as:

Regarding investment in listed and unlisted stocks and fund certificates, the Investment Department is required to perform the analysis, forecasting, closely monitor market developments and securities prices, apply risk assessment tools, etc. to perform timely enter and exit transactions.

Regarding investment in government bonds, corporate bonds and other financial instruments, the Capital Market Department is responsible for closely

monitoring the fluctuation of the interest rates in the market for quick and timely trading decision.

Regarding bank deposit activities, the Capital Market Department is responsible for updating the deposit interest rates at banks on a daily basis, balancing the Company's capital in a reasonable manner, diversifying banks and deposit maturities to ensure the maximum benefits of SHS.

Regarding margin financing activities, the Analysis Department and the Financial Services Department are responsible for updating the loan interest rates of securities companies; analyzing, forecasting, closely monitoring market developments and securities prices as collateral for loans of customers; building and complying with regulations on selling and mortgaging securities.



04

Credit risk

Identification: Credit risk is the risk arising when the clients, banks, or partners fail to pay, not fully and timely pay back to SHS the margin loans, deposits, and investment in fixed-income instrument under the form of bonds, etc.

Identification methods: Credit risk is determined by each client, partner and debt in the process of functional departments such as Financial Services, Capital Market, etc. in coordination with the Risk Management, Internal Control and Legal Department to monitor, manage and evaluate the clients, partners and debts

Risk detection and mitigation measures: The Company takes various measures to prevent and detect credit risk such as:

Regarding margin financing activities, the Company classifies clients; establishes credit limits, applies credit policies in accordance with the creditworthiness, solvency and collateral of clients; develops a list of marginable securities and lending ratios, maintenance ratios and force sell ratios in accordance with the provisions of law and regulations of the Company; force sell and call for additional collateral and timely debt recovery.

Regarding bond investment activities including government bonds and corporate bonds, the Company shall comply with the investment limits as prescribed by law, the Company's Charter and the report approved by the Board of Management; carefully evaluate the credibility, solvency and collateral of the issuer; develop specific policies to deal with collateral of the issuer in case of facing the risk of insolvency.

Regarding bank deposit activities, the Company complies with the annual deposit limit set forth by the BOD; select the highly credit rating financial situations to deposit cash; diversify the maturities and the deposited banks.

05

Payment risk

Identification: Liquidity risk is the risk that the Company is unable to pay its due financial obligations or is unable to timely convert assets into cash at fair value in the short term. This risk arises when the Company does not balance the capital inflows and outflows of the Company.

Identification methods: Liquidity risk is determined by regular monitoring and analysis on the basis of close coordination between the Risk Management Department and related operational departments such as Capital Market and Financial Accounting.

Risk detection and mitigation measures: The Company expanded the form and size of mobilized capital such as merger, capital increase, issuance of corporate bonds; expanded the number of credit institutions lending to the Company; enhanced cooperation with credit institutions to lend money to customers to invest in securities in order to reduce the pressure on the use of equity capital for loans; rationally balance the term of loans and loans; rationally allocate funds for activities; leverage idle deposits to maximize the efficiency of using resources as well as contribute to payment stability

06

Branding risk

Identification: Branding risk is the loss, damage to the image and brand of the Company due to the change in the opinion of clients and partners about the Company, which can greatly affect the demand for the Company's products and services as well as affecting the entire operation of the Company.

Identification methods: Branding risk often follows other risks such as legal risk or operational risk. The Company identifies these risks by analyzing the effects and impacts of the risks related (if any) to the image and brand of the Company.

Risk detection and mitigation measures: The Company constantly improves the quality of products and services; improves the organizational structure and operating apparatus; constantly builds good relationships with shareholders, clients and partners; internal and external communication effectively through the diversification of information channels, communication is proactive, consistent, maintaining the frequency of appearance in the media; promote regular official information in English to enhance information for investors and international partners; appoint specialized officers in charge of communication, reporting and publishing full, timely and transparent information; proactively make contingency plans for branding risk management.

07

Other risks

In addition to the above 6 types of material risks, some other risks are also considered and evaluated by the Company in the course of operation such as risks of the business environment, strategic risks, competitive risks, etc. In details:

Regarding business environment risk: SHS operates in the financial sector, so the factors of the business environment such as politics, economy, culture, etc. all significantly affect the business activities of SHS. Therefore, the Company regularly updates the changes of the business environment and assesses its impacts on all aspects of the Company's operations whenever the elements of the business environment change.

Regarding strategic risk: SHS assesses the absence of an appropriate and effective business strategy or the improper implementation of the proposed business strategy as a strategic risk of the Company. Accordingly, annually and periodically, the Company concentrates resources to develop appropriate and effective strategies; regularly review and evaluate the implementation of the set strategy.

Regarding competitive risk: SHS operates in the financial sector with a constantly changing business environment, so it is often exposed to competitive risk. It is the risk of not maintaining the market position and market share, etc. In order to effectively control this risk, SHS focuses resources on gathering information, assessing the political, economic, stock market and competitor's situation affecting the Company's operations; establishing a viable and effective annual business strategy; persistence in implementing the set strategy; flexible application according to the development of the market and competitors, etc.



Risk management activities in 2021

In 2021, the Company promotes its risk management practice to improve the Company's business performance, ensuring the Company's safe and effective development. The Risk Management Department coordinates with the functional departments to identify and detect potential risks, evaluate and develop appropriate solutions for each type of risk after identification. Actively apply software technology in risk measurement and tracking.

Risk Management Plan for 2022

The Risk Management Department strengthens the monitoring of risk management to complete the task of risk management, continue to identify risks, propose risk management measures according to

the identified categories. The Risk Management Department also organizes the implementation of risk management according to the approved plan. In the context of a strong information technology boom, especially eKYC, AI, Block chain technology, with the plan to complete the upgrade of securities core software as well as add new features to the system in 2022, the Risk Management Division plans to coordinate effectively with the Information Technology Innovation Project Department and related departments in the Company to complete the software upgrade and add new features of the system; build automated risk management tools on the system; build risk management processes as well as coordinate with departments to build full, timely and effective business processes.

► Internal Audit

Internal audit model

The Internal Audit Department is under the BOD and is responsible for reporting directly to the Board of Directors. This is the third line of defense of the Company with the following goals:

- Independent assessment of the appropriateness and compliance of legal policies, the Company's Charter, decisions of the General Meeting of Shareholders, BOD.
- Assessing business compliance with internal policies and procedures.
- Advising on the establishment of internal policies and procedures.
- Checking, review and evaluating the adequacy, effectiveness and efficiency of the internal control system under the Board of Management.
- Evaluating the process of identifying, assessing and managing business risks.
- Evaluating the effectiveness of the activities.
- Investigating of violations within the Company.
- Implementing the topics of internal audit of the Company under the direction of the BOD.
- Recommending measures to correct, rectify and deal with errors and violations.

Internal audit activities in 2021

The Internal Audit Department operates on the basis of the Internal Audit Plan approved annually by the BOD. The annual audit content according to the audit program has been developed by the Internal Audit Division in accordance with the risk orientation. The internal audit process consists of the following steps:

- Risk assessment.
- Audit planning.
- Audit plan approval.
- Announcement of the audit plan.
- Conduct the audit.
- Audit reporting.
- Following up on post-audit remedial actions.

In 2021, the Internal Audit Department implemented the internal audit plan on the basis of the report approved by the Board of Directors, including periodic audit plans and thematic extraordinary audit plans. The internal audit process in 2021 discovered a number of material issues related to activities such as investment, credit, and compliance with the Company's financial accounting standards. However, after consulting the Internal Audit Department, the Board of Management and related departments made adjustments and completed them according to the opinions of the Internal Audit Department.

Internal audit plan for 2022

In addition to complying with the internal audit plan approved by the Board of Directors, the focus of the department's 2022 operational plan is to review and evaluate the suitability of the organization in the new period, the operational efficiency of the IT systems, key products and functional departments to find solutions to complete and improve capacity of the Company's operations and competitive advantages, especially the improvement of operational capacity, stability and control of the software system, towards the goal of safe and sustainable development.



Salaries, bonuses, remuneration, and benefits

► Salaries, bonuses, and remuneration

Payment Principles

For members of the Board of Directors, members of the Supervisory Board.

The principles for payment of remuneration to members of the Board of Directors and Supervisory Board of the Company are as follows:

- The Company's Charter stipulates in principle the appropriation of the remuneration fund and the payment of remuneration to members of the Board of Directors and Supervisory Board.
- Resolution of the 2020 Annual General Meeting of Shareholders of the Company approving the Report No. 05-2021/TTr -SHS of the Board of Directors on the remuneration fund of the Board of Directors and Supervisory Board for the financial year 2021.

Accordingly, the remuneration fund for members of the Board of Directors and Supervisory Board in 2021 of the Company is 1.5% of profit after tax but not lower than VND 4.6 billion. The detailed allocation for each member of the Board of Directors and Supervisory Board will be decided by the Board of Directors in

accordance with the business results in 2021 of the Company.

For Members of the Board of Management

The payment of salaries to the members of the Board of Management shall comply with the Charter of the Company, the Regulations on salaries and the Contract of Employment. In addition, the Board of Directors will decide the bonuses for the members of the Board of Management based on the business results and performance of the Company.

For managers of the Company

The managers appointed by the Board of Directors are paid according to the salary regulations of the Company and the labor contract. In addition, the Board of Management will decide on bonuses for managers based on business results and the evaluation of performance in the year.

Salary, bonus and remuneration implemented in 2021

Revenue and expenditure of the remuneration fund of the BODs and Supervisory Board
(For 5 members of the Board of Directors and 3 members of the Supervisory Board)

No.	Content	Amount (VND)
1.	Funds balance as of 01/01/2021	0
2.	Setting up funds in according with the Resolution of the 2021 Annual General Meeting of Shareholders	9,682,209,575
3.	Funds expenditures in 2021 (*)	9,682,209,575
4.	Funds balance as of 31/12/2021	0

Details of the payment are as follows:

No.	Full Name	Title	Remuneration	Bonus
I. MEMBERS OF THE BOARD OF DIRECTORS				
1.	Do Quang Hien	Chairman of BOD	v	v
2.	Le Dang Khoa	Member of BOD	v	v
3.	Vu Duc Tien	Member of BOD	v	v
4.	Mai Xuan Son	Member of BOD	v	v
5.	Nguyen Dieu Trinh	Member of BOD	v	v

No.	Full Name	Title	Remuneration	Bonus
II. MEMBERS OF THE SUPERVISORY BOARD				
1.	Pham Thi Bich Hong	Head of SB	v	v
2.	Vu Duc Trung	Member of SB	v	v
3.	Luong Thi Luu	Member of SB	v	v

Salary and bonus of the Board of Management

(For 5 members of the Board of Management and including concurrently salary and bonus)

- Total payment: VND **18,434,896,781**

Details of the payment are as follows:

STT	Full Name	Title	Salary	Bonus
1.	Vu Duc Tien	General Director	v	v
2.	Tran Sy Tien	Deputy General Director cum Chief Accountant	v	v
3.	Tran Thi Thu Thanh	Deputy General Director	v	v
4.	Nguyen Chi Thanh	Deputy General Director Director of HCM Branch Head of Hai Phong Representative Office	v	v

Salary and bonus of Managers

(For 30 managers and including concurrently salary and bonus)

- Total payments: VND **34,975,659,861**

In which: - Expenses for salary: VND **17,877,132,263**

- Bonuses on business results: VND **17,098,527,597**

► Other Benefits

In addition to remuneration, salaries and bonuses, members of the Board of Directors, the Board of Management, the Supervisory Board and the Company's managers were also entitled to other benefits in 2021 as follows:

- Lunch benefits;
- Leave benefits;
- Compulsory insurance benefits (social insurance, health insurance and unemployment insurance);
- Voluntary insurance benefits (life insurance and annual health insurance)
- Periodic health check-up benefits;
- Gasoline, telephone and business stipend fee benefits.



Execution of regulations on corporate governance

► Legal framework for corporate governance

Regulations

- Enterprise Law 2020
- Securities Law 2019;
- Decree 155/2022/NĐ-CP guiding the securities law;
- Circular 121/2020/TT-BTC regulating the operation of securities companies issued by the Minister of Finance;
- Circular 116/2020/TT-BTC guiding the corporate governance applicable to public companies in Decree 155/2020/Decree-Government guiding the Law on Securities issued by the Ministry of Finance.

Internal document of SHS

- The Revised Charter effective on March 1, 2022;
- The Internal Governance Regulations effective on June 16, 2021;
- Other internal regulations, processes and regulations.

► The implementation of regulations on corporate governance in 2021

In 2021, the Company has completed its business plan such as continuing to review the provisions of the current law in order to comply with the relevant regulations and improved the internal governance of the Company. Particularly, the Company focused on analyzing and evaluating the effects of new legal documents related to the security sector and security companies such as the Law on Enterprises 2020, the Law on Securities 2019, the Regulation on organization and operation of security companies, the Regulation on corporate administration, the Regulation on information disclosure, etc.

The Company's managers perform their duties in accordance with the provisions of Decree No. 71/2017/NĐ-CP, relevant personnel participate in training courses of the Vietnam Institute of Directors (VIOD), the State Securities Commission and the Stock Exchanges, the Vietnam Securities Depository to improve professional qualifications, strengthen supervision, ensure responsibility for reporting on the interests of internal and related people; responsibility for reporting and disclosing information about the Company's transactions with related people as well



as the approval of transactions need to be approved by the General Meeting of Shareholders, the Board of Directors in accordance with current laws.

The Company ensured a 2/5 independent BOD member ratio; assigning the works to the BOD members in charge of the sub-committees; and each member of the Company's BOD cannot serve on the BOD of more than 5 other companies at the same time.

Maintaining and promoting a complete and well-founded organizational structure, following international practices, including: General Meeting of Shareholders, Board of Directors, Supervisory Board, Internal Auditor, Board of Management, relevant departments and branches. The system of departments is separated into direct and operational, at the Head Office, all branches and representative offices.

The Company's management and administration activities comply with the provisions of the Enterprise Law, the Securities Law, the Civil Law, and the Social Insurance Law, etc., including the supporting documents and implementation guidelines. The Company continuously updates and publishes the application and implementation of the regulations and the amended and supplemented versions. The Company also sends its employees to training courses on securities management and practice to update and apply the knowledge in practices.

The Company selectively complies with the corporate governance practices, financial reporting

standards, annual reports, and sustainability reports under the guidance of the international economic organizations and the State Securities Commission which are suitable to the operating conditions of the Company to gradually adapt to becoming a resourceful, reputable, and professional financial institution, a partner of domestic and foreign clients and investors.

► Implementation plan of the regulations on corporate governance in 2022

With the completion of the charter and internal regulation system of the Company in accordance with current laws, the Company continues to focus on the announcement and implementation of the regulations above in its 2022 operation plan to each entity, department and individual, ensuring that all Company activities are transparent and safe in accordance with applicable laws and internal policies. The Company will continue to work on the uncompleted corporate governance goals and plans for 2021. Continue to closely monitoring and updating the changes of current legal regulations; amending internal documents in accordance with new legal regulations if necessary; and analyzing and assessing market development trends as well as their impacts on SHS's business activities, at the same time, effectively managing risks, improving competitiveness, and improving the business performance of the Company.



Information for shareholders

► INFORMATION FOR SHAREHOLDERS

SHS Shares

The information of SHS shares in 2021:

Ticker:

SHS

Lowest price:

VND **14,620**/share

EPS:

5,795 (VND/share)

Exchange listed:

HNX

Highest price:

VND **55,500**/share

P/B:

2.72

Total trading volume in 2021:

1,914,029,600 (share)

P/E:

8.73

Total transaction value in 2021:

VND **59,756.6** billion

The information of SHS shares as of 31/12/2021:

Number of shares issued:	325,265,027
Number of common shares:	325,265,027
Number of transferable shares:	325,265,027
Number of outstanding shares:	325,265,027
Number of treasury shares:	0
Number of listed shares:	325,265,027
Change of owner's equity:	Increase from VND 2,072,682,010,000 as of 01/01/2021 to VND 3,252,650,270,000 as of 31/12/2021
Treasury stock transactions:	None
Market price as of 31/12/2021:	VND 50,600/share
Market capitalization as of 31/12/2021:	VND 16,458,44 billion
Book Value per share:	VND 18,617/share

Other information:

Organization of the 2021 Annual General Meeting of Shareholders:

- Last registration date: 17/05/2021
- Organization date: 16/06/2021

ESOP 4,000,000 shares

- Registration period and deposit for purchase: from August 31, 2021 to October 4, 2021
- Ending date: October 14, 2021

Public offering of shares: Preferential offering, ratio of 2:1, at VND 13,500 /share

- Last registration date: August 24, 2021
- Share purchase rights transferring period: from August 31, 2021 to September 28, 2021
- Registration period and deposit for purchase: from August 31, 2021 to October 4, 2021
- Cash receipt for share purchase period: from August 31, 2021 to October 4, 2021

Stock dividend, ratio of 100:5; cash dividend, 12%:

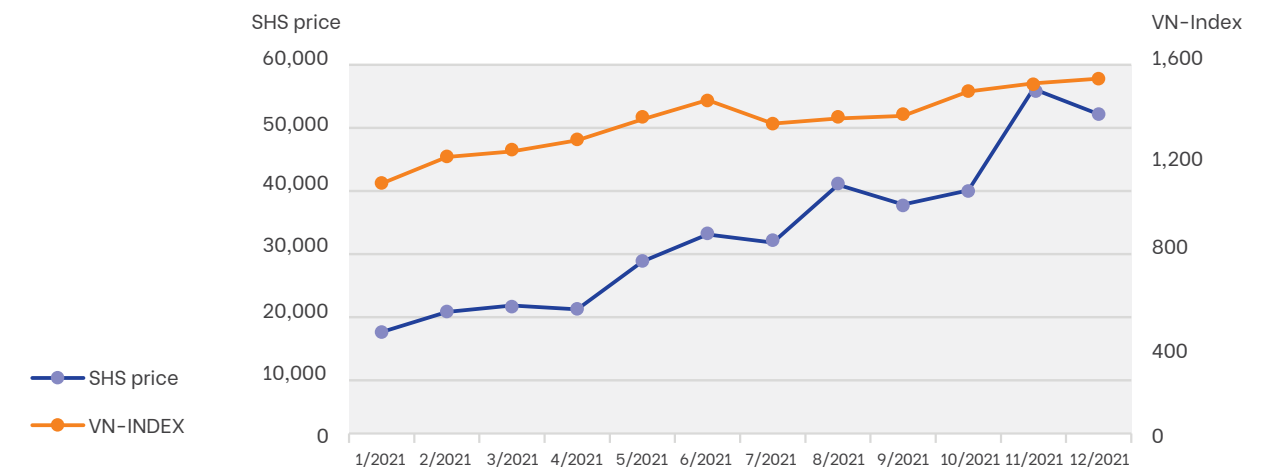
- Last registration date: 24/08/2021
- Payment date: 16/10/2021

► Change of SHS shares in 2021

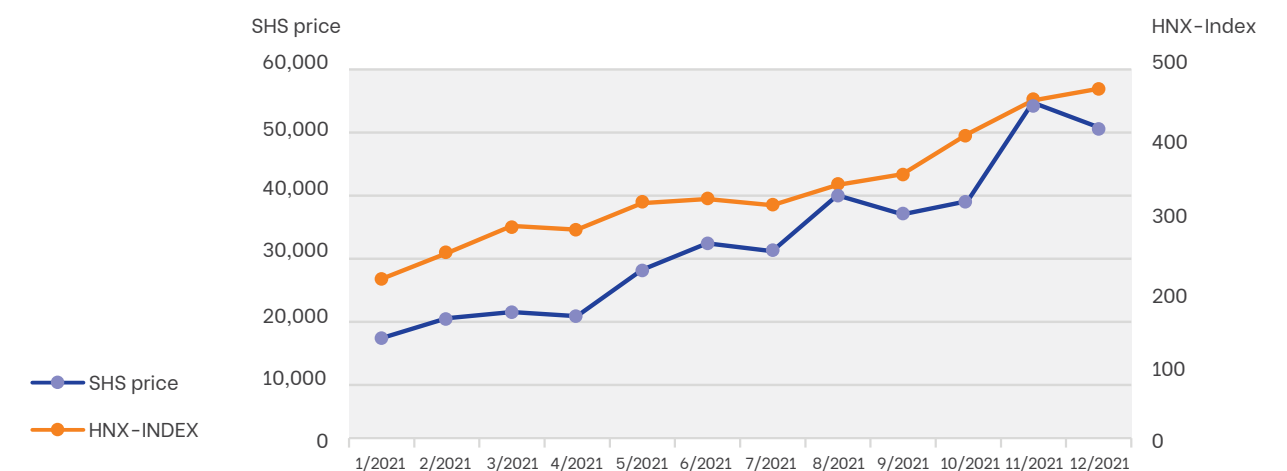
	VN-Index	HNX-Index	SHS
The price at the beginning of the year	1,120.47	206.28	18,780
The price at the ending of the year	1,498.28	473.99	50,600
Lowest price	1,023.94	203.05	14,620
Highest price	1,500.81	473.99	55,500
The fluctuation between the price at the ending of the year and the price at the beginning of the year	33.72%	129.78%	169.44%
The fluctuation between the highest price and the lowest price	46.57%	133.44%	279.62%
	VN-Index	HNX-Index	SHS
Trading volume at beginning of the year	709,645,120	103,501,704	3,811,500
Trading volume at ending of the year	846,799,296	102,788,736	3,905,400
Lowest trading volume	361,912,000	59,640,720	1,793,400
Highest trading volume	1,493,240,576	1,701,732,352	23,707,500
The fluctuation between the trading volume at the ending of the year and the trading volume at the beginning of the year	19.33%	-0.69%	2.46%
The fluctuation between the lowest trading volume and the highest trading volume	312.60%	2,753.31%	1,221.93%

Comparing SHS shares with the VN-Index and HNX-Index in 2021 in terms of price movement, trading volume, the fluctuation between year-end and beginning of the year prices, the fluctuation between the highest price and the lowest price, show that SHS shares have outperformed the two indexes. Moreover, the peak price of SHS shares during the year was almost three times higher than the book value of SHS. **That has demonstrated the attractiveness of SHS to the investors in 2021.**

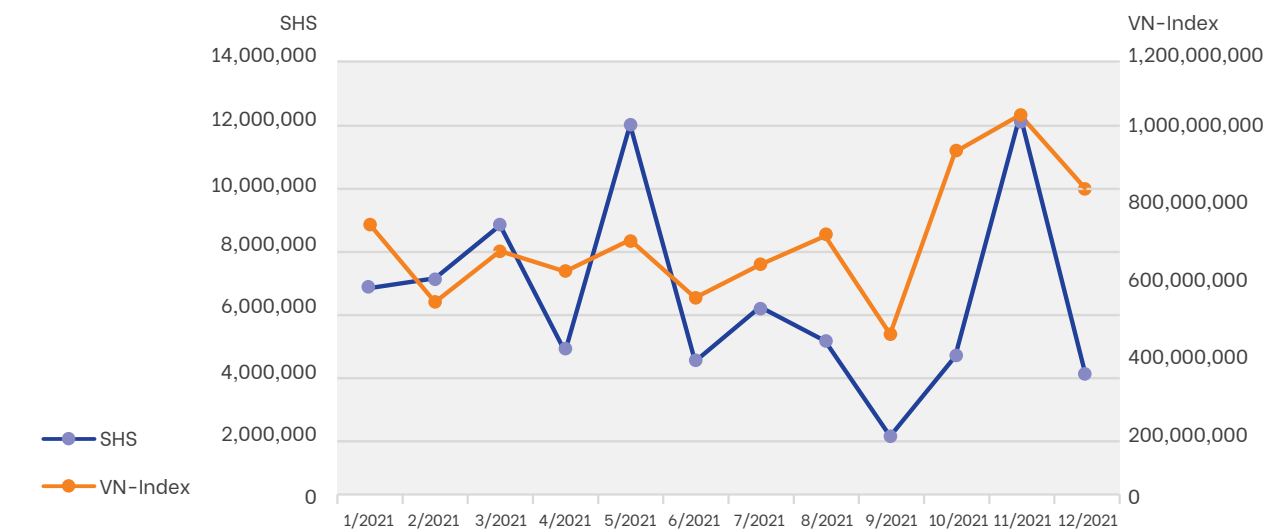
Movement of closing price of SHS stock compared to VN-Index from January 1, 2021 to December 31, 2021:



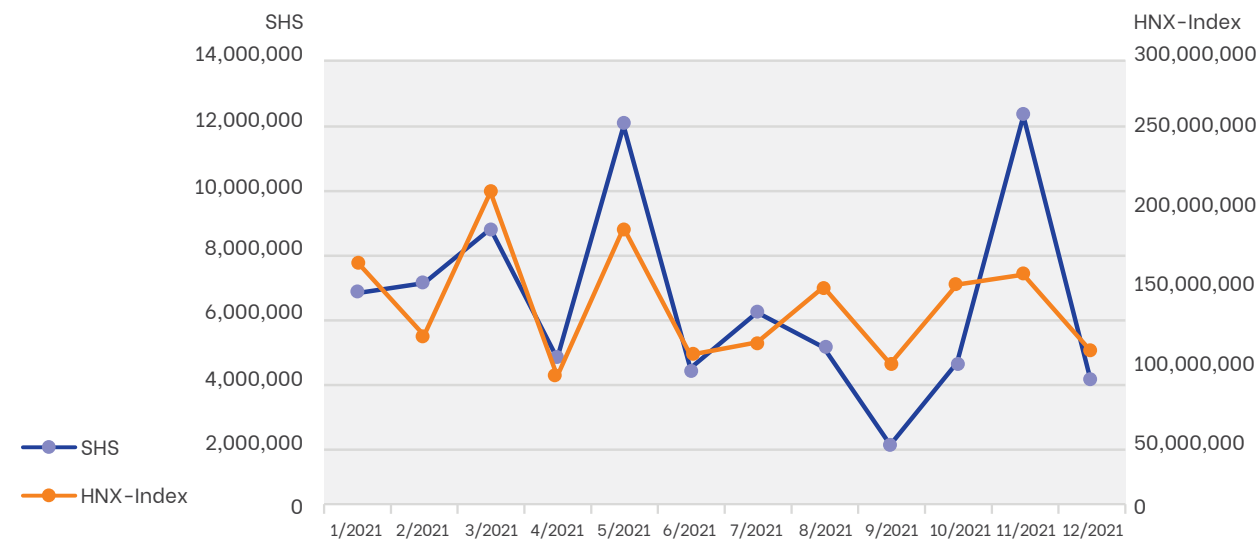
Closing price movement of SHS stock compared to HNX-Index from January 2021 to December 2021



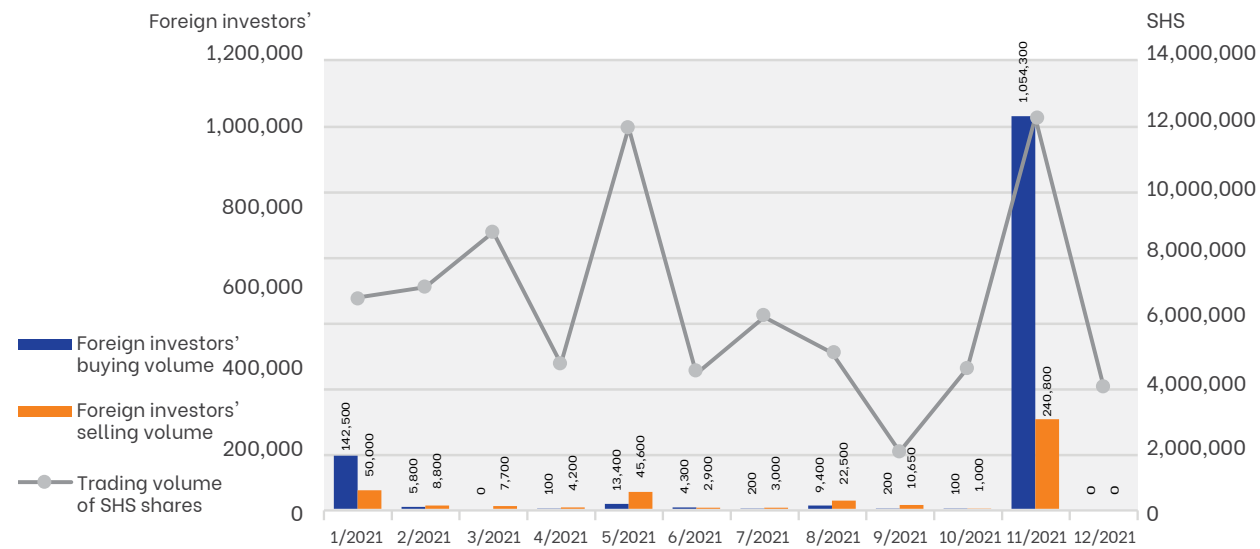
Change in trading volume of SHS shares compared to VN-Index from January 2021 to December 2021



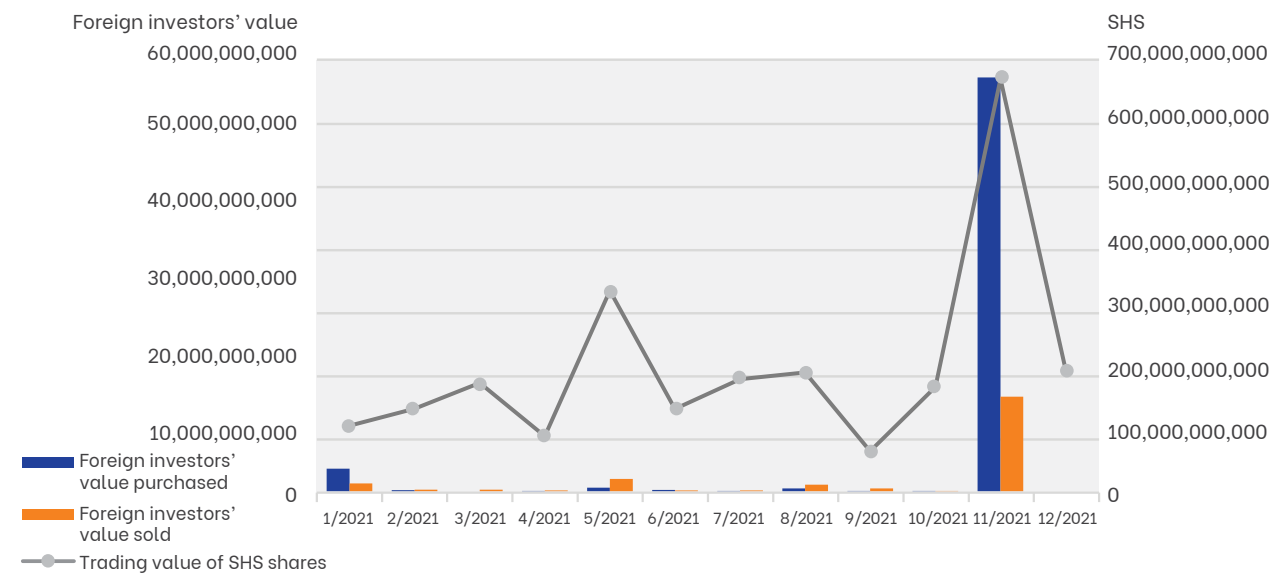
Change in trading volume of SHS shares compared to HNX-Index from January 2021 to December 2021



Changes in trading volume of SHS shares and trading volume of foreign investors in SHS shares from January 2021 to December 2021



Movement of trading value of SHS shares and trading value of foreign investors for SHS shares from January 2021 to December 2021



► Shareholder Structure

No.	Category	Number of shareholders	Number of shares	Value (VND)	Owner-ship(%)
Total		32,712	325,265,027	3,252,650,270,000	100
I	Domestic	32,558	298,792,072	2,987,920,720,000	91.85
1	Institutional shareholders	32,498	20,859,882	208,598,820,000	6.41
2	Individual shareholders	60	277,902,190	2,779,021,900,000	85.44
II	Foreign	154	26,502,955	265,029,550,000	8.15
3	Institutional shareholders	28	25,794,027	257,940,270,000	7.93
4	Individual shareholders	126	708,928	7,089,280,000	0.22
5	Major shareholders own more than 5% of voting shares	2	37,014,294	370,142,940,000	11.38
	- Local shareholders	2	37,014,294	370,142,940,000	11.38
	- Foreign shareholders	0	0	0	0.00
6	Shareholders owning less than 5% of voting shares	32,710	288,250,733	2,882,507,330,000	88.62
	- Local shareholders	32,606	251,236,439	2,512,364,390,000	77.24
	- Foreign shareholders	104	37,014,294	370,142,940,000	11.38
7	Treasury shares	0	0	0	0.00

► Transactions of Major Shareholders

List of major shareholders of SHS as of December 31, 2021:

STT	NAME OF SHAREHOLDER	Number of shares	Value (VND)	Ownership (%)
1	Nguyen Duy Kien	18,812,000	188,120,000,000	5.78
2	T&T Group Joint Stock Company	18,202,294	182,022,940,000	5.60

Transactions of SHS shares of major shareholders in 2021:

Name of organization/ individual	Securities account	ID card/ Business registration	Address	Number of shares owned at the beginning of the period	Number of shares owned at the end of the period
Nguyen Duy Kien	069C094312	001069004312; 13/08/2015; Ha Noi	108 Nguyen Thai Hoc, Dien Bien, Ba Dinh, Ha Noi	5,981,900; 2.89%	18,812,000; 5.78%
T&T Group Joint Stock Company	069C055555	0100233223; 31/12/2014; Ha Noi	Artexport Building, 2A Pham Su Manh, Hoan Kiem, Ha Noi	11,743,41; 5.67%	18,202,294; 5.6%

► Contracts, transactions with major shareholders

In 2021, SHS did not sign any contract or did any transaction with major shareholders (Please refer to the audited 2021 financial reports).

► Transactions of SHS stocks of Internal Shareholders and Organization/ Related individuals

Trading information of SHS shares of internal shareholders and related organizations/persons to solve personal consumption needs:

Name of individual execute the transaction	Position at SHS / Relationship with Insiders	Number of shares held by SHS before transaction	Transaction type	Number of shares registered for trading; Rate/ Charter capital	Number of shares traded; Rate/ Charter capital	Number of shares held after execute the transaction	Trading start date	Transaction closing date
Tran Thi Thu Thanh	Deputy General Director	146,600 share 0.07%	Selling shares of SHS	146,600 share 0.07%	146,600 share 0.07%	0	29/03 /2021	29/03 /2021
Pham Thi Thiem	Mr. Tran Sy Tien's mother - Chief Accountant; Deputy General Director of SHS	500,000 share 0.24%	Selling shares of SHS	500,000 share 0.24%	500,000 share 0.24%	0	10/05 /2021	10/05 /2021



Information on transaction of SHS shares of internal shareholders and related organizations/persons to exercise the right to buy shares in the issuance:

Information about the individual/organization execute the transaction		Information about insiders			Number of shares held before exercise the right to buy shares in the issuance	Number of registered and traded shares			Transaction Amount	Total number of shares held after exercise the right to buy shares in the issuance
Name of individual/ Name of organization	Position at SHS, relationship with SHS	Name and surname of insider	The relationship between the individual/organization performing the transaction and the insider	Number of shares held by insiders (if any)		Get shares (5%)	Buy additional issue shares: (50%); price 13,500 VND/share	Buy shares of ESOP (price 12,000 VND/ shares)		
Do Quang Hien	Chairman of the Board of Directors	Do Quang Hien	Chairman of the Board of Directors	593,416	593,416	29,670	696,708	450,000	VND 14,805,558,000	1,769,794
Do Thi Thu Ha		Do Quang Hien	Sister of the Chairman of the Board of Directors	593,416	33,000	1,650	0	0	VND 0	34,650
T&T Group Joint Stock Company		Do Quang Hien	Major shareholder, Coordinating Organization of the Chairman of the Board of Directors	593,416	11,743,416	587,170	5,871,108	0	VND 79,268,058,000	18,202,294
Le Dang Khoa	Member of the Board of Directors	Le Dang Khoa	Member of the Board of Directors	50,000	50,000	2,500	85,000	75,000	VND 2,047,500,000	212,500
Mai Xuan Son	Member of the Board of Directors	Mai Xuan Son	Member of the Board of Directors	50	50	2	60,025	75,000	VND 1,710,337,500	135,077
Vu Duc Tien	Member of the Board of Directors – General Director	Vu Duc Tien	Member of the Board of Directors – General Director	4,644,250	4,644,250	232,212	2,645,532	500,000	VND 41,714,682,000	8,021,994
Uong Van Hanh		Vu Duc Tien	Mr. Tien's related person – General Director	4,644,250	61,295	3,064	30,647	0	VND 413,734,500	95,006
Nguyen Dieu Trinh	Member of the Board of Directors	Nguyen Dieu Trinh	Member of the Board of Directors	0	0	0	60,000	75,000	VND 1,710,000,000	135,000
Pham Thi Bich Hong	Head of the supervisory Board	Pham Thi Bich Hong	Head of the supervisory Board	27,175	27,175	1,358	13,587	100,000	VND 1,383,424,500	142,120
Pham Anh Quan	Officers and Staff of SHS	Pham Thi Bich Hong	Related person of the head of the supervisory Board	27,175	0	0	0	4,000	VND 48,000,000	4,000
Luong Thi Luu	member of the supervisory board	Luong Thi Luu	Member of the supervisory board	60	60	3	0	25,000	VND 300,000,000	25,063
Vu Duc Trung	member of the supervisory board	Vu Duc Trung	Member of the supervisory board	700,000	700,000	35,000	350,000	25,000	VND 5,025,000,000	1,110,000
Tran Sy Tien	Deputy General Manager. Chief accountant	Tran Sy Tien	Deputy General Manager. Chief accountant	0	0	0	190,000	255,000	VND 5,625,000,000	455,000
Tran Thanh Binh		Tran Sy Tien	Related person of Deputy General Director – Chief Accountant Tran Sy Tien	0	50	2	0	0	VND 0	52
Nguyen Chi Thanh	Deputy General Director – Director of SHS HCM, Head of Hai Phong representative office	Nguyen Chi Thanh	Deputy General Director – Director of SHS HCM, Head of Hai Phong Representative Office	0	0	0	190,000	255,000	VND 5,625,000,000	455,000
Tran Thi Thu Thanh	Deputy General Manager	Tran Thi Thu Thanh	Deputy General Director	0	0	0	190,000	255,000	VND 5,625,000,000	455,000
Nguyen Thuy Hanh Mai	Authorized Person in charge of information disclosure	Nguyen Thuy Hanh Mai	Authorized Person in charge of information disclosure	32,095	32,095	1,604	16,047	21,700	VND 493,074,500	71,446
Phan Thuy Linh	Internal Auditor	Phan Thuy Linh	Internal Auditor	0	0	0	0	7,600	VND 91,200,000	7,600
Doan Thi Nhu Quynh	Person in charge of corporate governance	Doan Thi Nhu Quynh	Person in charge of corporate governance	0	0	0	0	23,500	VND 282,000,000	23,500

► Contracts, transaction with Internal Shareholders and Organization/ Related individuals

Transactions between the Company and major shareholders and related organizations/persons:

No.	Trading name	Document	Relevant person at SHS	Note
1	SHS Board of Directors approved the consulting contract of SHS with Petroleum Machinery and Equipment Joint Stock Company (PVM)	Decision No. 04-2021/Decision-Board of Directors dated March 31, 2021 of the Board of Directors of SHS	Member of the Board of Directors – General Director of SHS Vu Duc Tien	Mr. Vu Duc Tien is the Chairman of the Board of Directors of PVM
2	SHS's Board of Directors approved the plan to borrow capital according to the credit line at Saigon - Hanoi Commercial Joint Stock Bank - Hanoi Branch (SHB Hanoi) with a limit of VND 1,800 billion, with a term of 12 months.	Decision No. 08-2021/Decision-Board of Directors dated June 3, 2021 of the Board of Directors of SHS	Chairman of the Board of Directors - Do Quang Hien and Member of the Board of Directors - Le Dang Khoa	Mr. Do Quang Hien is the Chairman of the Board of Directors of SHB; Mr. Le Dang Khoa is the Deputy General Director of SHB.
3	The Board of Directors of SHS approved the plan to borrow capital according to the credit line at Saigon - Hanoi Commercial Joint Stock Bank - Hang Trong Branch (SHB Hang Trong) with a limit of VND 600 billion, term of 12 months.	Decision No. 34-2021/Decision-Board of Directors dated December 16, 2021 of the Board of Directors of SHS		

► Investor relations

Investor relations department

The shareholder relations department is under the Board of Directors.

Information about the individual in charge of investor relations is as follows:

Mrs. Doan Thi Nhu Quynh

- Education: Bachelor of Foreign Affairs University
- Working experience: 13 years of experience in finance, banking and securities
- Position at SHS: Deputy Chief of the Office of BOD/Secretary of the Company/Individual in charge of investor relations/ Individual in charge of corporate governance
- Phone contact: 024.38.181.888 (Ext: 312)
- Email: quynh.dtn@shs.com.vn

Investor relation activities in 2021

In 2021, despite facing difficulties due to the pandemic, the Company's Annual General Meeting of Shareholders took place successfully, while allow conveniences for the shareholders to access through

both online and in person.

The Company has successfully conducted bonus shares issuance and stock offering to increase its charter capital, pay cash dividends to shareholders and listed the additional shares.

The Company's investor relations department has performed its role well in exercising the legitimate rights and interests of shareholders such as:

- The rights to attend, express the opinion, and vote at Annual General Meeting of Shareholders
- The rights to receive dividends and freely transfer shares.
- The rights to update information about the Company's operations as well as the Company's business results.
- The rights to review, search, extract or copy the Company's Charter, Minutes of Meeting and Resolution of the Annual General Meeting of Shareholders.
- The rights to review, search and extract the List of Shareholders with voting rights and to correct any incorrect information.
- The rights to correct the shareholder book, to have their shareholder books re-issued if lost, and to complain, etc.

The investor relations department communicated the wishes and aspirations of shareholders to the members of the Board of Directors, the Supervisory Board as well as arranged appointments between shareholders, potential investors and the Board of Management of the Company.

The Company has also implemented activities to ensure fair treatment among shareholders as all shareholders are invited to attend the Company's Annual and Extraordinary General Meeting of Shareholders, have the right to vote regardless of shareholder's nationality, individual or organization, owning more or less shares, gender, etc. Shareholders who cannot attend can authorize others conveniently through many forms according to the law. The process and procedures for organizing the General Meeting of Shareholders as well as the regulations on election and voting at the General Meeting of Shareholders are public and comply with the provisions of law. At the General Meeting of Shareholders, the questions raised by investors were answered fully, clearly and transparently by the Company. Interpreters and representatives of independent auditing firms are invited to assist in answering investors' questions.

The Company has fully met the provisions of the law on investor relations activities. The 2021 Annual General Meeting of Shareholders was held with the form of semi-online and the General Meeting of Shareholders approved the Regulation on holding the online General Meeting, online voting, remote voting, allowing shareholders to attend, authorize and vote on matters within their competence through appropriate forms according to law.

Investor relations plan for 2022

The trend of online General Meeting of Shareholders and electronic voting will be inevitable and popular in the future. Therefore, in addition to continuing to perform well to ensure the legitimate rights and interests of shareholders, more activities in 2022 as follows:

- Continue to research the legal basis, consult with the public companies in the market and find reasonable solutions to both help shareholders to exercise their rights, obligations and responsibilities for the Company's activities and ensure that the Company complies with relevant legal regulations.
- Continue to implement investor relations activities through communication channels including: website, press, media, telephone, direct message, message via social network, social network to support shareholders and investors exercise their rights and obligations to the Company.
- Continue to implement the regulations on holding online General Meeting, online voting, remote voting, allowing shareholders to attend, authorize and vote on matters of the General Meeting of Shareholders, through compliance to the law and ensuring the rights and responsibilities of Shareholders and ensuring safety, health and hygiene conditions for employees, shareholders, and investors in the context of the complicated developments of the pandemic.
- Update on the legal regulations and international practices and propose to the General Meeting of Shareholders and the Board of Directors to adjust and amend documents related to the rights, obligations and responsibilities of shareholders to ensure the compliance and suitability of the Company's regulations, internal regulations with the law and common practices.



► Information disclosure

Reporting and Information disclosure department

The Reporting and Information Disclosure Department is under the Legal and Risk Management Division.

The individual in charge of reporting and disclosing information is as follows:

Ms. Nguyen Thuy Hanh Mai

- Education: Master of Accounting
- Working experience: 19 years of experience in auditing and securities
- Position at SHS: Head of Legal & Risk Management Department / Authorised Person incharge of Information Disclosure
- Phone contact: 024.3818.1888 (Ext: 318)
- Email: mai.nth@shs.com.vn

Information disclosure in 2021

In addition to ensuring that reports and information are sent and disclosed in a proper, complete and timely manner to State management agencies and on the Company's website, in 2021, SHS continued to focus on information disclosure in English for investors. The Reporting and Information Disclosure Department of the Company continues to be the focal point to answer questions from shareholders and state management agencies about the Company's published reports and information. In 2021, SHS was not be sanctioned by any State management agency for administrative violations related to reporting and information disclosure obligations.

Compared with the proposed operation plan for 2021, it can be seen that the Company's English reporting and information disclosure plan has been relatively well. However, further improvement will be required in the following years. The implementation plan to provide information disclosure services to institutional investors, individuals and especially foreign investors who have the need to authorize the Company has not yet been implemented. The reason is that the Company has not promoted communication about the Company's capacity to provide these services. Moreover, the number of foreign investors in the Company is still limited.



Periodic information disclosure in 2021:

01 Month

Financial statements for the fourth quarter of 2020.

Issued advisory status reports; bidding, guarantee, corporate bond issuance agency in the fourth quarter of 2020.

Reports on registration, depository and payment of corporate bonds in the fourth quarter of 2021.

Report on corporate governance of listed companies 2020.

Information sheet on corporate governance of listed companies in 2020.

Issued advisory status reports; bidding, guarantee, corporate bond issuance agency 2020.

Reports on registration, depository and payment of corporate bonds in 2020.

List of marginable securities in the first quarter of 2021

07 Month

The semi-annual report on corporate governance of listed companies in 2021.

Financial statements for the second quarter of 2021.

Issued advisory status reports; bidding, guarantee, corporate bond issuance agent in the second quarter of 2021.

Reports on registration, depository and payment of corporate bonds in the second quarter of 2021.

List of marginable securities in the third quarter of 2021.

03 Month

Audited financial statements and financial adequacy ratios for 2020.

Reports on financial position, payment of principal and interest and use of capital from corporate bond issuance in 2020.

08 Month

The reviewed financial statements and the semi-annual financial adequacy ratio report for 2021.

Reports on financial position, payment of principal, interest and use of capital from the issuance of semi-annual corporate bonds in 2021.

04 Month

Annual Report 2020 – Vietnamese. Issued advisory status reports; bidding, guarantee, corporate bond issuance agency in the first quarter of 2021.

Reports on registration, depository and payment of corporate bonds in the first quarter of 2021.

Financial statements for the first quarter of 2021.

List of marginable securities in the second quarter of 2021.

06 Month

Annual Report 2020 – English.

10 Month

Issued advisory status reports; bidding, guarantee, corporate bond issuance agent in the third quarter of 2021.

Reports on registration, depository and payment of corporate bonds in the third quarter of 2021.

List of marginable securities in the fourth quarter of 2021.

Financial statements for the third quarter of 2021.

Disclosure of extraordinary information in 2021:

01 Month

Authorization letter to disclose information of SHS to Ms. Nguyen Thuy Hanh Mai

List of internal people and related individuals and organizations of SHS according to the new Law on Securities.

05 Month

Results of buying back 400 billion bonds SHS.BOND2020.04 before maturity.

Results of the issuance of VND 500 billion of corporate bonds in the first phase of 2021.

07 Month

Re-appointment of Deputy General Director Tran Thi Thu Thanh

Signing contract for audit and review of annual and semi-annual financial statements of 2021.

04 Month

The decision of the Board of Directors of SHS to approve the consulting contract of SHS with the related party is PVM.

Buy back up to 500 billion SHS.BOND2020.04 bonds before maturity.

Resolution of the Board of Directors of SHS approving the plan to issue 3 rounds of corporate bonds in 2021 with a maximum value of VND 1,500 billion.

Decision of the General Director of SHS on the plan to issue corporate bonds in the 1st phase of 2021 with a maximum value of VND 500 billion.

Announce the last registration date to exercise the right to attend the 2021 Annual General Meeting of Shareholders.

The 2021 Annual General Meeting of Shareholders and the link to all meeting documents.

06 Month

Decision of the Board of Directors of SHS approving the plan to borrow capital according to the limit at SHB Hanoi with a total limit of VND 1,800 billion, with a term of 12 months.

Minutes and resolutions of the Annual General Meeting of Shareholders 2021.

Decisions of the Board of Directors of SHS related to the offering and issuance of securities in 2021.

08 Month

Certificate of registration for the public offering of shares in 2021

Announcement of securities issuance in 2021

Report the list of shareholders at the closing date of August 24, 2021 to exercise the right to receive cash dividends in the fiscal year 2020 and exercise the right to receive additional SHS shares issued from equity and the right to buy shares SHS shares to be issued additionally for sale to increase charter capital in 2021.

09 Month

SHS is no longer a major shareholder of PLP.

10 Month

Signing the contract to audit the owner's investment capital report for the accounting period from August 31, 2021 to October 14, 2021

The owner's investment capital statement for the accounting period from August 31, 2021 to October 14, 2021 is audited.

Disclosure of information on handling of ESOP shares and outstanding additional issued shares as well as transactions of SHS insiders.

Report transaction results of SHS insiders.

Report on the results of SHS share issuance in 2021.

The State Securities Commission has approved the report on the results of SHS share issuance in 2021.

License to amend SHS's establishment and operation license.

Amendment of SHS Charter.

11 Month

Decision approving additional listing of SHS shares to be issued on HNX.

12 Month

Decision of the General Director of SHS on the plan of issuing corporate bonds for the second phase of 2.2021 with a maximum value of VND 400 billion.

Report on the results of corporate bond issuance in the 2nd phase of 2021 with a value of VND 350 billion.

Resolution of the Board of Directors on the organization of the Extraordinary General Meeting of Shareholders in 2022.

Announce the last registration date to exercise the right to attend the Extraordinary General Meeting of Shareholders 2022.

Report the list of shareholders at the closing date of December 31, 2021 to exercise the right to attend and vote at the Extraordinary General Meeting of Shareholders 2022.

The Extraordinary General Meeting of Shareholders 2022 and the link to all meeting documents.

Decision of the General Director of SHS on the plan to issue corporate bonds for the 3rd phase of 2021 with a maximum value of VND 200 billion.

Decision of the Board of Directors of SHS approving the plan to borrow capital according to the limit at SHB Hang Trong with a total limit of VND 600 billion, with a term of 12 months.

Disclosure of information that SHS exercises the right to buy additional shares of SHB for existing shareholders.

Report SHS exercising the right to buy additional SHB shares for existing shareholders

** All periodic and extraordinary information disclosed in 2021 is posted by the Company in the Investor Relations section on the Company's website and through the information disclosure system of the State Securities Commission, Hanoi Stock Exchange, and Ho Chi Minh City Stock Exchange*

Information disclosure plan in 2022

The focus of the Company's 2022 information disclosure plan is to update and strictly comply with the new regulations on information disclosure. In addition, in order to continue to attract foreign investors, SHS plans to continue to strengthen information disclosure in English and promote communication about the provision of this service.



03

2021 BUSINESS REPORT

- THE ECONOMY AND SECURITIES MARKET OVERVIEW
 - REPORTS OF THE BOARD OF DIRECTORS
 - REPORTS OF THE BOARD OF MANAGEMENT
 - CORPORATE GOVERNANCE AND FINANCIAL ASSESSMENT APPENDIX
- 



The economy and stock market overview in 2021

► Vietnam Economy in 2021

Vietnam's economy has experienced a difficult and challenging year in 2021 due to the significant impact of the Covid-19 pandemic. Here are some highlights from the past year:

- **GDP 2021 increased by 2.58% yoy, lower than the 2.91% in 2020, and marked the lowest in the past 10 years.** However, this is considered an achievement by the efforts of the whole society during the process of economic recovery after Q3/2021, the quarter that recorded the sharpest GDP decline ever -6.02%. Only after the Resolution No.128/NQ-CP dated October 11, 2021 of the Government, Vietnam officially began the period of "safe and flexible adaptation and effective control of the Covid-19 pandemic".
- **Agriculture, forestry and fishery sectors maintained its growth momentum, continued to be a supporting factor for the economy** with a growth rate of 2.9% and contributed 13.97% to the overall growth. The quality and output of many key agricultural products of our country have improved and are well received by many major markets around the world. Other industries such as processing and manufacturing, information technology, telecommunications and media, finance and banking, etc. also positively contributed to economic growth.
- **Total import and export of goods maintained a high growth rate, the trade surplus continued to be a bright spot of the economy.** Total import and export of goods in 2021 were USD 668.5 billion, an increase of 22.6% compared with 2020. The trade surplus was USD 4 billion. Commercial activities, domestic transport and international tourism have also gradually been resumed.
- **Foreign direct investment (FDI) recovered while the pandemic was still complicated and the global economy was still volatile.** In 2021 in general, registered FDI capital is estimated at USD 31.15 billion, an increase of 9.2% over the same period in 2021. Newly registered and additional capital still maintain an upward trend, showing that foreign investors continue to believe in Vietnam's investment environment.
- **Inflation is well controlled at the lowest level in the past 6 years.** CPI in 2021 increased by 1.84% compared to 2020, which is the lowest level recorded since 2016.
- **Exchange rate is maintained stable, interest rate fell and remained low** helping to enhance macroeconomic stability and to support the economic and business recovery.

Economic indicators in 2021

Indicator	2018	2019	2020	2021
GDP growth rate (%)	7.1	7.0	2.9	2.6
CPI growth rate (%)	3.5	2.8	3.2	1.8
Credit growth rate (%)	14.0	13.6	12.1	12.97
Central rate (USD/VND)	22,825	23,155	23,131	23,145
Foreign exchange reserves (USD billion)	60	80	92	105
Budget deficit/surplus relative to GDP (%)	0.0	2.6	-2.0	-3.8

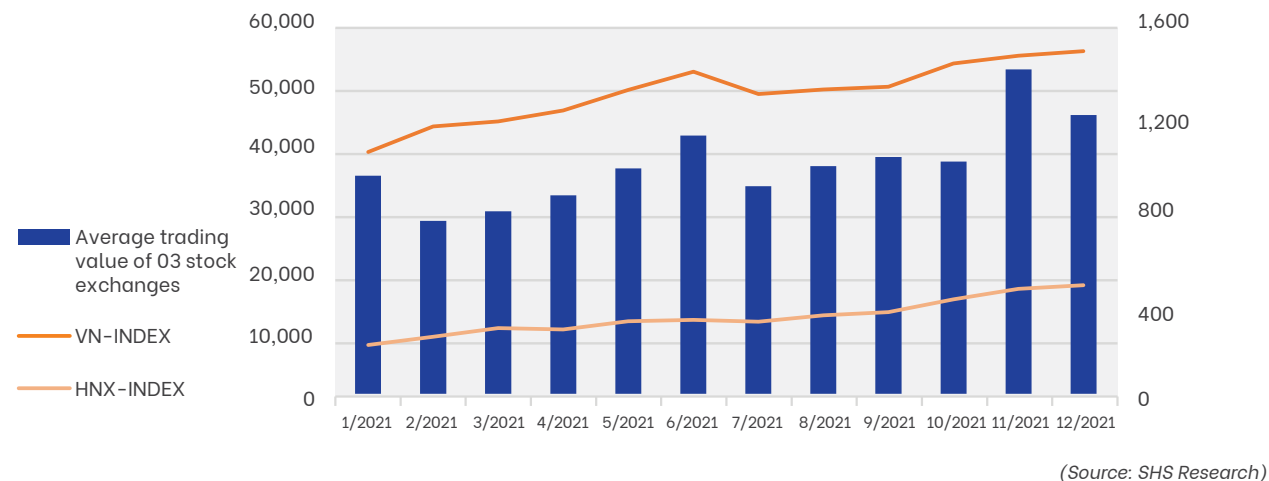
(Source: GSO, WB, HSBC, SBV, SHS Research)



► The stock market

Vietnam's stock market in 2021 continues to witness a year with many new records being set, despite the impact of the Covid-19 pandemic. VN-Index ended the last trading day of the year at 1,498.28, an increase of 35.7% compared to the end of 2020, became the 7th best performing stock market in the world. In which, VN-Index reached a new peak of 1,500.81 points on 25/11/2021, the highest point in 21 years of its existence. The HNX-Index closed at 473.99 points at the end of year, increased by 133% compared to the end of 2020. The Upcom-Index reached 112.63 points, up 51%. The market capitalization reached nearly VND 7.7 million billion, an increase of 46% compared to the end of 2020, equivalent to 112.8% of GDP.

Vietnam Stock Market Development in 2021



The liquidity of the whole market (including Upcom Index) continues to explode in 2021 thanks to the capital flow from domestic individual investors driving the market. From an average daily trading value of VND 19,000 billion in January 2021, trading value surged to a new historic record VND 56,105 billion on 19/11/2021. In 2021, the average daily trading value reached more than VND 26,564 billion, an increase of 258% compared to 2020. In general, in 2021, domestic investors opened more than 1.5 million new securities accounts, one and a half times larger than the total number of new accounts opened in 2017 – 2020 period (total 4 years reached 1.04 million accounts). By the end of 2021, the total number of securities accounts of domestic investors is more than 4.3 million, equivalent to about 4.4% of the population.

Total capital mobilization on Vietnam stock market increased by 25% compared to the end of 2020, in which the issuance of shares and corporate bonds in 2021 reached VND 155,588 billion, an increase of 2.3 times compared to the previous year. Capital mobilization for the State budget reached VND 318,000 billion with the longest average term deposit of 13.92 years and the lowest average deposit interest rate of 2.3%/year, making an important contribution to the Government debt restructurings. Additionally,

there has been a strong trend of corporate bond issuance with the total successfully issued value of VND 657,993 billion domestically and USD 1,425 million (equivalent to VND 32,775 billion) oversea, an increase of 45% in value compared to 2020. In which, the top 2 leaders in value issued were the commercial bank and real estate sectors, accounting for over 73% of total corporate bond value issued in 2021.

VN30 index futures market increased by 18.4% compared to 2020, with a daily average of 5,000 contracts on all 4 contract terms. By the end of 31/12/2021, the number of derivative accounts reached 734,079, the number of newly opened accounts increased more than 4 times compared to the same period in 2020. On the warrant market (CW), as of 31/12/2021, there are a total of 498 CW listed on HOSE based on 26 underlying stocks issued by 8 organizations, with the total volume of CW offered and listed at about 1.3 billion. The average daily trading value of CW reached VND 85.6 billion, an increase of 297% compared to 2020.

The process of equitisation and divestment of State capital is still moving at a very slow pace, with just three enterprises under Vietnam Northern Food Corporation and Vietnam National Coal and Mineral Industries Holding Corporation Limited, were successfully equitised in 2021 (notably, these were

not on the list of enterprises under equitization approved by the Prime Minister). Meanwhile, 89 enterprises have not yet completed their equitisation as planned. The main reason is due to the impact of the pandemic and there are many obstacles and difficulties in the process of determining the value of enterprises for equitization that have not yet been resolved.

Regarding policies, the amended Law on Securities, the Amended Law on Enterprises and the Amended Law on Investment have officially taken effect in 2021. The Vietnam Stock Exchange (VNX) was established on 11/12/2021, operating under of the model parent Company – subsidiary on the basis of the reorganization of HNX and HSX. In addition, the Ministry of Planning and Investment announced the “List of industries with conditional market access for foreign investors” on 31/08/2021, through which enterprises could update on their foreign ownership limit removal

Statistics of Vietnam Stock Market in 2021

Indicator	2018	2019	2020	2021	+/- 2021 compare to 2020 (%)
VN-Index	892.5	961.0	1,103.9	1,498.28	36%
HNX-Index	104.2	102.5	203.1	473.99	133%
Upcom-Index	52.8	56.6	74.5	112.63	51%
Mkt Cap (VND billion)	3.960	4.384	5.294	7.729	46%
Mkt Cap/GDP	71.6%	72.6%	84.2%	112.8%	34%
Number of account (million)	2.2	2.4	2.8	4.3	54%
Number of listed stocks and fund certificates	754	744	755	760	1%

(Source: GSO, SHS Research)

► Securities companies' performances

As of the end of 2021, the number of active securities companies is 88. In 2021, most securities companies recorded exceptionally high business results. 66 securities companies have profitable business results with total revenue of over VND 75 trillion and total pre-tax profit of VND 31.4 trillion.

Regarding to the brokerage activities and financial services, the competition for market share among securities companies has been increasingly fierce. Domestic securities firms have improved their ability to provide financial services through capital raising activities, approach sources of credit with low interest rates, improve technology to enhance service quality and competitiveness compared to foreign-invested securities companies.

Regarding self-trading activities, most securities companies recorded high profits in 2021 thanks to the development of the market supported by liquidity, the strong participation of domestic investors and interest rate remained low.

Advisory, agency and bond underwriting activities also brought many positive results to securities firms

as the corporate bond market quickly adapted to the new legal framework. Issuing volume continued to set a new record: total volume of corporate bonds issued domestically in 2021 reached VND 657,993 billion and USD 1,425 million (~ VND 32,775 billion) to international markets, an increase of 45% compared to 2020.



► Changes of the legal framework

Issuing Agencies	No.	Date	Content	Effectiveness date	Replacement Documents
Law	Issued in 2021				
	None				
	Took effect in 2021				
	45/2019/QH14	20/11/2019	The Labor Code	01/01/2021	The Labor Code No. 10/2012/QH13
	54/2019/QH14	26/11/2019	Securities Law	01/01/2021	Securities Law No. 70/2006/QH11 Securities Law No. 62/2010/QH12
	59/2020/QH14	17/06/2020	Enterprise Law	01/01/2021	Enterprise Law - 68/2014/QH13
	61/2020/QH14	17/06/2020	Law on Investment	01/01/2021	Law on Investment - 67/2014/QH14
Decree	Issued in 2021				
	31/2021/NĐ-CP	26/03/2021	Elaboration of some articles of the Law on Investment	26/03/2021	Decree 118/2015/NĐ-CP Decree 37/2020/NĐ-CP Decree 83/2015/NĐ-CP Decree 104/2007/NĐ-CP Decree 69/2016/NĐ-CP Decree 79/2016/NĐ-CP
	44/2021/NĐ-CP	31/03/2021	Guidance on deductible expenses upon determination of income liable to enterprise income tax for contributions and donations given by enterprises and organizations for COVID-19 pandemic prevention and control activities.	31/03/2021	No
	47/2021/NĐ-CP	01/04/2021	Detailing a number of articles of the Law on Enterprises	01/04/2021	Decree 81/2015/NĐ-CP Decree 93/2015/NĐ-CP Decree 96/2015/NĐ-CP Decision 35/2013/QĐ-TTg
	59/2021/NĐ-CP	18/06/2021	Providing a number of special details in the mechanism for financial management and operational efficiency evaluation applicable to the Vietnam Stock Exchange and the Vietnam Securities Depository and Clearing Corporation	06/08/2021	No
	122/2021/NĐ-CP	28/12/2021	Penalties for administrative violations against regulations on planning and investment	01/01/2022	Decree 50/2016/NĐ-CP
	128/2021/NĐ-CP	30/12/2021	Amending and supplementing a number of articles of the Government's Decree No. 156/2020/NĐ-CP dated December 31, 2020, providing for the sanctioning of administrative violations in the domains of securities and securities market	01/01/2021	No
	Took effect in 2021				
	145/2020/NĐ-CP	14/12/2020	Detailing and guiding the implementation of a number of articles of the Labor Code regarding working conditions and industrial relations	01/02/2021	Decree 03/2014/NĐ-CP Decree 44/2013/NĐ-CP Decree 05/2015/NĐ-CP Decree 148/2018/NĐ-CP Decree 29/2019/NĐ-CP Decree 149/2018/NĐ-CP Decree 49/2013/NĐ-CP Decree 45/2013/NĐ-CP Decree 85/2015/NĐ-CP Decree 27/2014/NĐ-CP Decree 46/2013/NĐ-CP Decree 41/2013/NĐ-CP
	153/2020/NĐ-CP	31/12/2020	Private placement of corporate bonds and trading of privately placed corporate bonds in the domestic market and offering of corporate bonds to the international market	01/01/2021	Decree 163/2018/NĐ-CP Decree 81/2020/NĐ-CP

Issuing Agencies	No.	Date	Content	Effectiveness date	Replacement Documents
Decree	155/2020/NĐ-CP	31/12/2020	Detailing and guiding the implementation of a number of articles of the Law on Securities	01/01/2021	Decree 58/2012/NĐ-CP; Decree 60/2015/NĐ-CP Decree 86/2016/NĐ-CP; Decree 71/2017/NĐ-CP Article 13, Article 14 Decree 151/2018/NĐ-CP
	156/2020/NĐ-CP	31/12/2020	Providing for the sanctioning of administrative violations in the domains of securities and securities market	01/01/2021	Decree 108/2013/NĐ-CP Decree 145/2016/NĐ-CP
	158/2020/NĐ-CP	31/12/2020	Derivatives and the derivatives market	01/01/2021	Decree 42/2015/NĐ-CP
Circular	Issued in 2021				
	30/2021/TT-BTC	14/05/2021	Circular No. 30/2021/TT-BTC dated May 14, 2021 of the Ministry of Finance on extending the implementation validity period of the Circular No. 14/2020/TT-BTC dated March 18, 2020 of the Minister of Finance, on amending and supplementing a number of articles of the Circular No. 127/2018/TT-BTC dated December 27, 2018 of the Minister of Finance, on prescribing prices of services in the field of securities applicable to the Stock Exchanges and Vietnam Securities Depository to support relevant organizations and individuals affected by Covid-19 pandemic	01/07/2021	No
	32/2021/TT-BTC	17/05/2021	Providing instructions on the initial sale of shares, management and use of proceeds from equitization involving transformation of state enterprises and single-member limited liability companies with 100% of their charter capital wholly held by State enterprises in to Joint stock companies	01/07/2021	No
	36/2021/TT-BTC	26/05/2021	Guiding a number of contents regarding investment of state capital in enterprises and management and use of capital and assets at enterprises as prescribed in the Government's Decree No. 91/2015/NĐ-CP dated October 13, 2015; the Government's Decree No. 32/2018/NĐ-CP dated March 08, 2018; the Government's Decree No. 121/2020/NĐ-CP dated October 09, 2020, and the Government's Decree No. 140/2020/NĐ-CP dated November 30, 2020	10/07/2021	Circular 219/2015/TT-BTC Circular 59/2018/TT-BTC
	47/2021/TT-BTC	24/06/2021	Prescribing the rates of a number of charges and fees aiming to support and remove difficulties for subjects affected by the Covid-19 pandemic	01/07/2021 – 31/12/2021	No
	51/2021/TT-BTC	30/06/2021	Guiding the obligations of organizations and individuals in foreign investment activities on the Vietnamese securities market	16/08/2021	Circular 123/2015/TT-BTC
	57/2021/TT-BTC	12/07/2021	Providing the roadmap of restructuring the stock trading market, bond trading market, derivatives trading market, and trading market for other types of securities	20/07/2021	Circular 180/2015/TT-BTC; Circular 202/2015/TT-BTC Circular 29/2017/TT-BTC; Circular 13/2019/TT-BTC
	58/2021/TT-BTC	12/07/2021	Guiding a number of articles of the Government's Decree No. 158/2020/NĐ-CP of December 31, 2020, on derivatives and the derivatives market	27/08/2021	Circular 11/2016/TT-BTC
	101/2021/TT-BTC	17/11/2021	Prescribing prices of services in the field of securities applicable to the Stock Exchanges and the Vietnam Securities Depository and Clearing Corporation	01/01/2022	Circular 127/2018/TT-BTC; Circular 14/2020/TT-BTC Circular 70/2020/TT-BTC; Circular 30/2021/TT-BTC
	102/2021/TT-BTC	17/11/2021	Prescribing prices of services in the field of securities applicable to securities trading organizations and commercial banks participating in the Vietnam' securities market	01/01/2022	Circular 128/2018/TT-BTC
	114/2021/TT-BTC	17/12/2021	Annuling the Minister of Finance's Circular No. 146/2014/TT-BTC dated October 06, 2014, guiding the financial regime for securities companies and fund management companies	01/02/2022	Circular 146/2014/TT-BTC
	120/2021/TT-BTC	24/12/2021	Prescribing the rates of a number of charges and fees aiming to support and remove difficulties for subjects affected by the Covid-19 pandemic	01/01/2022 -30/06/2022	

Issuing Agencies	No.	Date	Content	Effectiveness date	Replacement Documents
Circular	Took effect in 2021				
	91/2020/TT-BTC	13/11/2020	Prescribing prudential ratios and remedies to be taken by securities trading institutions that fail to achieve these ratios	01/01/2021	Circular 87/2017/TT-BTC
	95/2020/TT-BTC	16/11/2020	Guiding the surveillance of securities trading on the securities market	01/01/2021	Circular 115/2017/TT-BTC Article 1 Circular 35/2019/TT-BTC Circular 116/2017/TT-BTC
	96/2020/TT-BTC	16/11/2020	Guiding the disclosure of information on the securities market	01/01/2021	Circular 155/2015/TT-BTC
	97/2020/TT-BTC	16/11/2020	Guiding the operation of Vietnam-based representative offices and branches of foreign securities companies and foreign fund management companies	01/01/2021	Circular 91/2013/TT-BTC
	98/2020/TT-BTC	16/11/2020	Providing guidelines on operation and management of securities investment funds	01/01/2021	Circular 183/2011/TT-BTC Circular 15/2016/TT-BTC Circular 224/2012/TT-BTC Circular 227/2012/TT-BTC Circular 228/2012/TT-BTC Circular 229/2012/TT-BTC Article 2, Article 3, Article 4, Article 5, Article 6 và Clause 2 Article 7 Circular 91/2019/TT-BTC
	99/2020/TT-BTC	16/11/2020	Providing Guidance on operations of securities investment fund management companies	01/01/2021	Circular 212/2012/TT-BTC Article 1; Clause 1, Clause 3 và Clause 4 Article 7 Circular 91/2019/TT-BTC
	107/2020/TT-BTC	21/12/2020	Providing guidance on repo transactions of government bonds from temporarily idle state budget of Vietnam State Treasury	01/04/2021	Article 9 Circular 314/2016/TT-BTC
	111/2020/TT-BTC	29/12/2020	Guidance on some contents on financial handling, determining the value of public non-business units, initial sale of shares and managing, using cash proceeds from converting public non-business units into joint stock companies	15/02/2021	No
	117/2020/TT-BTC	31/12/2020	Prescribing methods of calculating illegal revenues and illegal profits obtained from committing acts of violating the law on securities and securities market.	15/02/2021	Circular 217/2013/TT-BTC Circular 36/2017/TT-BTC
	118/2020/TT-BTC	31/12/2020	Guiding a number of provisions on offering and issuance of securities, public bid, redemption of stocks, public Company registration and cancellation of status of public companies	15/02/2021	Circular 162/2015/TT-BTC
	119/2020/TT-BTC	31/12/2020	Regulations for registration, depository, clearing and settlement of securities	15/02/2021	Circular 05/2015/TT-BTC
	120/2020/TT-BTC	31/12/2020	Transaction of listed shares, registration of transactions and fund certificates, corporate bonds, covered warrants listed on the securities trading system	15/02/2021	Circular 203/2015/TT-BTC
	121/2020/TT-BTC	31/12/2020	Providing regulations on operation of securities companies	15/02/2021	Circular 210/2012/TT-BTC Circular 07/2016/TT-BTC
	122/2020/TT-BTC	31/12/2020	Guiding the information disclosure and reporting regimes under the Government's Decree No. 153/2020/NĐ-CP of December 31, 2020, on private placement of corporate bonds and trading of privately placed corporate bonds in the domestic market and offering of corporate bonds to the international market	15/02/2021	Circular 77/2020/TT-BTC
Decision					
Prime Minister	Issued in 2021				
	No				
	Took effect in 2021				
	37/2020/QĐ-TTg	23/12/2020	Establishment, organization and operation of the Vietnam Exchange	20/02/2021	Decision 01/2009/QĐ-TTg Decision 599/2007/QĐ-TTg Decision 21/2015/QĐ-TTg

Issuing Agencies	No.	Date	Content	Effectiveness date	Replacement Documents
Ministry of Finance	Issued in 2021				
	12/QĐ-BTC	07/01/2021	Announcing newly promulgated/abolished administrative procedures in the field of securities under the management function of the Ministry of Finance	07/01/2021	Decision 2002/QĐ-BTC (20/09/2016) Decision 2515/QĐ-BTC (24/11/2016) Decision 1282/QĐ-BTC (11/07/2017) Decision 424/QĐ-BTC (29/03/2018) Decision 803/QĐ-BTC (28/05/2018) Decision 1571/QĐ-BTC (19/08/2019)
	757/QĐ-BTC	01/04/2021	Promulgating the Charter on Organization and Operation of the Vietnam Stock Exchange (VNX)	01/04/2021	Decision 2398/QĐ-BTC (21/11/2017) Decision 2399/QĐ-BTC (21/11/2017)
	Took effect in 2021				
	No				
SSC	Issued in 2021				
	379/QĐ-UBCK	03/06/2021	Promulgation of standards on technical foundations of information technology systems in the provision of trading services	03/06/2021	Decision 106/QĐ-UBCK (08/02/2010)
	450/QĐ-UBCK	14/07/2021	Promulgating the Regulation on using the information disclosure system of the State Securities Commission.	14/07/2021	Decision 296/QĐ-UBCK (31/03/2017)
	458/QĐ-UBCK	15/07/2021	Promulgating the Regulation on using the database system of fund management companies and investment funds of the State Securities Commission.	15/07/2021	Decision 14/QĐ-UBCK (09/01/2015)
	Took effect in 2021				
	No				
VNX	Issued in 2021				
	14/QĐ-SGDVN	19/10/2021	Promulgating Regulations on operations of corporate bond microsite at Hanoi Stock Exchange	19/10/2021	No
	21/QĐ-SGDVN	21/12/2021	Information Disclosure Regulation of Vietnam Exchange	21/12/2021	No
HNX	Issued in 2021				
	144/QĐ-SGDHN	20/04/2021	Promulgating the process of trading government debt instruments, government-guaranteed bonds issued by the Vietnam Bank for Social Policies and local government bonds at Hanoi Stock Exchange.	20/04/2021	750/QĐ-SGDHN (01/09/2017)
	146/QĐ-SGDHN	20/04/2021	Promulgating the Process of Information Disclosure and reports for debt instrument trading members at Hanoi Stock Exchange	20/04/2021	756/QĐ-SGDHN (01/09/2017)
	296/QĐ-SGDHN	24/06/2021	Trading period of 10-year Government bond futures contract	24/06/2021	No
	Took effect in 2021				
	770/QĐ-SGDHN	30/12/2020	Regulations on Trading of Government debt instruments, government-guaranteed bonds issued by the Vietnam Bank for Social Policies and local government bonds	01/01/2021	Decision 501/QĐ-SGDHN (05/07/2017)
HOSE	Issued in 2021				
	34/QĐ-SGDHCM	20/01/2021	Regulations on listing and information disclosure for covered warrants at the HSX	20/01/2021	Decision 69/QĐ-SGDHCM (02/03/2018)
	26/QĐ-SGDHCM	15/06/2021	Promulgating the Rules for building and managing the Vietnam Diamond Stocks Index “Vietnam Diamond Index” version 2.0	15/06/2021	Decision 353/QĐ-SGDHCM (30/08/2019)
	27/QĐ-SGDHCM	15/06/2021	Promulgating the Rules for building and managing an index of leading stocks in Vietnam’s financial industry “Vietnam Leading Financial Index” version 1.1	15/06/2021	Decision 352/QĐ-SGDHCM (30/08/2019)

Issuing Agencies	No.	Date	Content	Effectiveness date	Replacement Documents
HOSE	32/QĐ-SGDHCM	29/06/2021	Amending and supplementing the Rules for building and managing an index of leading stocks in Vietnam's financial sector "Vietnam Leading Financial Index" version 1.1.	29/06/2021	No.
	352/QĐ-SGDHCM	30/06/2021	Regulations on securities trading at the HSX	05/07/2021	Decision 66/QĐ-SGDHCM (02/03/2018) Decision 67/QĐ-SGDHCM (02/03/2018) 462/QĐ-SGDHCM (14/08/2020) 894/QĐ-SGDHCM (30/12/2020)
	353/QĐ-SGDHCM	30/06/2021	Regulations on trading members at HSX	30/06/2021	No.
	368/QĐ-SGDHCM	14/07/2021	Decision on approving the market-makers of VFMVN DIAMOND ETF exchange-traded fund at HSX		No.
	Took effect in 2021				
	894/QĐ-SGDHCM	30/12/2020	Amendment of regulations on trading hour, price range, trading units, and order types applied at the HSX	04/01/2021	No.
VSD	Issued in 2021				
	46/QĐ-VSD	08/04/2021	Decision issuing the Guideline on creation/redemption transaction, registration, depository, clearing, settlement and entitlements processing for exchange-traded funds	08/04/2021	Decision 212/QĐ-VSD (18/12/2015)
	105/QĐ-VSD	20/08/2021	Guideline on Management and Usage of Compensation Fund	20/08/2021	Decision 27/QĐ-VSD (13/03/2015) Decision 72/QĐ-VSD (02/04/2019)
	106/QĐ-VSD	20/08/2021	Guideline on allocation of securities codes and international identification numbers (ISINs) at VSD	20/08/2021	Decision 01/QĐ-VSD (02/01/2020)
	107/QĐ-VSD	20/08/2021	Guideline on allocating securities codes, registering, depositing and deregistering IPO-via auction/book-building method shares of equitized enterprises	20/08/2021	Decision 146/QĐ-VSD (28/08/2019)
	108/QĐ-VSD	20/08/2021	Guideline on securities registration and ownership transfer at VSD	20/08/2021	Decision 03/QĐ-VSD (02/01/2020)
	109/QĐ-VSD	20/08/2021	Guideline on corporate actions for securities holders at VSD	20/08/2021	Decision 02/QĐ-VSD (02/01/2020)
	110/QĐ-VSD	23/08/2021	Guideline on registration of guarantee measures for securities centrally registered at VSD	23/08/2021	No.
	111/QĐ-VSD	23/08/2021	Guideline on registration of securities trading codes at VSD	23/08/2021	Decision 213/QĐ-VSD (18/12/2015)
	112/QĐ-VSD	23/08/2021	Guideline on depository membership at VSD	23/08/2021	Decision 25/QĐ-VSD (13/03/2015) Decision 15/QĐ-VSD (28/01/2016) Decision 237/QĐ-VSD (29/12/2017)
	113/QĐ-VSD	23/08/2021	Guideline on securities borrowing and lending	27/08/2021	Decision 05/QĐ-VSD (02/01/2020)
	114/QĐ-VSD	23/08/2021	Guideline on securities depository at VSD	23/08/2021	Decision 04/QĐ-VSD (02/01/2020)
	127/QĐ-VSD	05/10/2021	Regulation on guiding the use of the electronic communication system between Vietnam Securities Depository and the Issuer	05/10/2021	No.
	153/QĐ-VSD	22/12/2021	Issuing the Decision on amending Form 16A/DKCK in the Guideline on registration and transfer of securities ownership at Vietnam Securities Depository, issued with Decision No. 108/QĐ-VSD dated 20th August 2021 of VSD	22/12/2021	No
	Took effect in 2021				
	None				

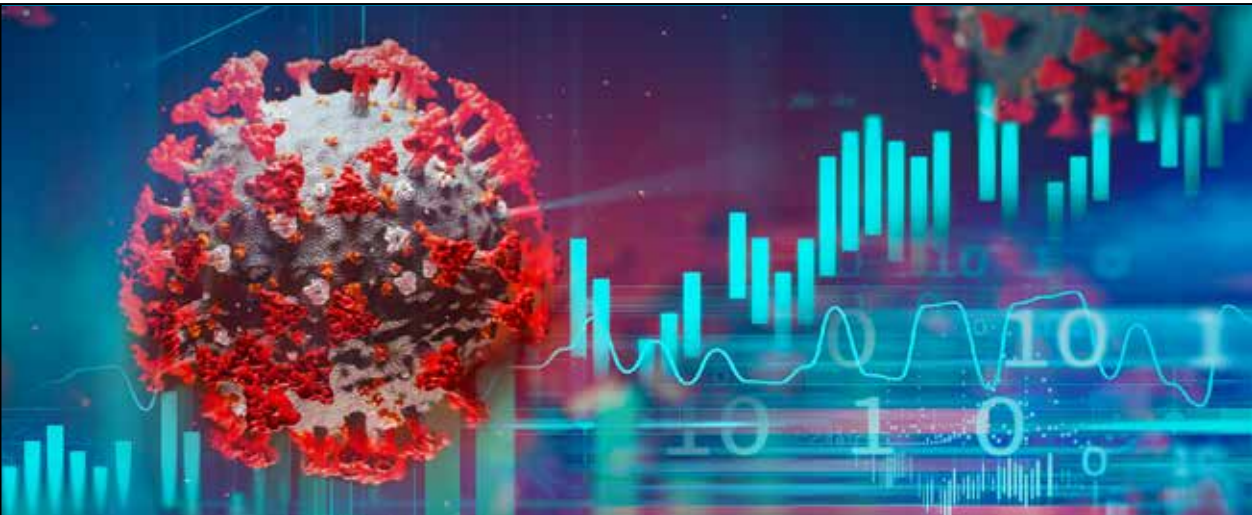
► Impacts of the economic environment, stock market and changes of the legal framework on SHS

Advantages

- Despite the complicated developments of the Covid-19 pandemic on a global scale, Vietnam has basically contained the pandemic and gradually returned to a new normal. The transformation anti-pandemic methods from “Zero Covid-19” to the orientation of “safely adapting, flexibly, effectively controlling the COVID-19 pandemic” has had a positive impact on the economy, helping to restore production, cultural and educational activities, etc., supporting economic growth.
- The stock market bloomed thanks to the impact of the economic stimulus packages while interest rates remained low, thereby having a positive impact on all aspects of business activities of securities companies in general and SHS in particular, especially brokerage, financial services and self-trading activities.
- The Securities Law 2019, the Enterprise Law 2020, the Investment Law 2020 and other guiding documents have contributed to improving the quality of listed companies in the Vietnamese stock market, removing the bottleneck related to foreign ownership, thereby attracting investment capital from domestic and foreign investors, creating a mechanism for securities companies to diversify their services and methods of providing services; improve the capacity and quality of market participants, increase publicity and transparency, and ensure that the market operates in a sustainable, safe, professional and modern manner. At the same time, these legal documents also create a basis to improve the effectiveness and efficiency of management, supervision and enforcement, protect the legitimate rights and interests of investors.

Disadvantages

- Despite the Covid-19 pandemic has been basically controlled, there are still many complicated developments, causing production and business activities of businesses always in a state of being ready to face the pabdemic, with many potential risks and unable to run their full capacity.
- Inflationary pressures are increasing in many countries and regions around the world, monetary policy are tightening, interest rates tend to increase, which may lead to cash flow being withdrawn from the stock market in developing and emerging countries, affecting the growth momentum of Vietnam’s stock market in the near future.
- The Industrial Revolution 4.0 has had a strong influence on the stock market in terms of the structure, products quality, investors, intermediaries and management methods. As a service provider on the stock market, SHS faces increasing demands from customers and stiff competition from a group of securities companies that prioritize technology investment.
- In order to strengthen risk management in the corporate bond market, the draft amending and supplementing Decree 153/2020/NĐ-CP is in the process of collecting comments and will be issued in the near future in the direction of tightening regulations on issuance and distribution via private placement of corporate bonds. These regulations make it more challenging for securities companies that issue or provide advisory, underwriting, and bond issuance agency services similar to SHS.



► Positioning SHS

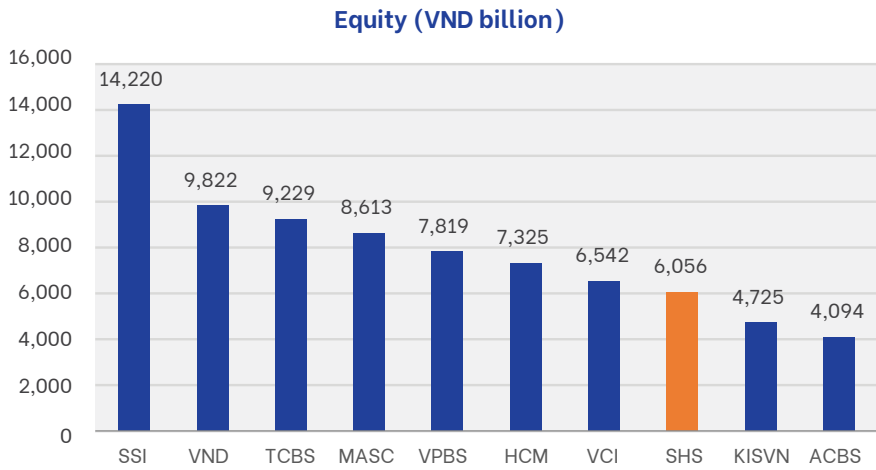
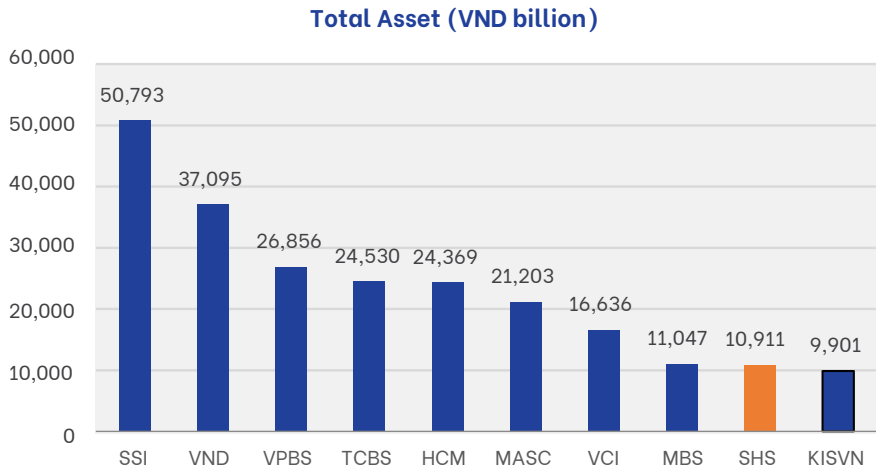
Comparison of SHS to the market and industry competitors (2021)

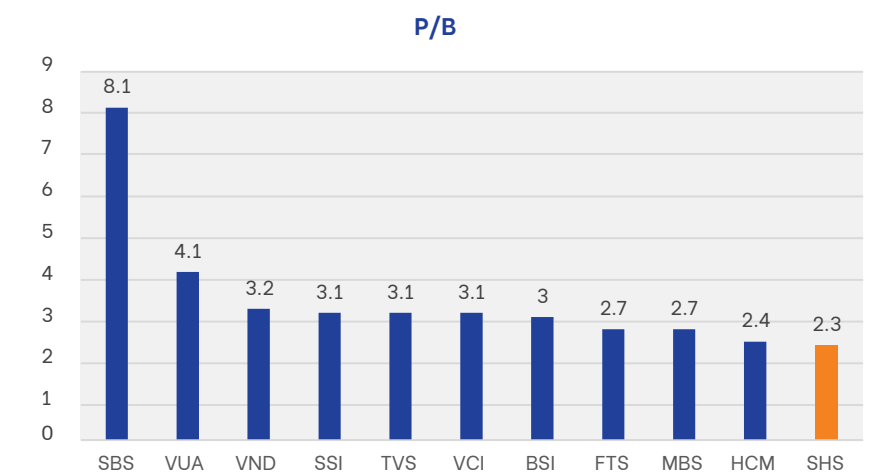
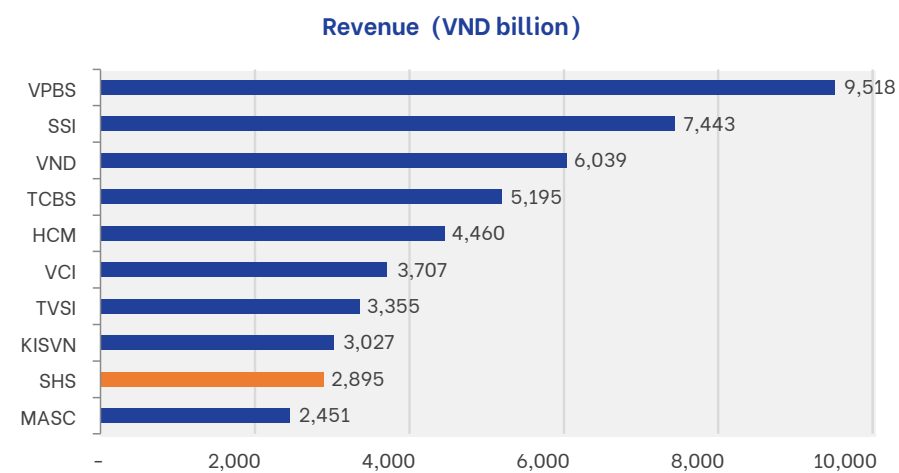
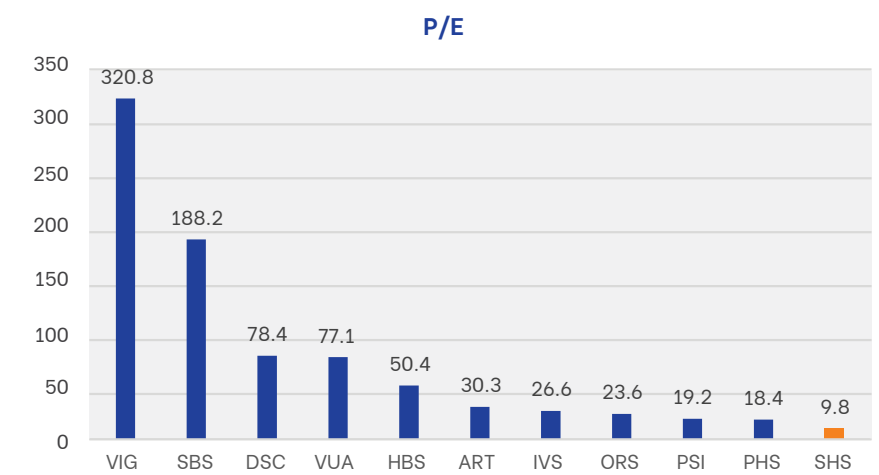
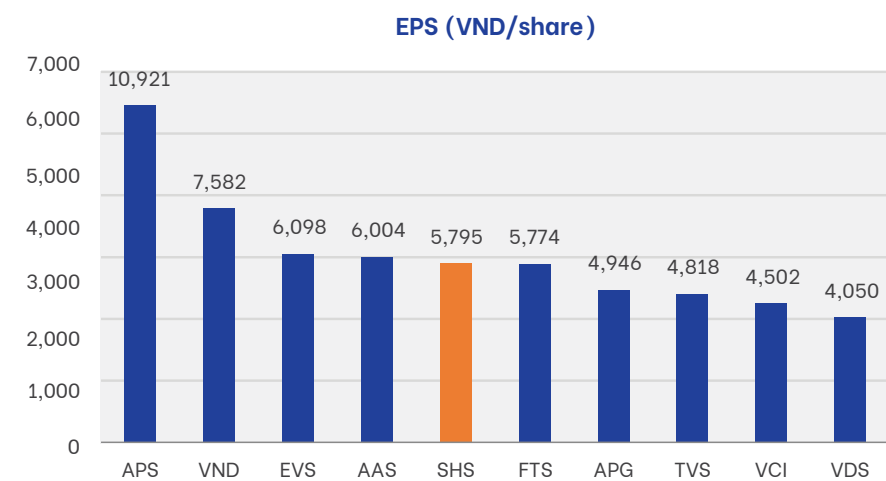
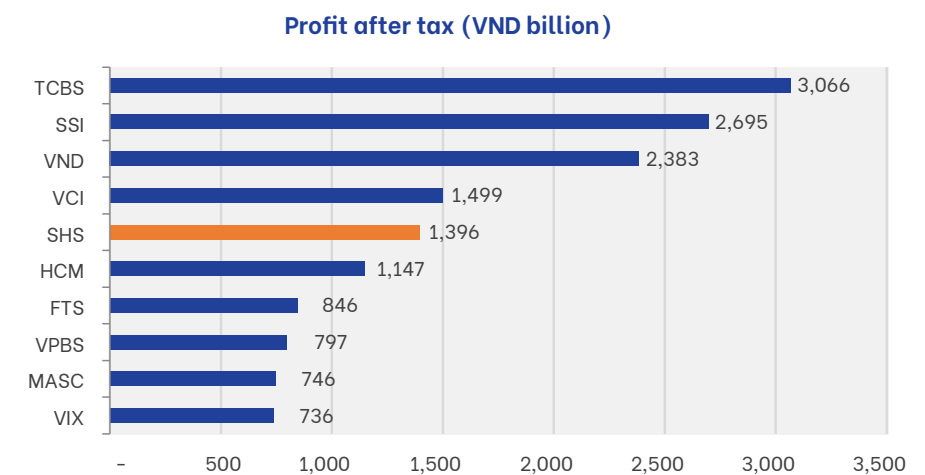
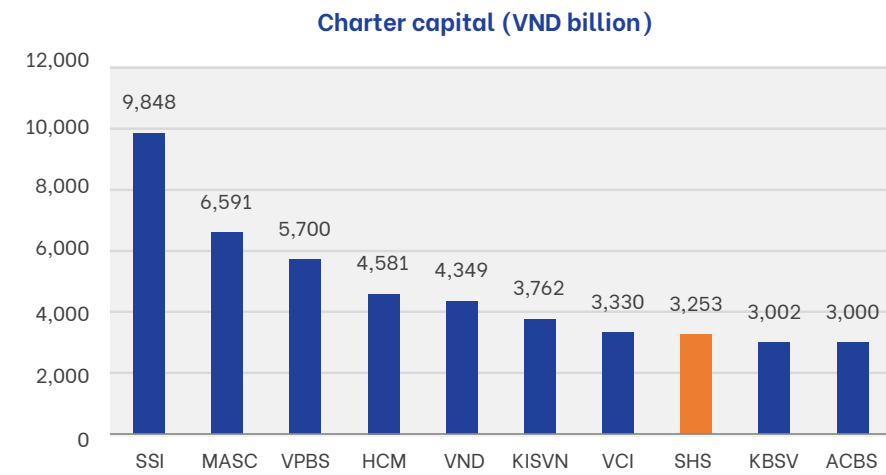
Entities	EPS (VND/CP)	P/E	P/B
SHS	5,795	9.8	2.3
VN-Index	3,418	17.6	2.8
HNX-Index	2,888	25.1	2.7
Upcom - Index	2,024	24.8	2.9
Financial Services Sector	3,588	18.6	3.4

(Source: FiinPro, SHS Research)

In 2021, compared to the stock market in general and the securities sector in particular, SHS has a higher EPS while P/E and P/B are lower than the VN-Index and the securities sector. With its outstanding business performance, SHS’s stock price is still undervalued; thus, SHS stock has plenty of room for growth in 2022.

Peer comparision (2021)





(Source: FiinPro, SHS Research)

SHS ranks from 6th to 10th among securities companies in terms of total assets, total liabilities, equity, charter capital, revenue, profit after tax, and EPS. However, SHS ranks 15th in terms of P/B and 24th in terms of P/E. **This shows that the Company has achieved high business efficiency based on equity capital, healthy financial ratio while stock valuation is still attractive compared to its peers.**



Report of the Board of Directors evaluation of the operations of the company

► General evaluation

SHS has affirmed its outstanding capacity and established its prestige and position in the market, especially in the securities brokerage and investment banking businesses with a broad client base, which has great potential for investment cooperation. SHS is known for its main strength in investment banking services (IB), with many sophisticated capital arrangements deals, bringing satisfaction to its clients. In which, many domestic and foreign professional financial institutions, which have fixed capital sources, strict risk appetite and high requirements, have interested in and participated in the transactions advised by SHS. “The success of IB, M&A, capital arrangement, and issuance advisory, etc. transactions confirmed SHS’s capacity as an intermediary, trusted partners of reputable issuers, connecting them with professional investors”.

In 2021, SHS officially increased its charter capital to VND 3,252.7 billion – a big milestone showing the growth of the Company’s financial prowess. This is a sufficient resources for the Company’s medium term development; however, the Company has more room to increase its strength. The most important issue identified by the Company is to effectively utilize the resources and increase the benefits of the shareholders, clients and partners.

Currently, many large securities companies in the market have joined the race to reduce fees and interest rates to a low level, attracting competitors’ brokerage personnel to gain market share, and improving their influence in the market. In that context, SHS’s orientation is to focus on sustainable development, prioritizing technology innovation, improving customer experience, balancing the Company’s profits and the interests of shareholders. The Company also constantly promotes its brokerage activities and financial services with a differentiation competitive strategy, gradually increasing market share along with ensuring business efficiency.

The implementation of the approved business plan for 2021

The 2021 Annual General Meeting of Shareholders approved the Resolution No. 01-2021/NQ-DHĐCĐ on the Company’s business plan for 2021. This Resolution is based on assumptions about the macro-economic situation, the development of Vietnam’s stock market and the brokerage market share obtainable to SHS. In fact, the implementation of the business plan according to the Resolution of the 2021 Annual General Meeting of Shareholders was enacted as follows:

	Assumption/ Plan	Implementation	Evaluation
I. ASSUMPTIONS			
1. Macro-economic situation	Vietnam’s economy was considered to return to the growth momentum before the Covid-19 pandemic	The macroeconomic situation was stable in the first 6 months and unstable in the last 6 months	Not as good as assumed
2. Average trading value of the whole market	VND 13,343 billion/ session	Average trading value of the whole market: VND 26,589.2 billion/session + HOSE: VND 21,729.1 billion/session. + HNX: VND 3,160.7 billion/session	Better than assumption
3. SHS’s market share	+ HOSE: 3.3% + HNX: 6.6% + Upcom: 1.50%	+ HOSE: 2.4% + HNX: 4.2% + Upcom: 1.63%	Not yet achieved on HOSE and HNX, but exceeding the plan on Upcom

	Assumption/ Plan	Implementation	Evaluation
II. PLAN			
1. Total revenue and other income	VND 1,886.7 billion	VND 2,899.8 billion	Outperformed the plan
2. Total expenses	VND 1,135.5 billion	VND 1,146.9 billion	Not yet achieved the plan
3. Accounting profit before tax	VND 751.2 billion	VND 1,752.9 billion	Outperformed the plan

In 2021, the Company continued to excellently outperform the business plan approved by the Annual General Meeting of Shareholders and recorded a new high of revenue and profit during its 15 years of establishment. In addition to the objective reason that Vietnam’s stock market grew strongly in 2021, the subjective reason was the consensus and solidarity of all employees of the Company; the flexibility, innovation, creativity, taking advantage of business opportunities in management and administration of the Board of Management.

As a result, most of the main business activities of the Company reached and outperformed the plan. Specifically:

Investment activities: Well utilizing the opportunities from the market in 2021, investment activities recorded revenue of VND 1,484.3 billion, equivalent to 168.5 % of the year plan. In the past year, the Investment Department has selected the most profitable industries in each period of the year, investing in leading stocks with a large proportion such as: TCB, GEX, DGC, STB, SSI, etc. At the end of 2021, the Company’s investment portfolio reached VND 3.4 trillion, up 27.7% over the same period last year. Portfolio quality is increasingly improving with many stocks of businesses with strong fundamentals, good governance system and high growth potential.

Financial service activities: Capital and financial business continue to play a vital role in effectively managing the Company’s capital, ensuring safe and effective liquidity and meeting the increasing trading volume of the market, assisting clients in managing business capital, pioneering the deployment of new products and services. By effectively using resources, especially the additional charter capital in 2021, the Company’s financial service activities achieved new growth with margin loans increasing by 2.7 times compared to the same period last year. Revenue from margin lending reached VND 688.8 billion, up 48.4% compared to 2020 and exceeding 151% of the year plan. Financial services revenue accounted for 24.4% of total revenue, becoming the second largest source of the Company’s income after revenue from investment activities. Product preferential policies

have been flexibly designed to suit client’s demand at each stage of the market. The policy of controlling, handling debt recovery, and force-selling of collateral assets is also structured appropriately to ensure capital adequacy and strictly complies with the Company’s risk management policies.

Securities brokerage and depository activities: Despite facing fierce competition pressure from leading securities companies with strong financial potential and large brokerage teams, brokerage and depository revenue of the Company reached 577.9 billion VND, an increase of approximately 200% compared to 2020 and 1.5 times higher than the plan of 2021. In addition to the strong development of Vietnam’s securities market in 2021, the fact that the Company focused on business efficiency and advisory to increase the net asset value of customers instead of focusing on increasing market share also contributed to the above achievement. The brokerage and depository revenue accounted for 20% of the Company’s total revenue in 2021 and tended to increase in proportion compared to 2020. Although the number of new accounts opened in 2021 of SHS has increased significantly compared to the same period last year (8,759 accounts), it is still modest compared to other securities companies. Domestic individual customers still account for a large proportion of the Company’s client structure. However, not many breakthroughs in product development to attract new customers have been implemented in the past year.

Financial advisory and underwriting, issuing agent activities: In 2021, while the traditional financial advisory activities that maintained its growth, many challenges and delays remained in the advisory activities on divestment and equitization of State-owned enterprises for all securities companies in general, and SHS in particular. However, thanks to the appropriate orientation towards specialized advisory activities related to corporate bonds and the public offering of securities, the Company’s segment revenue of this activities still could achieve outstanding revenue and profit. For the entire year of 2021, the Company’s revenue from financial

Business activities of fixed income products: Continuously recorded outstanding growth compared to 2020 and compared with the year plan. Total operating revenue in 2021 reached 209.5 billion VND, equivalent to 100.9% of the plan. Government bond brokerage activities of SHS were in the Top 3 members with the largest government bond brokerage market share on HNX (over 10% market share). The value of brokerage transactions from clients in 2021 reached VND 50 trillion, an increase of 87.8% compared to 2020. The Company also acted as an agent to issue bonds and certificates of deposit for credit institutions with issuance value of over VND 38 trillion.

The completion of the management system, financial safety and risk management assurance

[illegible]

Improvement of the Company's competing capability and reputation

In 2021, the Company effectively used the mobilized capital and additionally issued capital to expand the scale of business activities. The additional equity capital was used entirely for margin lending, brokerage, and fixed income products. With the Company's newly mobilized capital, it negotiated with banks to extend credit financing and successfully increased the loan limit, while balance the source of issued bonds and other sources in line with actual demand. In 2021, the Company issued 02 new bonds, maintaining the balance of SHS bond issuance around VND 1,000 billion with an average mobilization cost of 8.7%/year.

Implementation of environmental and social responsibilities

Regarding the environment and saving energy: All Company employees continued their efforts to save electricity, water, and materials while working, continued to properly reuse or dispose of office waste in scientifically acceptable methods to minimize harmful effects to the environment. SHS also made a significant contribution to the green capital market through primary activities such as brokerage, analysis, investment, and advisory, etc. with priority on green investment, green stocks, government bonds, and green corporate bonds contribute to environmental protection and social security with the Government and other organizations.

SHS considers embracing social responsibility, sharing and supporting the community, health and education activities together as our obligation and responsibility, especially as the Company continues its growth. Over the past year, more than VND 7 billion has been donated to communities and societies in difficulty.



Report of the Board of Management

► Evaluation of the Board of Management's activities

The Board of Directors recognizes the excellent efforts of the Board of Management and all workers, notably with business results in 2021 reaching a record high, as well as achievements in corporate governance, business, and social responsibility. The Board of Management has made efforts to seek and develop relationships with new clients and partners. It has also arranged capital, developed products and restructured the investment portfolio which has had positive effects on the Company and its shareholders, stabilized the organization and ensured good risk management in the context of fierce competition of securities companies with many advantages in capital and technology.

The Board of Management has fueled the passion of the Company's employees; encouraged creativity,

initiative, and constant learning; mobilized all available resources to reach the markets and clients; and implemented stricter management and administration to keep the Company's system operating effectively.

The Board of Management correctly identified the unprecedented advantages of the fiscal year 2021, fully leveraging SHS's opportunities and benefits in developing key business activities such as investment, financial services, bond issuance and agent, financial advisory and underwriter. Thanks to the robust revenue and profit growth, SHS officially joined the club of trillion-dollar companies in mid-2021 and recorded a profit of VND 1,752.9 billion at the end of 2021, which was 2.3 times greater than the year plan.

► Business plan and orientation in 2022

Vietnam's economy is expected to increase in 2022 thanks to the government's flexible opening-up policies, thereby the stock market shall continue to flourish.

Despite the many problems and challenges posed by the COVID-19 pandemic, Vietnam remains one of the world's fastest-growing countries thanks to the government's and people's determination on pandemic prevention and control. The stock market in 2021 has reached new height that had surprised most of the professional experts.

In 2022, Vietnam's stock market will continue to grow in the direction of acceleration, sustainability, establishing itself as a vital capital mobilization channel for the economy in the long run and SHS will continue to be a confident, dynamic, impressive and quality entity as a member securities Company and a listed enterprise.

SHS shall develop sustainably with the goal of "All for the growth of client's net asset value", continues to maintain its position as one of the leading stockbrokers in Vietnam, staying in the Top 5 securities companies with the largest listed stock market share and maintaining its lead on HNX. The Company will also develop in a sustainable, safe, and effective way, while maintaining a healthy financial position and offering a diverse range of products and services.

The highlight in 2022 is that SHS will focus on strengthening its brokerage-related services, as well as increasing the number of new accounts and client net asset value. After upgrading software and modernizing the technology system, SHS also intends to introduce derivative products

In addition, financial services is a business category that has to enhance further in 2022, especially when SHS aims to reclaim its position in the Top 5 and Top 7 brokerage market shares on HOSE.

The Board of Directs the Board of Management to handle the following main tasks:

- Achieve the strategic objectives approved by the Extraordinary and Annual General Meeting of Shareholders 2022, in compliance with the provisions of law, the Company's Charter and the operational orientation of the State agencies.
- Continue to improve the executive management capacity in accordance with international and Vietnamese standards on corporate governance, internal control and audit, risk management and financial safety.
- Diversify products and services, maintain an effective self-trading style;
- Complete the system of regulations and business processes, enhance the quality of SHS' services, diversify customer base, etc., on the basis of complying with legal regulations and improving professionalism.
- Enhance the spirit of "Integrity - Solidarity - Responsibility - Discipline" for each employee to create and maintain the strength of the Company.
- Enhance sustainable development by focusing on community work, environmental protection and social security.

► Business report

Comparison with plan

Year 2021 is a challenging year for the Vietnam's economy. After the first two quarters of relatively strong growth, in the third quarter of 2021, Vietnam was heavily affected by the fourth wave of COVID-19, especially the targeted economic area of the South, which led to a 6.17% decrease in the quarter's GDP compared to last year and was regarded as the sharpest drop since Vietnam began to publish its GDP. The 2021 GDP only increased by 2.58% - the lowest in the history.

The Vietnam's stock market also experienced a turbulent year, but it was still able to continue the strong growth trend from 2020 and achieved new records. Many securities companies had accomplished remarkable business results, achieving their ambitious targets in this year.

The total revenue and other income of SHS in 2021 reached VND 2,900 billion, equivalent to 154% of the annual plan. Meanwhile, the Company's total expenses for the year were VND 1,147 billion, only 1% exceeding the plan. As a result, the Company's profit before tax was VND 1,752.9 billion, exceptionally outperforming 233% of the annual business plan set forth by the General Meeting of Shareholders.

(Unit: VND billion)

No.	Content	2021 Actual	2021 Plan	Change	
				Amount	%
1.	Total revenue and other incomes	1,886.7	2,899.8	1,013.1	154%
2.	Total expenses	1,135.5	1,146.9	11.4	101%
3.	Profit before tax	751.2	1,752.9	1,001.7	233%

Comparison with the previous year

Content	2021 Actual	2020 Actual	Change	
			Amount	%
I. TOTAL REVENUE, in which:	2,899.8	1,808.5	1,091.3	60.34%
1. Operating revenue	2,895.3	1,805.0	1,090.3	60.41%
- Gain from financial assets at fair value through profit and loss	1,484.3	986.1	498.2	50.52%
- Gain from loans and receivables	688.8	464	224.8	48.44%
- Revenue from brokerage services	553.9	172.5	381.4	221.12%
- Revenue from securities underwriting and issuance agent services	113.4	84.2	29.2	34.62%
- Revenue from securities investment advisory services	18.6	10.7	7.9	74.12%
- Revenue from securities custody services	24.0	20.4	3.6	17.49%
- Revenue from financial advisory services	12.0	66.4	(54.4)	(81.93%)
- Revenue from other activities	0.4	0.7	(0.3)	(38.21%)

Content	2021 Actual	2020 Actual	Change	
			Amount	%
2. Financial income	3.9	3.3	0.6	17.66%
3. Other income	0.6	0.2	0.4	216.80%
II. TOTAL EXPENSE, in which:	1,146.9	869.6	277.3	31.89%
1. Operating expense	832.9	590.2	242.7	41.12%
2. General and administrative expense	164.9	82.2	82.7	100.64%
3. Finance expense	149.1	197.2	(48.1)	(24.40%)
4. Other expenses	-	-	-	-
III. PROFIT BEFORE TAX	1,752.9	938.9	814.0	86.70%
IV. CORPORATE INCOME TAX (CIT) EXPENSE, in which:	356.6	184.6	172.0	93.19%
1. Current CIT expense	316.5	73.9	242.6	328.25%
2. Deferred CIT expense	40.2	110.7	(70.5)	(63.72%)
V. PROFIT AFTER TAX	1,396.3	754.3	642.0	85.11%

Revenues:

The Company's total operating revenue in 2021 was VND 2,899.8 billion, which is an increase of VND 1,091.3 billion, equivalent to 60.3% compared to last year. In comparison with the previous year, strong growth was recorded in most of the Company's main operating activities. In details:

- **Revenue from investments in financial assets contributed the most to the revenue growth of 2021 with an increase of VND 498.2 billion, equivalent to 50.5% YoY.** In order to achieve this result, the Company had correctly assessed the market and the stock price trend to have suitable investments with high returns.
- **The revenue from brokerage services increased by VND 381.4 billion, equivalent to a 221% increase compared to 2020.** Despite having to face fierce competition for market share with other securities companies, SHS had focused its resources on developing the network and improving the service quality, and had achieved impressive business results. Additionally, the increase in market liquidity also played a huge role in supporting the Company to surpass its 2021 business plan in the brokerage services.
- **Income from share margin financing services and receivables reached VND 688.8 billion, an increase of 48% compared to the previous year.** In 2021, the scale in Company's margin financing had significantly increased thanks to the additional capital from its successfully increase of VND 1,180 billion in equity during the last 6 months of 2021 and capital mobilization from other sources. Together with the effort to appropriately utilize and manage its capital

resources and the development of the brokerage business, the share margin financing services and receivables will continue to bring stable revenue and potentially sustainable growth for the Company in the upcoming years.

- **The other activities also recorded positive growth: securities issuance agency (up by 35%), securities investment advisory (up 74%), and securities depository services (up by 17%).** However, the financial advisory services revenue was only VND 12 billion during 2021, a decrease of 82% compared to the previous year. The reason for this decrease is due to the tightening of regulation in issuing corporate bonds and banking credit lines for investors, causing the lending scale of credit institutions to shrink, affecting the SHS's revenue from investment advisory activities.

Expenses:

The Company's total expenses in 2021 is VND 1,146.9 billion, exceeding the plan by 1% and increased by 32% compared to the previous year. In details:

- **The operating expense for 2021 was VND 832.9 billion, increased by 41% compared to 2020.** The increase was mainly related to brokerage and self-trading activities, such as transaction fees, securities depository fees, employees' salaries, out-source service fees, and financial asset provisions, etc. This increase in operating expense was compatible with the increase in growth rates of the respective operations.
- **The general and administrative expenses increased by VND 82.7 billion compared to the previous year, reaching a total of VND 164.9**

billion, which was mainly due to the increase in salaries for the management and the provision expenses. Although the expenses increased, it was well controlled, flexible, adequate, and effective within the plan approved by the General Meeting of Shareholders, and was contributing to the Company's business result.

- **The financial expense was VND 149.1 billion, which was a decrease of 24.4% compared to 2020.** Although the outstanding loans and bonds issued at the end of 2021 were much higher than in 2020, the loan and bond interest expenses fell sharply. Over the past year, the Company had successfully raised its capital, well utilized

short-term loans with low interest rates, and taken advantage of the low funding level of the market, which helped saving cost and improved business efficiency.

Profit before and after tax:

With the impressive growth in the 2021 total revenue while expenses were well under control, the Company had obtained a profit of VND 1,752.9 billion, marking an increase of VND 814 billion or 86.7% increase compared to 2020. After deducting the tax expenses, the Company's profit after tax was VND 1,396.3 billion, which is an increase of VND 624 billion compared to 2020.

► Financial report

Assets

(Unit: VND billion)

Criteria	31/12/2021		31/12/2020		Changes	
	Amount	Weighting	Amount	Weighting	Amount	% change
CURRENT ASSETS	10,839.0	99.3%	6,857.7	99.0%	3,981.3	58.1%
Cash & cash equivalents	652.0	6.0%	653.0	9.4%	(1.0)	(0.2%)
Short-term investments	3,403.3	31.2%	2,665.7	38.5%	737.6	27.7%
Receivables	6,779.3	62.1%	3,536.1	51.0%	3,243.2	91.7%
Other current assets	4.5	0.0%	2.9	0.0%	1.6	54.1%
NON-CURRENT ASSETS	71.8	0.7%	72.0	1.0%	(0.2)	(0.2%)
Fixed assets	14.1	0.1%	4.4	0.1%	9.7	220.5%
Long-term investments	57.7	0.5%	67.6	1.0%	(9.9)	(14.6%)
TOTAL	10,910.9	100.0%	6,929.7	100.0%	3,981.2	57.5%



Assets structure

The Company’s total assets at the end of the year 2021 had achieved a record high of VND 10,911 billion, an increase of VND 3,981 billion and equivalent to 57.5% increase from the last year. The short-term asset on December 31st 2021 accounted for 99.3% of the total asset, a slight increase of 0.3% compared to 2020. The Company’s short-term assets mainly consists of:

- **The short-term investments accounted for 31.2% of the total assets, a 27.7% increase over the same period last year.** Short-term investments include short-term deposits, listed and unlisted securities such as stocks, government bonds, bank and corporate bonds, certificates of bank deposits, etc.
- **The short-term receivables of VND 6,779.3 billion increased from 52% in 2020 to 62.1% in 2021.** The account receivables included margin service receivables, prepayments to suppliers, dividend receivables and accruals, interest payments, and other receivables.
- **The cash and cash equivalents of the Company attributed to 6% of the total assets,** which included cash on hand, bank deposits in the form of transaction accounts, short term deposits of less than 3 months, cash from underwriting securities, clearing activities, and payments for securities transactions.

Changes in assets compared to 2020

The total assets of the Company in 2021 increased by 57.5% from the previous year. However, the composition of the asset had not changed significantly. In details:

Current assets

- At the end of 2021, the short-term investments rose by VND 737.6 billion over the same period. The Company had taken advantage of the favourable market situation and expand its portfolio by investing into fundamentally sound stocks, etc.
- Account receivables increased rapidly from VND 3,536 billion in 2020 to VND 6,780 billion in 2021, equivalent to a rise of 91.7%. The margin lending activity had grown strongly since the end of 2020, especially in the fourth quarter of 2020. By 2021, this activity continued to receive additional funds from the Company’s successful issuance of equity to better meet the clients’ capital demands for trading. Although the outstanding debt from margin lending was high, the Company was still able to maintain its strict policies in risk management, early forecast, and timely reaction to ensure the safety of its funding capital.

Non-current assets

The Company’s non-current assets mainly consisted of fixed assets and long-term prepaid expense. These items were consistently maintained at VND 72 billion, accounting for less than 1% of the total assets.

Libability and equity structure

The Company’s total capital at the end of 2021 reached VND 10,910.9 billion, an increase of VND 3,981 billion compared to the end of 2020. In which, the owner’s equity was VND 6,055.6 billion, the highest recorded level since the establishment of the Company. Liabilities and owner’s equity accounted for 55.5% and 44.5% of the total capital respectively.

The Company’s liabilities consisted of:

- **Short-term liabilities: reached VND 4,204.7 billion, accounting for 38.5% of the total capital.** Short-term bank loans and bonds with less than 1 year maturity were 80% of the short-term liabilities. The remaining were supplier payables, trading fees payables, taxes and government payables, employee payables, bonus and welfare funds, other liabilities, etc.
- **Long-term liabilities: reached VND 650.6 billion, accounting for 6% of the total capital.** The long-term liabilities included long-term bond and deferred income tax.

The Company’s equity consisted of:

Owner’s invested capital: reached VND 3,742.3 billion, accounting for 34.3% of the total capital, which included owner’s invested capital and equity surplus.

Funds and undistributed profit: reached VND 2,313.3 billion, accounting for 21.2% of the total capital, which included supplement charter capital fund, financial provision fund, other funds, and retained earnings.

Changes in liabilities and equity compared to 2020

On December 31 2021, the total capital of the Company was VND 10,929.7 billion, increased by 57.5% YoY. This was due to an increase in liabilities of VND 1,152 billion and an increase in owner’s equity of VND 2,829 VND. In details:

- **The increase in liabilities was due to increase in short-term liabilities.** In particular, short-term liabilities rose by VND 1,261.7 billion, equivalent to an increase by 42.9% YoY, which was mainly due to the Company raised its leverage by bank lending and issuing private bonds in order to reduce the cost of capital. The long-term debt slightly fell down by VND 10 billion because the Company reduced the scale of its long-term bond.
- **The owner’s equity experienced a drastic increase by 87.7%.** During the past year, the Company had successfully raised the charter capital from VND 2,072.7 billion to VND 3,252.7 billion by issuing new shares to existing shareholders, paying stocks dividends or paying dividends with selected options for employees. The retained earnings and profit increased by VND 1,382 billion, equivalent to an increase of 148.5% YoY.

Liabilities and Equity

(Unit: VND billion)						
Items	31/12/2021		31/12/2020		Changes	
	Amount	Weighting	Amount	Weighting	Amount	% change
LIABILITIES	4,855.3	44.5%	3,703.4	53.4%	1,151.9	31.1%
Current liabilities	4,204.7	38.5%	2,943.0	42.5%	1,261.7	42.9%
Non-current liabilities	650.6	6.0%	760.4	10.9%	(109.8)	-14.4%
OWNER’S EQUITY	6,055.6	55.5%	3,226.3	46.6%	2,829.3	87.7%
Share capital	3,742.3	34.3%	2,295.3	33.1%	1,447.0	63.0%
Funds and undistributed profit	2,313.3	21.2%	931.0	13.4%	1,382.3	148.5%
TOTAL LIABILITIES AND OWNER’S EQUITY	10,910.9	100.0%	6,929.7	100.0%	3,981.2	57.5%

► Report of key financial ratio

Criteria	2021	2020	% change
LIQUIDITY RATIOS			
Quick ratio	15.5%	22.2%	(6.7%)
Current ratio	257.8%	233.0%	24.8%
LEVERAGE RATIOS			
Debt-to-asset ratio	44.5%	53.4%	(8.9%)
Debt-to-equity ratio	80.2%	114.8%	(34.6%)
OPERATING RATIOS			
Account receivable turnover	0.6	0.3	0.3
Working capital turnover	0.5	0.4	0.1
Asset turnover	0.3	0.2	0.1
PROFITABILITY RATIOS			
Operating profit/revenue	71.2%	67.3%	3.9%
Profit before tax/revenue	60.4%	52.0%	8.4%
Profit after tax/revenue	48.2%	41.8%	6.4%
Profit before tax/owner’s equity (ROE)	30.1%	25.5%	4.6%
Profit before tax/total asset (ROA)	15.7%	11.6%	4.1%
Earning per share (EPS)	5,795.0	3,475.0	2,146.0
CAPITAL ADEQUACY RATIO			
Financial safety ratio as of 31/12/2021	386.62%	347.93%	38.69%

Among the key financial ratios to assess SHS's solvency in 2021, the current ratio of over 2 and had been increasing compared to 2020, while the quick ratio experienced a mild decrease. These ratio showed that SHS's solvency for short-term debt was stable and improved over the years. However, the Company's ability to make payment using liquid assets is still limited and needs to be improved in the future.

The capital structure ratio of SHS such as Debt-to-Asset ratio and Debt-to-Equity ratio in 2021 were all decreasing, showing a higher readiness level in accessing the equity capital compared to the previous year. In fact, SHS had made the most successful business year in the Company's history as well as successfully implementing its plan to

raise capital; thus, enhancing the Company's capital accessing ability.

The Company's operating ratio such as account receivable turnover, working capital turnover, and asset turnover in 2021 were basically stable and improved compared to 2020.

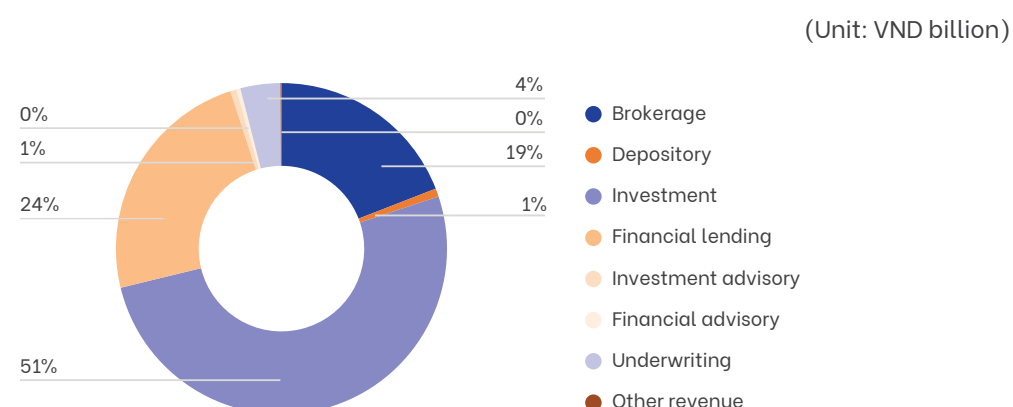
All the profitability ratio of SHS continued to increase, indicating that the Company had effectively utilized its capital, controlled the expenses, and achieved good business results. In particular, SHS continued to be ranked in Top 10 companies with the highest ROE and ROA in the industry in 2021.

The financial safety ratio as of 31/12/2021 was 374.3% after an increase of 26.4%, showing that the Company's financial safety level had been significantly improved.



► Report of the company's operating activities

2021 Revenue Structure



The majority of the Company's activities saw impressive growths and high efficiencies. In details:

Investment

2021 business result

The investment activities continued leading the Company in terms of business results in 2021 with VND 1,484.3 billion in revenue, exceeding the plan by 68.5% and increased by 50.5% YoY.

(Unit: VND billion)

Revenue	2020	2021		Changes	
		Actual	Plan	% change compared to 2020 actual	% change compared to 2021 plan
Investment	986.1	1,484.3	880.8	50.52%	168.5%

The investments yielded high returns:

Listed and unlisted stocks: DGC, TCB, SSI, STB...

Listed and unlisted bonds: credit institution bonds and corporate bonds.

The investment scale was expanded, and the investment structure had undergone positive change:

As of December 31st 2021, the Company's portfolio was valued at VND 2,377.3 billion, increased by VND 287.1 billion since the end of 2020.

(Unit: VND billion)

Criteria	As of 01/01/2021	As of 31/12/2021	Changes	
			Amount	%
Buying price	2,090.2	2,377.3	287.1	13.7%
FVTPL asset	1,906.7	2,201.9	295.2	15.5%
Listed stocks	1,310.7	1,710.7	400.0	30.5%
Unlisted stocks	284.9	200.9	(84.0)	(29.3%)
Delisted stocks	1.5	1.5	-	-
Listed bonds	-	34.3	34.3	100.0%
Unlisted bonds	309.6	254.5	(55.1)	(17.8%)
AFS asset	183.5	175.4	(8.1)	(4.4%)
Listed stocks	183.5	175.4	(8.1)	(4.4%)

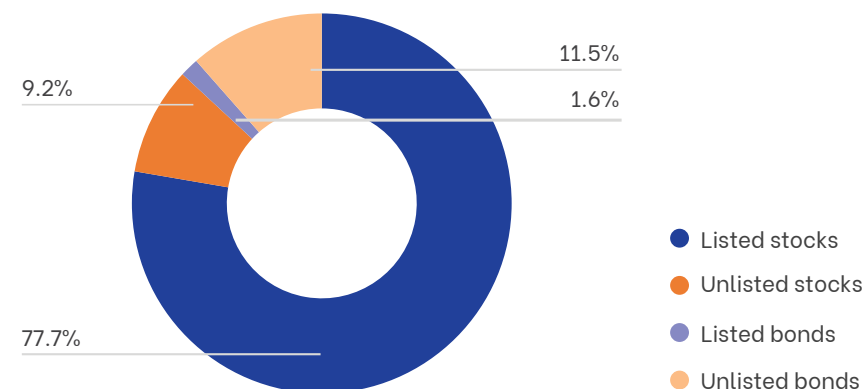
The Company's strategy was to invest selectively in the leading companies with reasonable valuation, high liquidity, solid financial foundation, high growth potential, and safety. In 2021, the Investment department had carried out in-depth business analysis in combination with correct assessment and forecasting of the market and stock price trends to make appropriate decisions that helped maximize profits and minimize investment risks. The Company also reduced investing in the unlisted stocks, and focused more on fixed income products like listed bonds and unlisted bonds, such as government bonds, credit institution bonds, corporate bonds, and term deposits, etc. At the end of 2021, the Company had realized the profits from most of these investments.

(Unit: VND billion)

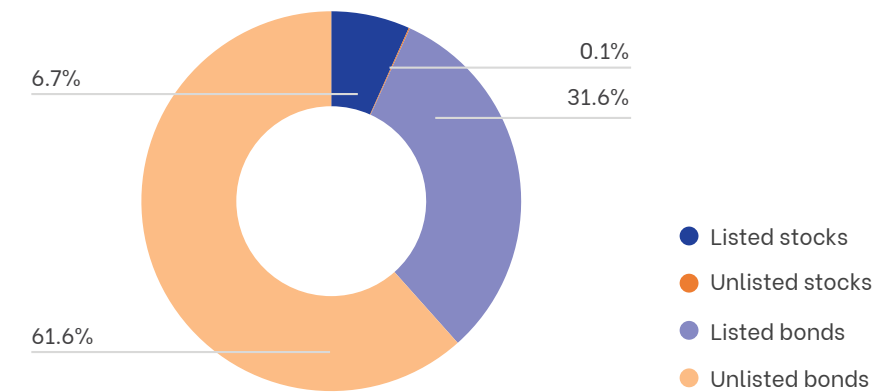
Criteria	As of 01/01/2021	Increase	Decrease	As of 31/12/2021
BUYING PRICE	2,090.2	72,165.3	71,878.2	2,377.4
FVTPL assets	1,906.7	72,165.3	71,870.0	2,201.9
Listed stocks	1,310.7	4,857.6	4,457.6	1,710.7
Unlisted stocks	284.9	78.0	162.0	200.9
Delisted bonds	1.5	-	-	1.5
Listed bonds	-	22,785.8	22,751.5	34.3
Unlisted bonds	309.6	44,443.9	44,499.0	254.5
AFS assets	183.5	-	8.1	175.4
Listed stocks	183.5	-	8.1	175.4
DIFFERENCE UPON REVALUATION OF FINANCIAL ASSETS RECOGNIZED THROUGH PROFIT/LOSS	575.5	429.5	(20.9)	1,025.9
FVTPL assets	298.0	179.9	(20.9)	498.8
AFS assets	277.5	249.6	-	527.1
Total	2,665.7	72,594.8	71,857.3	3,403.3

The listed stocks accounted for a large proportion of the Company's investment, accounting for 77.7% as of December 31st 2021, followed by the unlisted bonds, which was 11.6% of the total investment. The unlisted stocks took up 9.2% of the total investment, which had already been decreased by 4.5% compared to last year.

	Investment scale at 31/12/2021 (VND billion)	Investment weight
Listed stocks	1,710.7	77.7%
Unlisted stocks	200.9	9.1%
Delisted stocks	1.5	0.1%
Listed bonds	34.3	1.6%
Unlisted bonds	254.5	11.6%
Total	2,201.9	100.0%



For the whole year, the Company mainly focused on investing in listed and unlisted bonds. The Company's total investment in 2021 in listed and unlisted bonds accounted for 31.6% and 61.6%, respectively. Meanwhile, the investment in listed and unlisted stocks only accounted for 6.7% and 0.1%, respectively.



Financial Services

2021 business results

(Unit: VND billion)

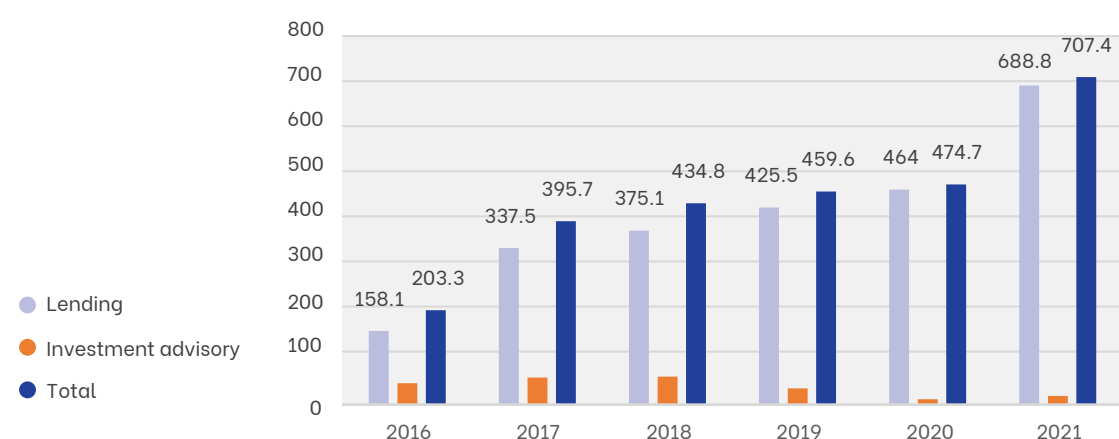
Revenue	2020	2021		Change	
		Actual	Plan	% change compared to 2020 actual	% change compared to 2021 plan
Loans	464.0	688.8	456.0	48.4%	151.1%
Investment advisory	10.7	18.6	17.7	73.8%	105.1%
Total	474.7	707.4	473.7	49%	149.3%

Thanks to the efficient use of resources, the financial services was the second largest source of revenue for the Company, only after the investment activities. In 2021, the financial services recorded VND 707.4 billion, which accounted 149.3% of the plan and increased by 49% YoY. Both of the traditional margin lending and investment advisory and asset management for collaterals of the Company grew strongly compared to the previous year and exceeded the original targets.

The Company had actively implemented many solutions from product development, technology improvement, risk management, and operating process improvement. Specifically, in terms of Company's product, many types and policies of incentive programs had been built to properly address the clients' needs in each stage of the market so as to maximize the value-added to clients. Regarding the technology, relevant departments had coordinated to complete the transformation of the data managing system, towards upgrading the securities transaction management software system that could help to enhance the processing speed, reduce the errors, and at the same time, facilitate a more effective management and development of financial products and services in the future. Regarding the risk management, the structure of the outstanding debts had been balanced to the market situation. The policies of controlling, processing, and force-selling debts was structured on the basis of compliance with the Company's risk management framework. The current system of business processes was also being reviewed, evaluated, and amended to better suit the actual operations.

The financial services revenue had been continuously growing during the past 5 years, of which revenue in 2021 was 4.4 times higher than in 2016. In the 2021 revenue structure, revenue from lending and investment consulting activities accounted for 23.8% and 0.6%, respectively. Combining these two, financial services revenue was 24.4% of the Company's total revenue.

(Unit: VND billion)



The strong growth in the lending was thanks to the new additional funding.

(Unit: VND billion)

Receivables for Financial services	31/12/2021	1/1/2021	Change	
			Amount	%
Margin trading	4,863.0	1,778.9	3,084.1	173.4%
Advances from security trading	954.0	392.8	561.2	142.9%
Securities business cooperation	434.6	427.8	6.8	1.6%
Other securities trading activities	690.5	1,171.1	(480.6)	(41.0%)
Total	6,942.1	3,770.6	3,171.5	84.1%

As of December 31st 2021, the Company's receivables from financial services reached VND 6,942.1 billion, an increase of VND 3,171.5 billion, equivalent to 84.1% over the same period last year. Specifically, receivables from margin loans was VND 4,863 billion, and advances from securities sales was VND 954 billion, which were up by 173.4% and 142.9% YoY, respectively. Particularly, the receivables from other securities trading activities decreased significantly by 41%, to VND 690.5 billion.



Brokerage and Depository

2021 business results:

(Unit: VND billion)

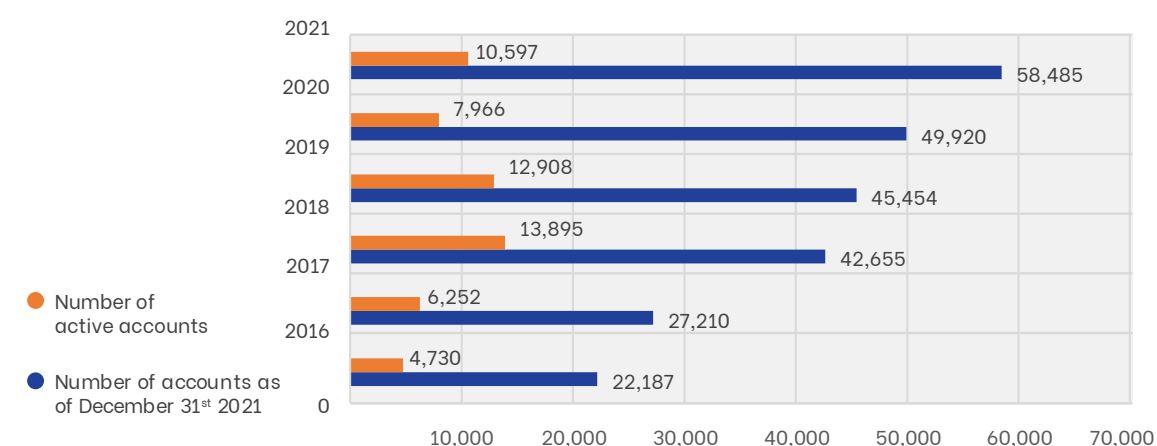
Revenue	2020	2021		Changes	
		Actual	Plan	% change compared to 2020 actual	% change compared to 2021 plan
Brokerage	172.5	553.9	376.3	221.1%	147.2%
Depository	20.4	24.0	19.8	17.5%	121.1%
Total	192.9	577.9	396.1	199.6%	145.9%

The growth rate of revenue from the brokerage activities were the highest among the Company's segments

In 2021, brokerage and securities depository activities accounted for 20% of SHS's total revenue, growing at the rate 200% YoY and reaching 145.9% of the 2021 plan. The facts that the market liquidity continuously established new peaks and the number of newly opened accounts hit new record with the strong cash flow from domestic investors pouring into the market are the extremely favorable factors for the Company's brokerage activities to achieve impressive growth in the past year.

The number of accounts under management increased sharply

The number of new accounts opened in 2021 at SHS had increased by 8,759 accounts, equivalent to an increase of 96% compared to the previous year. As of December 31st 2021, the total number of accounts at SHS reached over 58 thousand accounts, of which the number of active accounts was 18.1%.



A variety of solutions to scale up and improve service quality are being implemented

In addition to the positive influence from the market, SHS has actively implemented a variety of solutions to expand its scale and improve the service quality. In details:

- Improving the business network, and hiring more brokers to meet the increasing demand from the clients;
- Promoting the customer services such as: provide flexible support to the financial products and services for each customer; increase customer visits and supports; etc.
- Researching and developing the new software system of the second phase in upgrading the core software, preparing to launch the new derivatives products in 2022;
- Promoting the cross-selling of products such as the brokerage services, the corporate bonds, and other products;
- Implementing team building programs in order to stabilize the brokerage staffs and minimize human resources turnover from the attracting pressure from the competitors.



Financial Advisory and Underwriting

2021 business results

Revenue	2020	2021		Changes	
		Actual	Plan	% change compared to 2020 actual	% change compared to 2021 plan
Underwriting	84.2	113.4	70.0	34.7%	162.0%
Financial advisory	66.4	12	60.5	(81.9%)	19.8%
Total	150.6	125.4	130.5	(16.7%)	96.1%

The financial advisory and underwriting activities of the Company are heavily affected by the Covid-19 pandemic and the slowdown of the economy. In 2021, the equitization and divestment activities of state-owned enterprises continued to underperform, and business operation faced many difficulties. For the whole year of 2021, the Company's revenue from financial advisory and underwriting was VND 125.4 billion, a decrease of 16.7% YoY and but reaching 96% of the year plan.

The Company's underwriting and agent activities was a bright spot among other activities with a positive growth of 34.7% YoY, which is equivalent to 162% of the 2021 plan.

Securities listing and issuance advisory had accomplished many successful public offering advisory transactions, such as capital issuance for Truong Thanh Energy and Real Estate Joint Stock Company (TEG), Phuc Hung Holdings Construction Joint Stock Company (PHC), listing for Licogi 14 Financial Investment Joint Stock Company (LFI), Hoang Mai Stone Joint Stock Company (HMR), etc. These activities are receiving many attentions with high appreciation from the market, and are expected to be further developed by SHS in 2022.

Capital

2021 business result

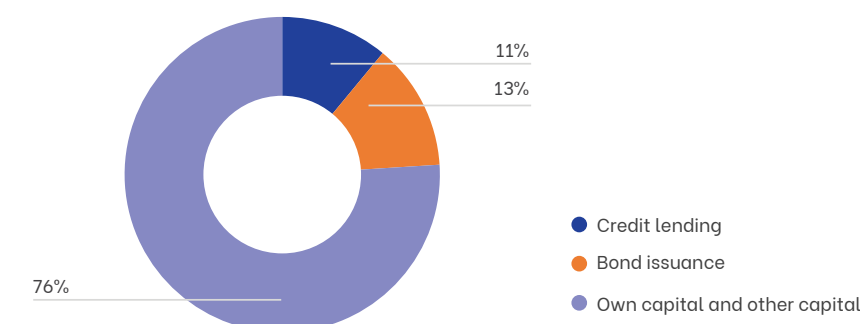
Capital balancing activities

- The Company had ensured the liquidity for its entire operating system in 2021.
- The capital balancing activities fully met the capital needs of the Company's business operation and financial services for clients.

Capital mobilization activities

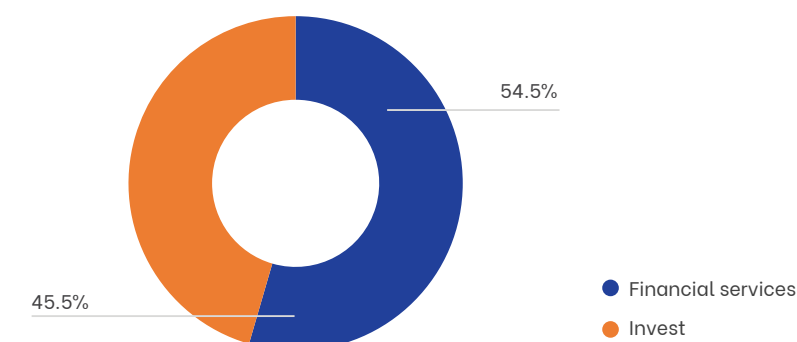
In 2021, the average mobilized capital of the Company is VND 11,370 billion, which was 1.9 times higher than the previous year. The capital mobilized included:

- The average lending from credit institutions was VND 842 billion, down 34.5% compared to 2020 and accounted for 11% of the Company's total mobilization. SHS was still able to maintain good relationships with its traditional banking partners such as: Saigon - Hanoi Commercial Joint Stock Bank, An Binh Commercial Joint Stock Bank, Indovina Bank, CTBC Bank, VPBank, etc.
- The average capital raising from bond issuance was VND 997 billion, a slight increase of 6.3% compared to 2020 and accounted for 13% of the total mobilization of the Company. At the end of 2020, when the capability to mobilize resources from the credit institutions was expanded, the capital raised from bond issuance was rebalanced to a smaller proportion to match capital needs for the business operating activities of the Company.
- The own capital and other capital averaged out at VND 5,848 billion, accounting for 76% of total mobilized capital of the Company. This capital has contributed significantly to help the Company ensure a stable source of funding for business activities, provide timely financial support to customers, and at the same time reduce the Company's cost of capital.



Capital utilization

The Company's 2021 capital was mainly used for financial service (totaling VND 5,521 billion, an increase of 111.5% YoY and accounting for 54.5% of total capital used), while the remaining was for investment activities (totaling VND 4,595 billion, up 175.7% YoY, accounting for 45.5% of total capital used). The 2021 utilization of capital was relatively effective in the direction of favoring the financial services and self-trading while taking advantage of the favorable market conditions, contributing to the revenue achievement of the Company's plan.



Information Technology

2021 business results

As securities companies on the market were promoting the application of technology in their operations and SHS' core software system was in the process of upgrading, the Company's technological activities in 2021 was to ensure the stability of software and provide adequate support for both business operations and clients. Below are the technology activities that were implemented in 2021:

- Maintaining stable operation of the core software system, meeting the requirements to change and upgrade the software of the two exchanges and the Vietnam Securities Depository.
- Bidding to purchase new hardware, and installing equipment for the core software system upgrade project.
- Upgrading the Oracle 19C database under phase 1 of the core software system upgrade project.
- Designating the software contractors and signing contracts for the phase 1 of the core software system upgrade project.
- Developing the FTL web software integrated with the existing core software.
- Connecting the SHS bond managing system with the SHB Investment Bank's bond retail system, building API gateway, managing transfer requests, opening client accounts from SHB, etc.
- Connecting the bond managing system with the software system of Lienviet Post Bank: Building an API gateway for primary purchase registration, receiving requests and application files.
- Periodically maintenance for the server room infrastructure to ensure a stable operating environment for the IT equipments.

Research

2021 business results

The research activities in 2021 have significantly contributed to the results of the Company's main business segments, especially brokerage, financial services, and investment activities. Below are the Company's research activities in 2021:

- Macro analysis: including an overview of the macroeconomics and the market in 2020, outlook for 2021, which helped supporting the annual business plan and assessing the impact of the COVID-19 pandemic.
- Industry analysis: including analysis of securities industry, seafood and textile industries, etc.



- Market analysis: publishing the daily and weekly market reports, updating the financial and macro-economic news, both domestic and international, with daily investment recommendations prior to the trading hours.
- Investment advisory in order to support the brokerage and investment activities.
- Coordinating with the Market Planning and Development Department to respond to the press regarding the view on the stock market.
- Meeting and networking with corporate and institutional clients such as FPT, HPG, VPB, TCB, PVPower, AGG, FRT, PVT, HDG, etc.
- Monitoring and adjusting the list of marginable securities and room for lending, etc.

Legal

2021 business results

Legal review plays an increasingly important role in the SHS's operation. In 2021, the legal activities had actively contributed to the supporting for all important activities in the Company such as brokerage, financial services, financial advisory, investment, etc.

In addition, with the major changes in the Corporate Law 2020, the Securities Law 2020 and their guiding documents, the legal department had been focusing on coordinating with other departments and researching the direction of the State Management Agency's direction in order to consult the Board of Management on the necessary preparations in orienting the Company's business activities in compliance with the provisions of law. The following are the main activities of the legal department in 2021:

- Advising the Board of Management and all departments and branches in the Company on the legal issues related to the entire operation so that the Company can safely and effectively operate in compliance with the law.
- Drafting and supporting the drafting of documents, dossiers, and documents of the Company at the request of the Board of Management and other departments and branches in the Company.

- Reviewing and giving legal opinions on documents, dossiers, and documents of the Company.
- Reviewing and coordinating with all departments and branches to standardize the internal processes, regulations, and written forms of the Company.
- Reviewing, proposing, and drafting the Power of attorney and monitor the implementation of authorization in the Company.
- Supporting the preparations of documents related to application for new issuance or adjustment of the Company's License for establishment and operation of the entities and of the Company.
- Updating and distributing legal regulations throughout the Company and developing legal newsletters.
- Participating in legal seminars hosted by State Agencies, contributing/sending feedbacks.
- Promulgating SHS's list of risks, regulations for the calculation of the risk limits, and risk management forms for internal application; implementing the control for important risks and prepare risk management reports.
- Establishing cooperative relationships with organizations that support legal works.

Non-Performing Loans Handling

2021 business results

The total value of the Company's NPLs as of December 31st 2021 was VND 551.7 billion. During the year, the Company made an additional provision of VND 48.1 billion and reversed the provision by VND 49.8 billion. The Company's total provision for doubtful debts by the end of 2021 reached VND 464.4 billion. The ratio of provision balance to NPL balance as of December 31st 2021 is 84.2%, equal to the previous years, and the ratio of additional provision to the NPL balance increased to 8.7%.

Year	Balance of NPL (end of year)	Balance of provision of NPL (beginning of year)	Additional provision of NPL (end of year)	Reversal of provision of NPL	Balance of provision of NPL	Balance of provision for NPL/Balance of NPL	Additional provision of NPL/Balance of NPL
[1]	[2]	[3]	(end of year)	[5]	[6]=[3]+[4]-[5]	[7]=[6]/[2]	[8]=[4]/[2]
2021	551.7	466.1	48.1	49.8	464.4	84.2%	8.7%
2020	553.9	442.1	35.0	11.0	466.1	84.1%	6.3%
2019	520.6	432.8	14.2	4.9	442.1	84.9%	2.7%
2018	495.5	266.7	168.9	2.8	432.8	87.3%	3.6%
2017	360.2	280.3	6.2	19.8	266.7	74.0%	1.7%
2016	343.6	275.6	6.4	1.7	280.3	81.6%	1.9%

The management of NPLs in 2021 continued to focus on completing the documents, monitoring and handling NPLs, and coordinating with relevant departments, branches, and individuals to collect the outstanding debts.

► Report on the investment and implementation of investment projects

Major investment

Financial investment

Please refer to Section Report of Board of Director => Report of Company's Operating Activities => Investment

Investment project

The Company did not have any investment project in 2021.

Subsidiaries and associated companies

The Company did not have any subsidiaries or associated companies in 2021.

► Progress made during the year

Increasing the charter capital to VND 3,252.7 billion

In 2021, SHS successfully executed the plan to increase its charter capital to VND 3,252.7 billion by issuing new shares to the existing shareholders at the ratio of 2:1, issuing bonus shares of 5% and issuing 4 million stock under the employee stock option program (ESOP). This is a major milestone of the Company, demonstrating its financial prowess. The additional new capital is expected to create a good premise for SHS to continue developing in the medium term.

Successfully issuing VND 1,010 billion corporate bonds

Additionally, in 2021, SHS successfully issued 3 rounds of private bonds with the total value of VND 1,010 billion. The successful issuance of these bonds with low cost of capital had contributed to reducing the interest expenses and improving business performance of SHS. Investors purchasing the bonds were mostly banks and large institutions, proving SHS' prestige and position in the market.

Breakthrough in business

In 2021, SHS officially joined the over-trillion-profit group of businesses. This result was achieved thanks to, at the end of 2019, the Company's management correctly assessed the situation as "in danger lies opportunity" – despite being affected by the Covid-19 pandemic, the low capital would be the driving force for the listed stock market and corporate bond market, and the individual investors would be the "new breeze" for the stock market. SHS had thoroughly recognized the opportunities in the market and come up with comprehensive solutions to reverse the difficulties. Accordingly, SHS has focused on developing

the brokerage business for individual clients, increasing investment activities on the listed exchange, and providing comprehensive solutions for brokerage, depository, self-trading, corporate financial advisory, and underwriting of corporate bonds.

2021 is also the first year that SHS and its General Director Vu Duc Tien were honored in the top "Asia's Excellent Enterprise" and "Asia's Excellent Entrepreneur", respectively, evaluated and voted by APEA – a leading prestigious business award program in Asia. This was not only an honor for the Company and the General Director but also a recognition from the market for the results and achievements of the Company and its managers' relentlessly managing efforts during the past year.

Improving the quality of corporate governance

The governance and managing activities of the Board of Management and the Board of Directors continued to deepen with thorough orientation in order to take advantage of the market opportunities and comply with regulations and modern governance practices. The activities of inspection, internal control, and risk management continue to be strengthened to protect the achievements of business activities.

The activities of investor relations, reporting and disclosing information were increasingly standardized, contributing to improvement of the Company's image and branding. By strictly following the sustainable development goals in accordance to the GRI standards, SHS is increasingly attending to the interests of relating partners where the focus is on contributing to the community.

In 2021, SHS's contribution to the community increased by 47% YoY (Please refer to the 2021 Report on Sustainability Development Section).

With a long-term determination to become the leading securities Company in Vietnam and a reputable brand in the Asian stock market, SHS respects the importance to information transparency as well as continues to professionally invest in the publication of the Annual Report with the desire to convey complete information about the Company and the messages of sustainable development on the basis of harmonious association with the interests of stakeholders.

► Improvements in the structure of the organization and management policy

In 2021, the Company had successfully applied the KPI-based mechanism to salary calculation, which helped to improve labor efficiency, increased the income per capita, and contributed to stabilization of the human resources. In addition, the Company regularly reviewed the working quality and efficiency to improve the organization's structure and management policies and to make appropriate improvements and adjustments to optimize the labor productivity. As a result, the Company's business efficiency per employee continued to increase, and is among the highest in the market.

Specifically, the ratio of Revenue and other income / Number of employees increased by 44.7% compared to 2020, from VND 8.5 billion/employee in 2020 to VND 12.6 billion/employee in 2021.

Year	Revenue and other incomes (VND billion)	Number of employees	Revenue and other income per Employee (VND billion/person/year)
2021	2,899.8	230	12.6
2020	1,808.5	212	8.5
2019	1,072.4	227	4.7
2018	1,247.9	235	5.3
2017	1,093.7	209	5.2
2016	566.0	195	2.9

04

2022 BUSINESS PLAN

- 2022 OVERVIEW
- 2022 BUSINESS PLAN





2022 Overview

► The Global Economy

2022 is considered to be another challenging year for the global economy with the severity of the economic situation is at similar level to the last two years. The global economy shall face an increasingly level of risks and threats. Thus, whether these risks and threats could be mitigated and negated requires the combined coordination of actions of all global economies.

- In its Global Economic Prospects, the World Bank Group (WB) forecasts the global output growth rates to be reduced to only 4.1% in 2022 from 5.5% of 2021, which could even be further reduced to 3.2% next year as the global governments shall tighten their fiscal and monetary policies applied during the pandemic.
- In its World Economic Situation and Prospects 2022, the United Nations (UN) believes that the growth drivers in 2021 have been slowed down at year end and forecasted the global output growth in 2022 to be 4% and 2023 to be only 3.5%, which is lower than 5.5% of 2021 as the global

economy is facing with new waves of COVID-19, as well as the challenges from the labor market, supply chain, and high inflation.

- In its World Economic Outlook, the International Monetary Fund (IMF) lowers its forecasted output growth in 2022 to 4.4%. A 0.5% lower than the forecasted in October of last year. The main cause, according to IMF, is the recent outbreak of the Omicron variant, even the new infections may gradually decrease from Q2/2022 as predicted by experts. Meanwhile, higher energy price and disrupted supply chains have caused inflation to increase on a broader scale and longer time than expected, especially in the United States. In this quarterly report, IMF believes that the largest impact to the world economic outlook is the slowdown in growth of both the United States and China.

Thus, the risks that the global economy shall face include:

- **Complicated development of the global pandemic continues to severely damage the economy.** New variants of the SARS-CoV-2 have been constantly emerged and increasingly more severe. The United States and Europe seems to be falling to an out-of-control states, while many emerging countries let the pandemic run its course due to limited financial capacity and outdated healthcare infrastructures.
- High inflation in the US and Europe shall have global impacts. Jerome Powell – Chairman of the Federal Reserve (Fed) admitted that the US has a long-term high inflation risk. In general, the situation in the US and Europe are similar with inflation cannot be curbed in short term. As currencies are the top one and two in the world, this inflation will be transferred through the currencies to other countries and regions which have been significantly dependent on this exchange. Fed's monetary policies adjustment will surely make the global financial market more volatile. Additionally, the “export” of inflation of the US and Europe shall be the new instability for the global economy
- **The Russia-Ukraine Border Dispute disrupts the region's socio-economic situation.** The Russian military campaign is in the ninth week and have not seen any sign of slowing down yet. Loss of soldier and civilian lives and infrastructures

for both sides have been enormous. This is not only a conflict between two countries as it has escalated with the involvement of the Europe and negatively impacted both Europe and Central Asia. Regarding the financial market, this major event has surged up the prices of oil and precious metals (gold, silver, and platinum, etc.), while other asset classes saw major fluctuations. The situation intensifies as the US, the European Union, and the United Kingdom have issued a joint statement on sanctions against Russia, committing to disable the SWIFT connection of several Russian banks, as well as pledging to sanctions against the currency by their central bank. These sanctions have hindered the payment of cross-border transactions for Russian exports such as energy, which will drive up global energy prices and could make crude oil price to break 140 USD/barrel, further intensifying the global inflation pressure.

- **The sharp depreciation of Turkish currency could create a “domino effect”.** In 2021, the Turkish lira depreciated by 50%, driving up inflation to 21%. As the pandemic continues, whether the lira will continue to fall and create a “domino effect” is unconcluded. However, any currency depreciation in any country or region could increase the risk and uncertainties to the global economy.



► Vietnam

The social distancing period caused by the 4th wave of Covid-19 has had profound and comprehensive impacts on almost all sectors of the Vietnamese economy. Accordingly, GDP growth in 2021 will be at a historically low level of only 2.58% YoY. However, with the coverage of vaccination being accelerated in the major cities, the pandemic was gradually controlled by the end of Q3/2021. The social distancing regulations were eased, which help the economy to recover in Q4/2021.

The main drivers of economic growth in 2022 are:

- The Covid-19 pandemic is expected to be under controlled in Vietnam thanks to its high vaccination coverage. To date, the coverage for people over 18 years old with one dose has reached 100%, which is the global top level.
- The Government accelerates the disbursement of public investment.
- Domestic consumption and manufacturing activities recover.
- Export continues to benefit from the roadmaps of the FTAs.
- The return of FDI inflows (although not yet fully restored to the pre-pandemic levels due to the prolonged impact of social distancing in Q3/ 2021).
- The 2023 VND 350,000 billion socio-economic recovery and development support package, to be implemented in 2022 submitted by the Government to the National Assembly in the 1st extraordinary session of the XV National Assembly and was approved, will be launch the recovery in the coming period.

However, the main challenges are:

- **The Covid-19 pandemic:** Despite having a high vaccination coverage, more improvement on Covid-19 containment is required. The Government needs to improve the coordination between the local governments, impose more regulations, enhancing healthcare, treatment capacities, and treatment medical supplies (self-production and imports).
- **Inflation and Credit control:** The financial system could cause macro-economic instability as bad debt increases and asset bubbles emerge (real estate, bonds, and stocks). Recent development has demonstrated that these are the risks that must be tracked.
- **Implementation of the economic recovery support package:** An undeniable reality is the disbursements of public investment and support package have been relatively slow. Public



investment disbursement in 2021 only met 84% of its plan, a reduction of 8.6% compared to last year. The disbursement of social security packages has been delayed and limited. The disbursement of this economic recovery program should be more complex due to the variety of targets, financing sources, conditions and requirements, policies involved (combination of fiscal and monetary policies for the interest subsidy support), and a lack of clear definition between public investment under the economic recovery program and under the approved budget plan. Thus, the implementation and disbursement of the economic recovery program are essential for the period 2022-2023.

- **Other notable challenges include:** Inflation; Bad Debts; Slow recovery of the labor market; Lack of improvement in business environment; unstable global financial market; slow economic growth in China, etc.

Forecasts of Vietnam's economy in 2022:

GDP growth: Vietnam's economy is expected to grow by about 6.5% in 2022. Experts from the ASEAN+3 Macroeconomic Research Office (AMRO) even forecast Vietnam to have the highest growth rate in the region, at 7.5% in 2022. Growth is expected to come from the situation of the Covid-19 pandemic being well controlled thanks to Vietnam's high vaccination coverage rate, the recovery of domestic demand, the possibility of returning growth from the FDI sector, stronger export and support from public investment.

GDP Growth and Inflation forecasts for Vietnam in 2022

	National Assembly	HSBC	Standard Chatered	ADB
2022 GDP Growth	6 – 6.5%	6.5%	6.7%	6.5%
Inflation	< 4%	2.7%	4.2%	3.5%

Inflation: The National Assembly of Vietnam sets a domestic inflation target in 2022 at no more than 4%. Controlling inflation in 2022 is not considered an easy task in the context that the global economy has gradually recovered and commodity prices tend to increase. To control inflation, the General Statistics Office emphasized that the Government should make efforts to implement diplomatic measures to ensure the source of raw materials by strengthening cooperation with the Governments of resource-rich countries, supporting businesses to sign long-term contracts to import raw materials, ensure a stable source of input materials, and stabilize production costs.

Foreign exchange: With a surplus trade balance and foreign exchange reserves at historic high, while the macro economy is stable, the VND is forecasted to be stable at +/- 2% margin in 2022.

Interest rates and Credit Growth: The SBV's supportive monetary policy is still maintained in 2022; however, objective factors are not favorable as inflationary pressure is present. Thus, it is likely that the SBV will keep the regulatory interest rates unchanged, with no change in the base scenario, and the target credit growth at 14%, equivalent to the 2021 level. Lending rates level is expected to be flat and may decrease slightly in several priority industries under the Government's interest rate subsidy package, while deposit rates will increase slightly (around 0.5%).

Restructuring: Under the "Socio-economic Development Plan for 2022" approved by the National Assembly, the state-owned enterprises restructuring and efficiency improvement project is an urgent task to be approved and drastically implemented, in order to contribute to the state budget and create more room to support the enterprises.

► Stock market impacts

The stock market in 2022 is forecasted to be positive but with periods of growth, correction and accumulation in between.

The Opportunities

- **Stable domestic economy:** Domestically, the macro-economy is stable and the approved economic recovery support package will help the economy regain its growth momentum after the pandemic has been contained. Positive macroeconomic will strongly support the profits of listed companies thanks to the recovery of production, domestic and international consumption, while interest rates can still be maintained at low level.
- **Recovery of the global economy:** The major countries and regions continue to growth post-pandemic, facilitating the recovery of domestic production and expanding important trade agreements to come into effect.
- **The stock market is attractively priced:** The Vietnam's stock market has been attracting the inflows of domestic investors and continuously creating record level of liquidity. Low interest rates will still retain domestic investors in the first half of 2022, while the pressure of foreign capital withdrawal is diminishing and the capital shift towards emerging markets and frontier markets may occur thanks to the relatively attractive growth and fair valuation.
- **Vietnam's market upgrade prospect from "frontier" to "emerging":** Currently, Vietnam is still a frontier market, with the highest weight in the MSCI's frontier market index (accounting for 28.76% as of November 2021). If upgraded to emerging market, capital from foreign investors will further increase, especially from the large and reputable investment funds. It is forecast that the Vietnamese stock market will attract up



Business plan



to USD 1.4 billion in capital from index funds or active investment funds tracking the FTSE Global All-Cap, FTSE All-World and FTSE Emerging Markets, MSCI Emerging Markets and Vietnam-specific index funds such as the FTSE Vietnam Index or the FTSE Vietnam 30 Index.

- **Completion of the legal framework:** The amended Securities Law that took effect in 2021 is the highest legal document to strengthen market operations and provide the basis for launching new products to support the investors aiming towards market upgrade.
- **New opportunities arising from the restructuring of State-owned Enterprises:** The SOE restructuring, equitization and listing of large enterprises processes will continue at many potential enterprises such as: Mobifone, VNPT, Satra, Genco 2, Genco 1, Vicem, Vinachem, or Vinataba, etc.; The divestment of state capital in listed companies such as ACV, Vietnam Airlines, Viglacera, PV Gas, and Petrolimex, etc. along with the exchange switching of many large-cap stocks from Upcom to the listed stock exchange, will provide more quality investments for the market and increase its liquidity.

The Challenges

- **Covid-19 pandemic is not under control as expected,** which may affect the growth and recovery of the domestic economy as well as the world economy.
- **High inflation and the trend of monetary tightening:** In 2021, inflation grew at the fastest rate in the most recent 5 years. The BCOM Index reached 103.4 (+43.9% YoY), the highest level in the last 5 years. The CTS index – an average measure of container freight charges – reached 144.65 (+99.45% YoY), the highest level in the past 10 years. Facing such high inflation, a number of central banks such as in Brazil, Peru and South Korea have begun to tighten their monetary policies by the end of 2021. Several other central banks have also started issuing signals to tighten monetary policy in 2022. This trend may put pressure on the SBV's expansionary monetary policy as the surrounding central banks have raised interest rates.
- **FED:** On March 16, 2022, the US Federal Reserve Bank (FED) decided to raise the basic interest rate for the first time in more than 3 years, increasing by 0.25 percentage points. From that, the interest rates band is raised to between 0.25% – 0.5%. According to a senior Fed official, in total, the bank is expected to have six more rate hikes in 2022 and three more in 2023.

– ECB: may start cutting the PEPP bond purchase program in 2022. A decision is expected in the last week of December 2022.

– PBOC: Exceptionally for the PBOC, as China's growth rate has shown signs of slowing down in the last months of 2021, the bank has begun to show signs of easing monetary policy. This phenomenon is also most evident in the PBOC's action to lower the one-year interest rate from 3.85% to 3.8%.

- **China's growth slows down:** Growth rate of Vietnam's import-export speed benefited quite a lot from its geographical location as a transit station goods between China and the United States. Signal China's economic slowdown could cause effect on import and export growth rate Vietnam's exports in 2022. Growth rate growth of the Chinese economy slowed down due to 3 main reason:

– Fear of default in the real estate market: Evergrande's debt default in 2021 has been having quite a negative impact for the Chinese real estate market. Real estate structure growth slows down quite clearly in 2021 when the risk factors begin to appear in the market. New house prices in 70 cities have decreased continuously by 3 month. Home sales fell 17% from a previous year. This phenomenon prolonged that can have a negative impact on capital flows real estate investment and thereby, increase the risk level of financial activities in the economy.

– Energy crisis: China has committed achieve carbon neutrality in 2060 at the United Nations council. That means they have to cut down on gas coal waste is quite large, about 2.5 thousand million tons coal for the economy. According to the phase plan 2021–2025, China energy structure is also is gradually converted to energy clean energy instead of coal energy. This transition will result in energy deficiency when the clean energy source does not have enough capacity to meet the demand of the Chinese economy. Furthermore, the trade war between Chinese and Australia had caused this country to lose 30% of its coal use by the economy. These two factors were causing an energy crisis quantity and thereby make China's economic growth slow down.

– Manufacturing and industries showed speed slowing down: Manufacturing PMI declines returned to the threshold of 49.9 in November 2021 due to: (1) China's consumer demand showed signs weakened by the COVID-19 pandemic; (2) Policy "Zero Covid" continued to blockade quite a few areas and caused production activity delay; (3) Number of new orders decreased due to the COVID-19 pandemic.

Based on the overview of the global and Vietnam's economies in 2022, the Company based its business plan on analyzing the strengths and weaknesses of SHS as well as the opportunities and challenges.

► Analysis

Strengths

- SHS is a well-known and reputable securities Company in the market.
- Strong supports from SHB and T&T Group as well as the associated financial institutions in terms of financial resources, customer system, and strategic orientation.
- Large network of customers and partners.
- Qualified and experienced human resources, which has been with the Company for many years.
- Diversified and flexible financial products and services.

Weaknesses

- Business growth is unsustainable as key businesses such as brokerage, financial services, investment, and corporate advisory, etc. are highly susceptible on the market.
- Despite managing a large number of customers, the majority are still domestic individual customers. Thus, the Company faces difficulties in implementing its focus strategy.
- Abundant capital but lending interest rates are not competitive.
- The current trading software system has reached a critical point where it needs to be upgraded.

Opportunities

- Low interest rates are forecasted to remain, which will promote capital flow into the stock market, thereby creating opportunities for SHS's business activities.
- In 2022, it is forecasted that the equitization, IPO of SOEs, divestment of unrelated segments of corporations and groups will be facilitated. This will bring opportunities for SHS's Investment, Brokerage, Advisory and Underwriting activities.

Challenges

- Regulations on credit for securities investment and trading activities are still strictly controlled, thereby affecting the capital flow into the market, including through SHS.
- Financial advisory activities are facing many challenges. The Ministry of Finance is collecting opinions on the draft Decree amending and supplementing a number of articles of Decree No. 153/2020/ND-CP on private placement of corporate bonds, in the direction of tightening regulations on private placements of corporate bonds, in order to protect investors and limit the risks of the corporate bond market. Besides, after the peak period of 2019–2021, many other securities companies have also participated in the bond issuance advisory activities with many competitive advantages. These will be the challenges for SHS's financial advisory activities.
- Competitive pressure from other securities companies continued to increase strongly, especially from foreign-owned securities companies in terms of both interest rates and brokerage service fees. Besides, as SHS has not yet entered the derivatives and covered warrants market, it can be seen that SHS's financial products are less competitive than other companies.
- The competition between securities companies intensifies on not only expanding their scale of operations, but also on the quality of services. High service quality requires the Company to continue to invest more in human resources and technology to maintain and improve its service quality, business results, market share, and brand awareness. This will increase operating costs, putting pressure on SHS in the short term.
- To capture the recent sharp increase of foreign capital, especially from foreign institutional clients, shall be a challenge for mid-size companies, including SHS.
- The stock market is forecasted to have strong fluctuations in 2022, requiring SHS's operations to be flexible and agile in order to limit the risks and seize the opportunities.

► 2022 Business Plan

Review of the implementation of 2021 business plan

In Comparison To	Plan 2021	Actual 2021	Remarks
Assumption	Macro-economic situation: In 2021, Vietnam's economy is expected to return to the growth momentum post Covid.	Macroeconomic situation is stable in the first 6 months but unstable in the last 6 months.	Not positive as expected
	Total market average trading value: VND 10,000 billion per session.	Total market average trading value: VND 26,589.2 billion per session. • HOSE: VND 21,729.1 billion per session. • HNX: VND 3,160.7 billion per session.	Better than expected
	SHS's market share: • HOSE: 3.33% • HNX: 6.60% • UPCOM: 1.50%	SHS's market share: • HOSE: 2.44 % • HNX: 4.24% • UPCOM: 1.63%	Not achieved the plan on HOSE and HNX, but surpassed the plan on UPCOM
2021 General Plan	Total revenue: VND 1,866.7 billion	Total revenue: VND 2,899.8 billion	Exceeded the target on total expenses
	Total expenses: VND 1,135.5 billion	Total expenses: VND 1,146.9 billion	Not achieved the target on total revenue
	Total income before tax: VND 751.2 billion	Total income before tax: VND 1,752.9 billion	Exceeded the target on total income before tax
2021 Detailed Plan	Promote the development of the Company's brokerage business in both scale and quality, improve the quality of investment advisory activities, and maintain the stability of financial resources to serve investor's demand. The goal is to regain the market share in the Top 5 securities companies with the largest brokerage business in listed stocks on both HNX and HOSE and strive to enter the Top 3.		Not achieved. Due to high competition, SHS's market share is on a decreasing trend.
	Focus on researching, establishing, and implementing portfolio management services to clients		Not achieved. Due to limitations of the current management system.
	Ensure all requirements are met to launch the derivatives business		Achieved. Fully prepared the requirements but not yet implemented.
	Improve the quality of the Company's financial products and services, research and develop new products that are competitive with the market and suitable for each customer segment.		Relatively achieved. Regularly research to improve the quality of its products and services for each customer segment but not yet competitive.

In Comparison To	Plan 2021	Actual 2021	Remarks
2021 Detailed Plan	Invest to listed securities to take advantage of the opportunities arise in the market and seek valuable investment opportunities through participating as strategic shareholders and auction SOEs that will IPO in 2021.		Achieved
	Continue to take advantage of the trading opportunities as well as advising and underwriting bonds of businesses and credit institutions in 2021.		Achieved
	Establish a new organizational structure towards modernity and professionalism.		Achieved
	Bolster qualified personnel for all areas of business, especially for IPO and M&A; business restructuring advisory services.		Achieved
	Invest and upgrade the current information technology system and invest in a new derivative trading system.		Not achieved. Has been approved by the Board of Directors but not yet implemented.
	Focus and strengthen risk control and management, and enhancement of financial safety in all business activities.		Achieved

2022 Business Plan

Up to the time of this Report, SHS has not held the 2021 Annual General Meeting of Shareholders, thus the following business plan for 2022 are only estimates. These figures will be updated after the Resolution of the 2021 Annual General Meeting of Shareholders of SHS is officially approved.

No.	Target	Actual 2021 (VND billion)	Plan 2022 (VND billion)	% Growth
1.	Total Revenue and other income	2,899.8	3,653.0	26%
2.	Total Expenses	1,146.9	1,306.1	14%
3.	Total Income before Tax	1,752.9	2,346.9	34%





05

SUSTAINABLE DEVELOPMENT

- SUSTAINABLE DEVELOPMENT GOALS
- SUSTAINABLE DEVELOPMENT REPORT 2021
- SUSTAINABLE DEVELOPMENT PLAN 2022



Sustainable development goals

► The goals

Responding to the United Nations' efforts to promote the global successful implementation of the 17 Sustainable Development Goals for 2015-2030, which includes Vietnam, aside from its short-term business targets on revenue and profitability, SHS also focuses on its sustainable development goals such as gender equality, social security, good management of energy, environmental protection, balancing stakeholders' interests, etc.

SHS's specific sustainable development goals are:

- To become a multi-functional securities company securities Company following the model of the leading investment banks in Vietnam.
- To be a reputable securities Company brand in the Asian stock market.
- To contribute to, establish and develop a safe and efficient Vietnam's securities market.
- To maximize profit for its shareholders.
- To provide diversified and quality financial and securities services to its customers and partners.
- To create a good working environment that provides safety, high income and promotion opportunities for its employees.
- To align the Company's business targets with environmental and social goals, ensuring the balance of interests within its stakeholders.

Sustainable management model

Board of Directors

- Provide general guidance on strategy.
- Approve the objectives and action plans.

Board of Management

- Develop goals and action plans to submit to the Board of Directors.
- Implement the objectives and action plans approved by the Board of Directors

Departments, employees, staffs

- Implement the action plans under the direction of the Board of Management
- Share and spread sustainable development values to the community

Sustainable development information management process



Responsible people for sustainable development

Mr. Mai Xuan Son

- Education: Bachelor of Commercial Business Management – University of Commerce and Bachelor of English – University of Languages & International Studies
- Working experience: 24 years of experience in trade, manufacturing, finance, banking and securities
- Position at SHS: Member of BOD
- Telephone: 024.38.181.888 (0)
- Email: investor@shs.com.vn

Ms Tran Thi Trang

- Education: Master of Business Administration – LaTrobe University, Australia
- Working experience: 15 years of experience in finance and securities
- Position at SHS: Deputy Head of Marketing Department
- Telephone: 024.38.181.888 (Ext: 333)
- Email: trang.tt3@shs.com.vn



2021 Sustainable development report

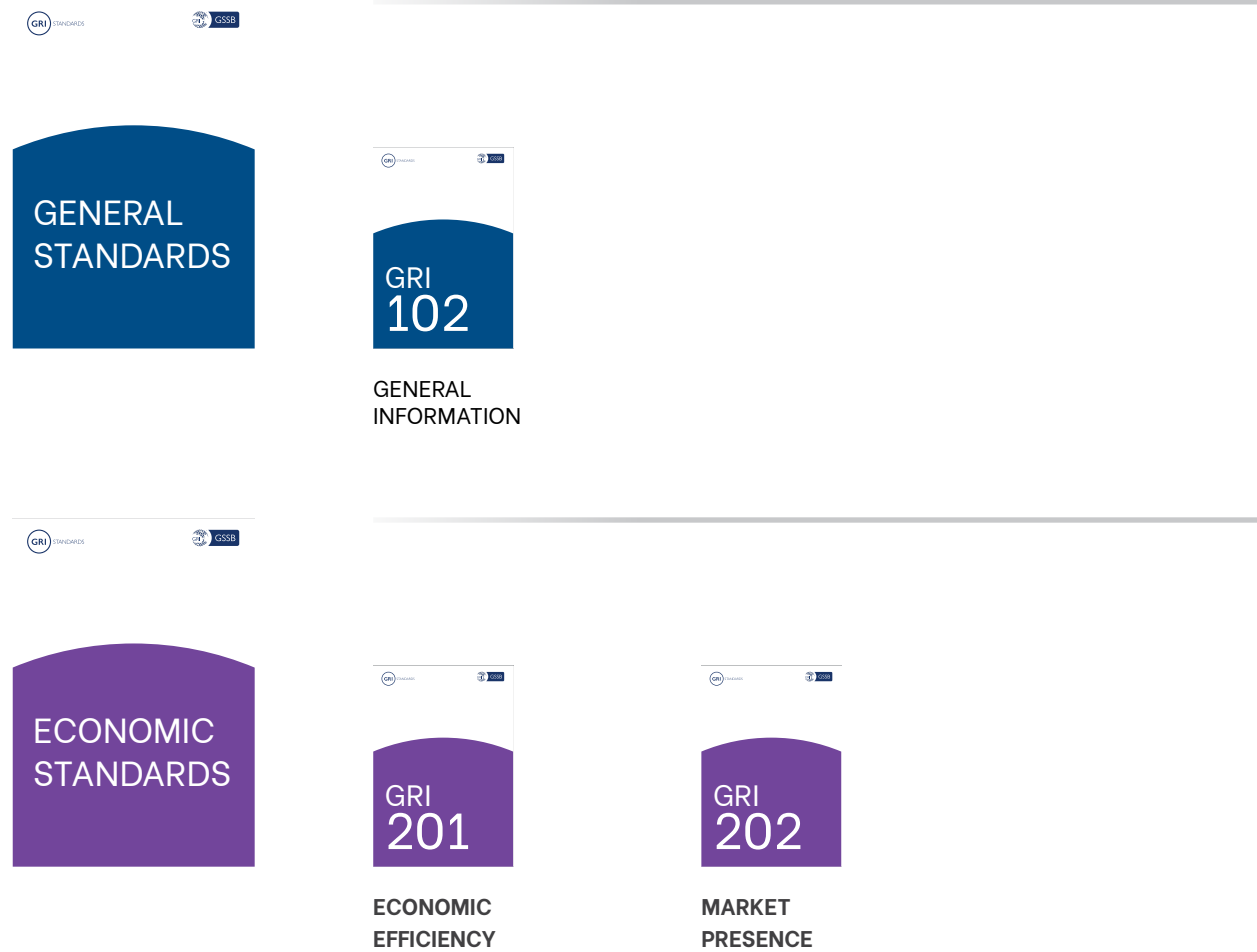
► Target audiences

This year's Sustainable Development Report based on the processing of information and data from the actual operation of the whole Company in the 2021 fiscal year. The report was made by the Sustainable Development Report Team of the Company. This team are assemble from different departments to provide the most complete and honest information and data.

The report's target audience are each and every employee of the Company as well as its involved stakeholders in SHS's activities such as its partners, customers, suppliers, investors, shareholders, local communities and the society, etc.

► Scope of the report

This report focuses on evaluating the implementation of several key criteria, consistent with the characteristics of the industry and business activities of SHS according to the GRI Standards.





GRI 102 – 14 Announcement of the high level decision maker

This is seventh consecutive years that SHS provides the Sustainable Development Report in accordance with the Sustainable Development Reporting Guidelines for Financial Services of the Global Reporting Initiative – GRI. In which, SHS complies with the following principles for the making of this year report:

Principles to determine the content of the report

- Participation of the Parties
- Materiality

Principles to determine the quality of the report

- Completeness
- Clarity
- Consistency
- Reliability
- Comparability



GRI 102 – 40 Recognizing related parties

Corporate insiders

- Shareholders/Investors
- Employees

Outside the business

- Customer
- Suppliers
- State management agencies
- Associations
- Media agencies
- Local communities



GRI 102 – 43 Approach method

SHS has implemented several channels and approaches to connect and understand the concerns of each stakeholders as follows:

To Shareholders/Investors

- At Annual or Extraordinary General Meeting of Shareholders
- Via SHS's website
- Through the Investor Relations Department (phone calls, letters, emails, Facebook, etc.)
- Direct investor meetings
- Networking, cooperating, investment opportunities, introductory programs

To Employees

- Through direct manager, HR Department/union
- Through preliminary and summarizing conferences
- Through direct meetings, phone calls, mailings, emails, Facebook
- Through internal training programs

To Clients

- Through the opinion of the brokerage team and employees in direct contact with customers
- Direct contact at transaction floor, seminars, customer appreciation conferences, etc.
- Customer care switchboard
- Customer calls, mails, emails, Facebook

To Suppliers

- Direct meetings and negotiations
- Through website, capacity assessments and other documents

To State management agencies

- Direct contact
- Through seminars, conferences, and training programs
- Through regular and irregular inspections

To Associations

- Through meetings of association members, seminars, and forums
- Through direct communication, phone calls, emails, periodic inspections

To Media agencies

- Through interview
- Through press conference
- Through meeting program
- Through direct contact, phone, email...

To Local Communities

- Through local government and local authorities
- Direct contact
- Through Facebook and phone calls



Related parties	Concerns	SHS's actions
Shareholders/ Investors 	• Effective business operations • Full, transparent, and timely publication of information • Ensure dividends and the legal rights of shareholders • Stable and rising stock prices	• Complete and exceed the business plan approved by the General Meeting of Shareholders • Professionalize the activities of the Office of the Board of Directors, the Information Disclosure Department and the PR & Marketing Department • Strictly comply with commitments to shareholders on payment of dividends and other legal rights • Complete and constantly improve the corporate governance system in accordance with the laws and best governance practices
Employees 	• Good working environment • Stable employment • Promotion and development opportunities • Full and transparent payment of salary, bonus, and competitive benefits • Good staff training and development policy	• Constantly expand and improve business performance to create stable career path with increasing income for employees • Constantly improve the Company's culture to create an effective and competitive working environment • Plan and regularly organize appropriate training programs inside and outside the Company • Regularly organize personnel assessment, promoting and rewarding staff who perform their tasks well
Clients 	• Good product/service in term of quantity and quality, competitive product/service with reasonable price • Fast and modern IT application in providing products and services • Stable loan capital • Qualifications and professionalism of staff	• Professionalize the product research and development department • Regularly research, update and upgrade IT systems • Actively use capital and connect with other organizations and individuals to ensure the size of loan capital is growing and diverse • Regularly organize internal training courses, on-the-job training and appoint employees to participate in external training courses to improve customer service skills
Suppliers 	• Fairness and transparency in the supplier selection process • Prestige in payment	• Develop a supplier evaluation and selection process • Establish a contractor selection council consisting of many departments to ensure righteous review • Promote inspection and control activities in the purchase process, and promote legal and accounting activities in contract review

Related parties	Concerns	SHS's actions
State management agencies 	• Compliance with the law • Effective business performance of the Company • Corporate governance and risk management • Contribution to the State budget • Sharing of ideas, views and suggestions on the market • Giving comments on draft legal documents	• Promote corporate governance activities, internal legislation, inspection and internal control • Complete and exceed the business plan approved by the General Meeting of Shareholders • Actively send reports, provide information, share comments and professional experience.
Associations 	• Attending all meetings of the Association. • Contributing ideas to develop the Association's activities. • Fully contributing financial obligations to the Association.	• Follow and appoint staff to participate in the Association's meetings. • Actively contribute ideas and appoint staff to fully participate in the consultation sessions initiated by the Association. • Make full and timely contributions as notified by the Association.
Media agencies 	• The ability to access information about the Company in a timely and effective manner. • Coordinating with Media agencies.	• Actively send press releases. • Disclose information about important events and activities of the Company in a transparent and timely manner. • Provide complete, timely and transparent information, data, analysis and assessment as required. • Appoint experts to participate in interviews, to give comment and to make evaluation.
Local communities and society 	• Compliance with the law on environmental protection • Implementing activities to improve the quality of community life • Implementing volunteer activities • Investing and supporting in investing in sustainable development areas • Funding younger generation development programs and activities.	• Implement programs and solutions to save energy and water resources at the office. • Set a minimum annual limit to contribute, support and sponsor social security programs. • Set a minimum annual limit to invest in green stocks and bonds. • Set a minimum annual limit for funding programs and activities for the development of the young generation.



Given the bloom of Vietnam's stock market, SHS has proactively and flexibly employing all of its resources under a comprehensive solution to fully realize all of the market opportunities to achieve the business plan set forth by the 2021 AGM.

Business performance

- Ranked 6th on HNX in terms of stock brokerage market share of 4.5%.
- Ranked 3rd on HNX in terms of government bond brokerage market share (Above 10% market share group).
- Recorded the highest total assets and charter capital: VND 10,910.9 billion and VND 3,252.7 billion.
- Total revenue and other income: VND 2,899.8 billion.
- Profit before tax: VND 1,752.9 billion.
- Total retained earnings: VND 1,865.9 billion.
- ROE (30.1%), ROA (15.7%), EPS (VND 5,795/share), Financial safety ratio (386.62%).

Ensuring the rights of shareholders

- Cash dividend paid of 12%.
- Issued 5% Shares to increase capital from owner's equity.
- Conducted public offering of shares to existing shareholders, ratio 2:1.

Ensuring the rights of employees

- Average income increased sharply to VND 76 million/person/month
- Paid VND 6.0 billion/ VND 6.3 billion for social insurance, health insurance, unemployment insurance, and labor union.
- Issued 4,000,000 shares under the employee stock ownership plan.

Safely managing asset for customers

- Managed 58,485 individual and clients accounts.
- Managed VND 2,385.0 billion of deposits and VND 43,596.4 billion of securities value for customers.

Contributing to the State budget

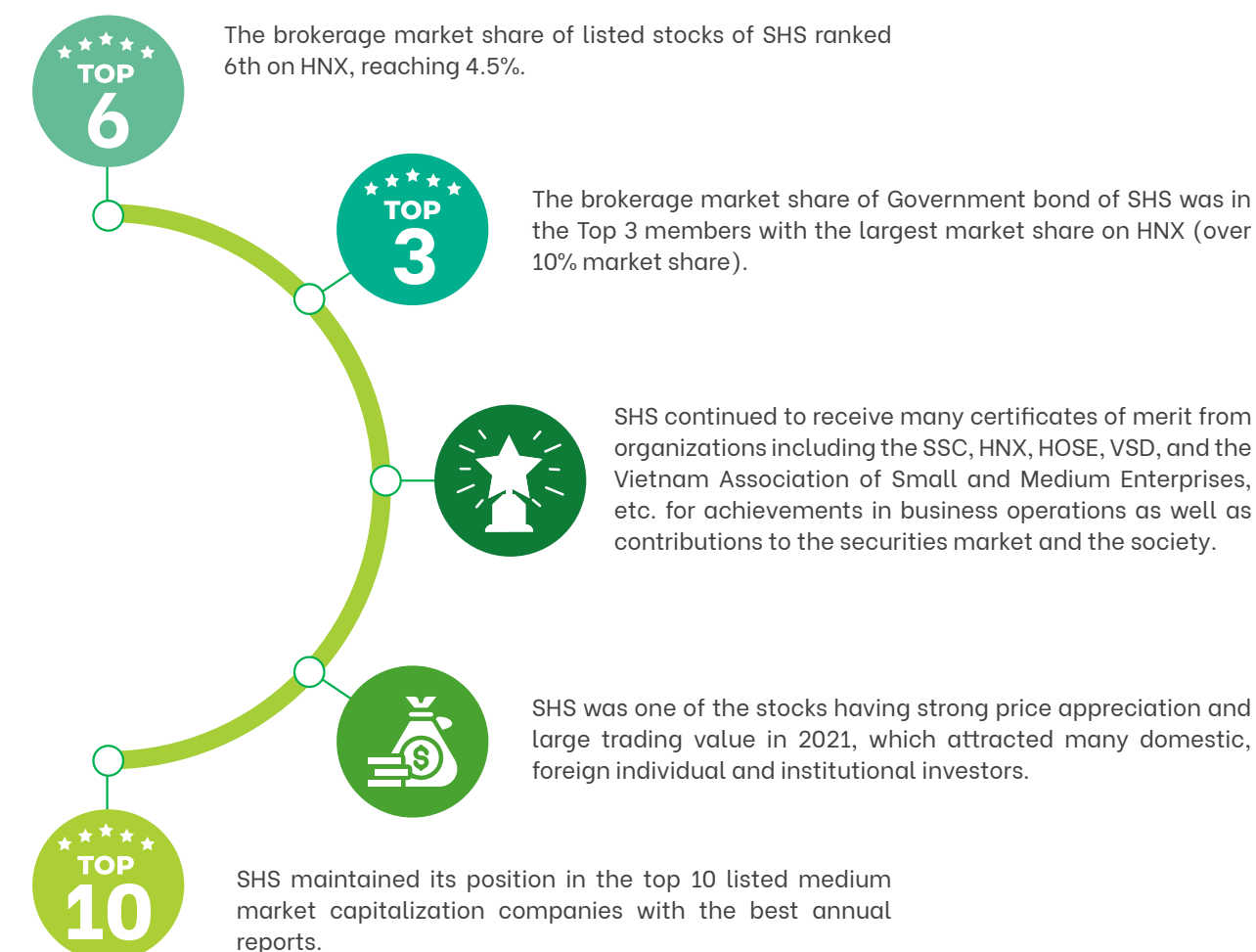
- Paid VND 290.0 billion/ VND 365.7 billion of taxes and fees into the state budget.
- Supported all customers, partners, officers and employees of the Company to make tax declarations or receive tax declarations for settlement at the Company.

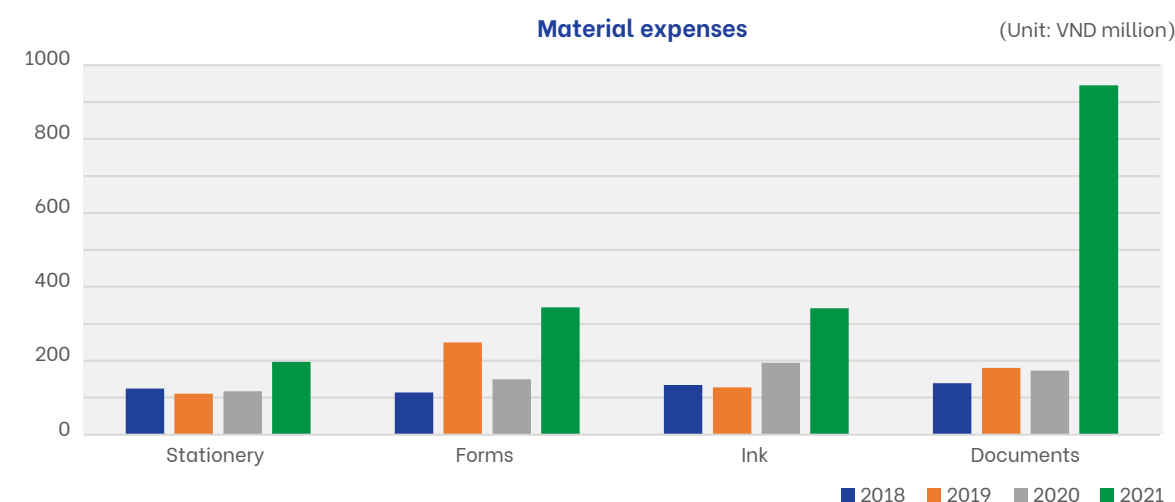
Improving corporate governance

- Increasingly improved the corporate governance model according to Decision No. 617/QĐ-UBCK dated October 9, 2013 of the State Securities Commission on guiding the classification of securities companies and Vietnam's best governance practices for listed companies released in 2019.
- Supported shareholders to fully exercise their legitimate rights and interests as well as treated shareholders fairly.
- Organized the Annual General Meeting of Shareholders in accordance with the procedures as prescribed by law, the Charter and the internal management regulations of the Company.
- Enhanced the capacity, roles, responsibilities and commitments of the Board of Directors, Supervisory Board and the Company's managers.
- Disclosed information fully, timely and transparently.



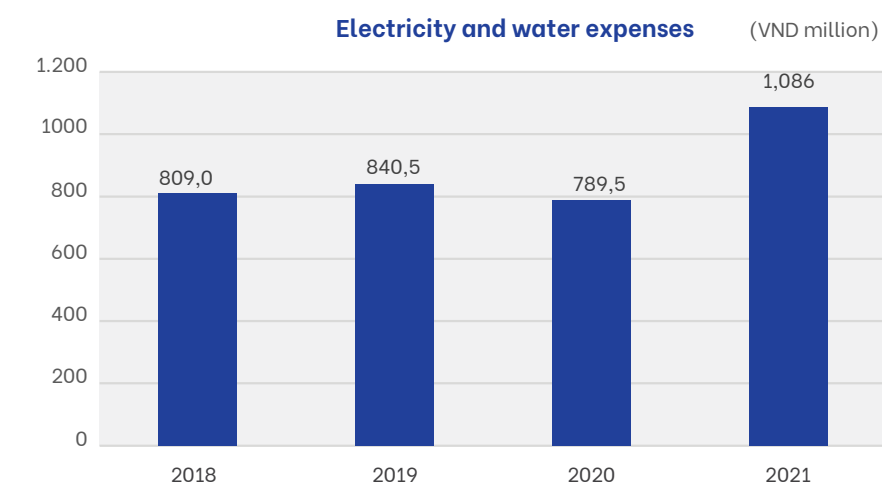
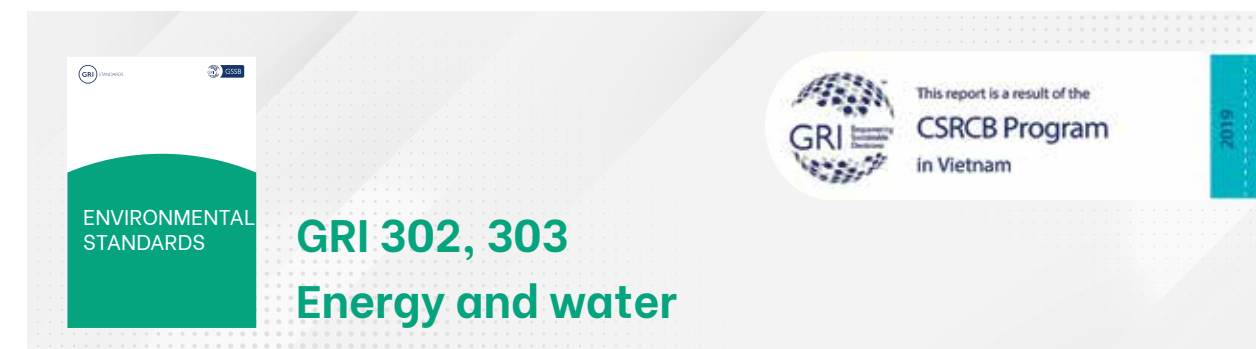
In 2021, SHS continued to strengthen its presence on the Vietnam stock market through the following important events:





Being a Company operating in securities field, the main materials used by SHS was printing paper, ink, forms, books, documents, and stationery of all kinds. The annual volume of these materials was not large, so there was no significant effect on the environment.

The use of materials of the Company was based on the annual proposal of the departments and branches. During the year, departments and branches used materials according to the allocated plan. In the event of exceeding plan, the Head of the department must send an explanation to the member of the Board of Management in charge and the Administrative Department. All materials were fully utilized and treated appropriately after use to ensure environmental protection requirements such as sorting, transferring to a collection unit, etc.



Being a service Company, SHS did not use as much electricity and water as companies in other industries. However, SHS always connected its goals to environmental protection in business activities and raised awareness of staff about the need to protect the environment, to save energy and water resources.

The Company has installed its entire lighting system using energy-saving devices. The departments was designed with multiple windows to increase their exposure to sunlight and natural wind. The central air conditioning system was always set at a reasonable level to reduce the difference between the outdoor and indoor temperature. SHS did not encourage its employees to work overtime to ensure the regeneration of labor power and the energy savings. Staff must register in advance if they want to work overtime. The General Administration Department was responsible for checking and turning off the lights and air-conditioning in the lobby and the rooms if they were left on. The Company had periodic maintenance contracts in place for air conditioning systems and machine reviews (computers, printers etc.) to maintain capacity and reduce power loss.

The Administration Department was also assigned to regularly check the faucets to ensure that there are no water leaks, etc. Bottled drinking water was provided to each floor according to the planned quota.

Besides implementing policies and procedures, the Company also issued sanctions to departments and staffs who violated regulations on electricity and water use.



In order to minimize pollution, the Company also implemented a number of measures to reduce emissions and waste discharged into the environment. The modern, high-tech air-conditioning system was regularly checked and maintained to avoid leaking harmful emissions into the environment. Office waste was classified into organic waste, recyclable waste and hazardous waste. Waste collectors were required to classify the waste before handing it over to the waste collection Company.

- For organic waste: in each department, hallway, and toilet, there was a covered trash can. Cleaning staff was required to collect garbage daily to avoid polluting the office
- For recyclable waste such as paper, paperboard, bottles, plastic jars, glass: cleaning staff collected separately for sale or reuse.
- For hazardous waste such as ink, batteries, light bulbs: be collected separately to hand over to ink suppliers or garbage collection companies.

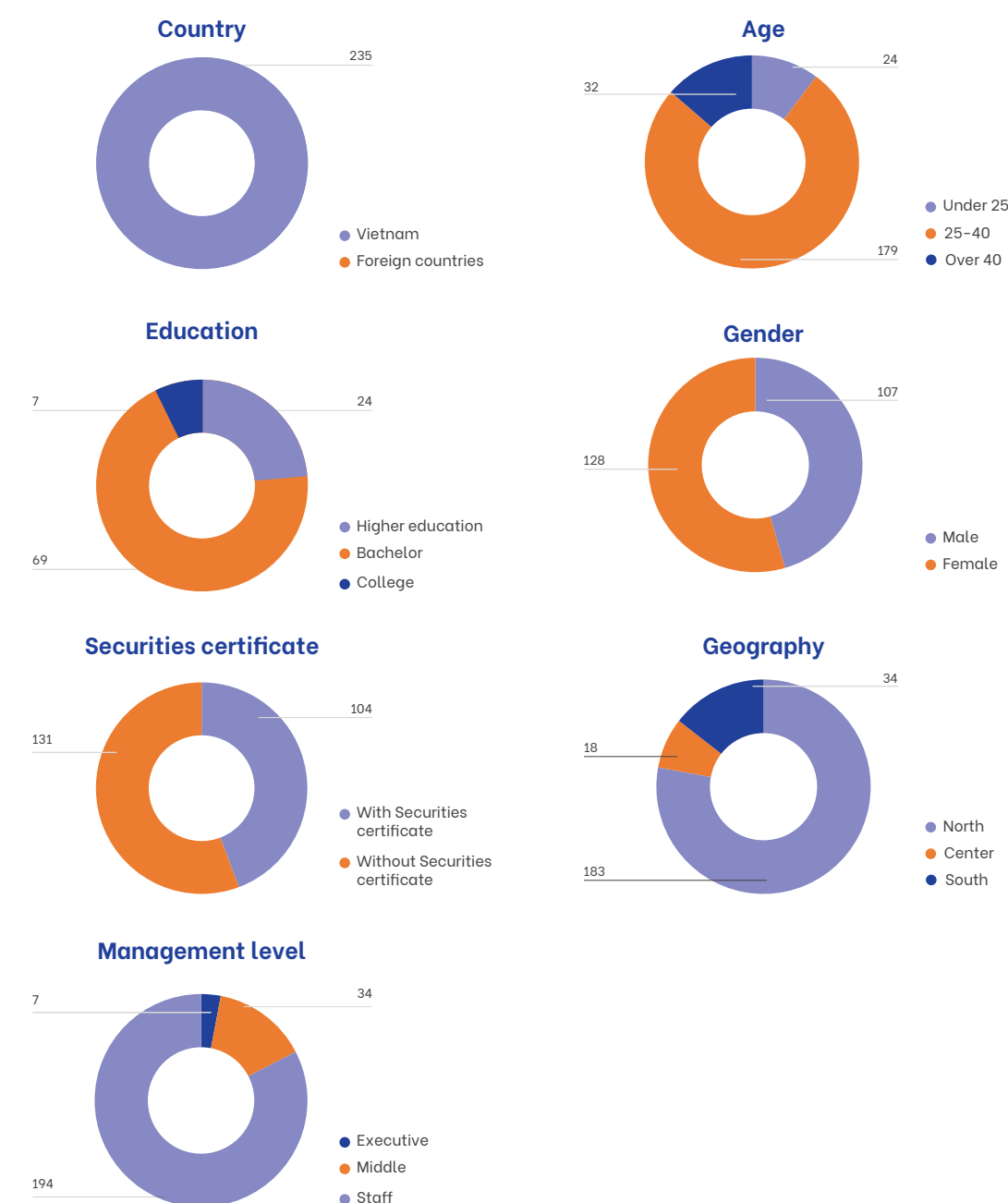


The Company has not recorded any violations of environmental protection regulations in 2021.

In order to ensure the health of all employees, and to contribute to keeping the environment green, clean and aesthetic, cleaning staff were required to clean 2 times/day in common areas and 1 time/day for specific areas. Staff was required to regularly clean desks/equipment and to arrange documents neatly and logically. The Company also hired a unit to periodically take care of the plants and maintain the machines throughout the office.



The human resource structure of SHS



The total number of SHS’s employees (including Head Office, 2 branches, 1 transaction office and 1 representative office) as of December 31st, 2021 was 235.

Recruiting employees who met the requirements of the jobs and were suitable with the Company’s Culture

SHS recruited staff on the basis of the annual recruitment plan approved by the Board of Management. The recruitment plan was established on the basis of the proposals of the departments, branches, transaction offices based on the revenue, profit and annual development goals. The recruitment of staff was done through many different channels such as announcements on the mass media, the Company’s website, introductions and professional recruitment organizations, etc. All employees applying for the position must pass through a number of rounds to select the most experienced and suitable candidates for the Company’s business strategy and culture. In 2021, SHS has recruited 33 new employees to supplement the Company’s staff in all 3 regions. The Company absolutely refrains from using child labor and forced labor.

Managing personnel professionally

The Company managed its personnel by business location and by department. The General Director was responsible for managing the Deputy General Directors and Heads of departments. The Board of Management, including the General Director and the Deputy General Directors, was responsible for managing Heads of Departments. Heads of Departments were responsible for managing their own staffs. Directors of branches, transaction offices and Heads of Representative Offices were responsible for managing the staffs of branches, transaction offices and representative offices, respectively.

Employees must record attendance by biometric fingerprinting checks. At the end of each month employees were required to complete the timesheet for days without attendance, submit it to managers for approval and then transfer it to the General Administration Department for wage calculation.

The Company has also equipped with professional human resource management software with many utilities. Employees can export information about salary, bonus, allowance, leave, attendance checking status... on the system. The Human Resources Department can directly manage the Company’s personnel on the software with many different functions such as salary calculation, bonus and deductions on salary, attendance checking management, paid leave management...

All employees of the Company were fully informed of the Labor Regulations and related processes,

regulations from the moment they started working at the Company in order to help them understand their rights and obligations.

Appointing and transferring to meet the Company’s business strategy

In 2021, the Company recruited 33 employees, raised wages for 6 employees, re-evaluated labor contracts for 57 employees, dismissed 17 employees based on their requests, and assessed individual capacity and suitability in order to bring out the best of each employee, thereby improving the quality of products and services provided to clients.

Attractive salary and bonus policy

The Company’s salary and bonus regulations were issued based on the principle of agreement, ensuring competitiveness and transparency, encouraging employees to work with the Company in long-term, and creating motivation to improve quality and responsibility at work.

The income of employees at SHS was the monthly net income. The employee’s salary was paid twice a month, in which the first time was an advance of 30% salary, the second time was the remaining 70% of the salary. The Company deducted and paid union fees, social insurance, health insurance, unemployment insurance and personal income tax for 100% of employees before paying salary to employees in accordance with the law and the Company’s regulations.

The employee’s income structure included monthly basic salary, monthly salary based on business results, bonus based on business results, overtime salary, shift meal and other incomes, etc. Particularly, for the Brokerage Division and supporting departments/ individuals, the Company had a policy of sharing brokerage fees with brokers and salary based on total brokerage revenue to the supporting departments.

Taking advantage from Vietnam’s securities market in 2021, the Company’s business efficiency has been improved, through which, salaries and bonuses of brokerage employees have increased sharply, making the average salary and bonus of all employees increased from VND 38.3 million/person/month (in 2020) to VND 76.1 million/person/month (in 2021).



Cost	2019 (VND)	2020 (VND)	2021 (VND)
Salary, bonus, shift meals, overtime salary, etc.	75,405,201,484	97,558,180,768	214,733,273,749
Deductions from salary (Union fees, social insurance, health insurance, unemployment insurance)	2,691,475,976	2,868,186,440	2,777,243,379
Total salary and bonus	78,096,677,460	100,426,367,208	217,510,517,128
Number of employees at the end of the year	227	212	235
Average salary and bonus per employee each month	28,669,852	38,348,341	76,146,551

In 2021, the Company voted and rewarded excellent employees who made outstanding contributions to the Company’s business results in 2020 with a total reward value of VND 175 million:

- The Chairman of the Board of Directors rewarded 2 teams and 1 individual
- The CEO rewarded 2 teams and 6 individuals

The combined spiritual and material reward policies created a continuous motivation among employees and departments, thereby increasing productivity and quality of products and services provided to clients.

Supporting employees and their relatives

In addition to salary and bonus, employees were also entitled to other allowances and benefits depending on their jobs, working position, working capacity and business results of the Company (such as allowance for phone, gas, meal, business trip, personal birthday, Company birthday November 15, March 8, October 20, allowance for employees who served in the army, etc.).

Female employees had full 6 months of leave when giving birth and 1 hour daily working time reduction from 7th month of pregnancy to the end of 1st year after giving birth. Male employees had 5-14 days off when their wives gave birth. During the year, as approved by the Company, 16 female employees started their maternity leaves and 2 male employees had days off to take care of their wives. In addition, the Company also implemented other policies such as sick leave, maternity leave, sick leave, vacation, etc. to ensure maximum benefits for employees and there was no complaint about the implementation of policies for employees in 2021.

The Company also cared about employee’s relatives and families. The Company rewarded children with good learning achievements during the year, gave gifts to children on Children’s Day and Mid-Autumn Festival, supported employee’s families when they were sick or having weddings, funerals, etc. The spending limit was 5 million VND/person.



SHS was dedicated to providing a safe, professional, effective, fair, friendly and open working environment. The Company guaranteed the best working conditions for all employees. Head office and its branches, transaction offices, and representative offices were spacious, open and equipped with personal computers and other working tools to create a sense of comfort and convenience for employees. The General Administration Department was responsible for regularly reminding employees to maintain a safe, clean and professional working environment.

Health care for employees was also concerned. In 2021, the Company continued to buy life insurance with a total cost of about VND 1.1 billion at Saigon – Hanoi Insurance Joint Stock Company (BSH) for all employees of the Company. In 2021, due to the impact of the Covid-19 pandemic, the Company temporarily suspended the annual health check program for employees.



SHS ensured fairness in the working environment as well as development opportunities for female employees. The proportion of women in the Company is 54.5%, an increase of 1.5% compared to 2020. The Company's salary and bonus policies did not discriminate between male and female employees. Women were always encouraged to comment and participate in management positions and the Company always complied with the law on women's policies such as working time and rest time when pregnant.



SHS specially valued the importance of training because employees were considered the most valuable assets of the Company. The Company can only develop sustainably if employees were cared for and educated regularly. In addition, the education and training at the Company was oriented towards practical training and towards the goal of develop the next class of staff, creating proactiveness in personnel management for the Company.

In 2021, the Company also sent many employees to participate in training courses, coaching sessions of the State Securities Commission, Stock Exchanges on information disclosure, annual report preparation, sustainable development report, updating new regulations of the law related to securities, corporate governance and obtaining other securities practice certificates. Internal training sessions were still maintained regularly to help improve the professional qualifications, communication and customer service skills of employees.



Employees were free to establish associations to improve morale and health. A number of associations have been established or maintained, ensuring compliance with the Covid-19 pandemic prevention and control regulations in 2021, such as yoga, chess, running, tennis, golf, etc.

The Company implemented the labor policies in accordance with the Labor Law and other current provisions of the Law. The collective labor agreement was approved by all employees of the Company and registered with the Department of Labour – Invalids and Social Affairs. All employees in the Company enjoyed benefits from the Collective Labor Agreement. The employees were taken care of through the Company's trade union and bonus fund. Any conflict of interest between the Company and its employees (if any) would be resolved by the trade union to ensure the legitimate rights and interests of the employees.



Being an outstanding and responsible member of the management agencies and associations

In 2021, SHS actively participated in activities organized by management agencies and associations. Specifically:

- The Company participated in all seminars on amending legal documents organized by the State Securities Commission and the Securities Investment Association, in all seminars on disseminating legal documents, disseminating regulations on corporate governance, regulations on making annual reports and sustainable development reports.
- The Company participated in all comment request about amendments to legal documents organized by the State Securities Commission, the Ministry of Finance, the Stock Exchanges, the Securities Investment Association, etc., including important documents such as: Circular on organizing trading privately issued corporate bonds, Circular on guiding the preparation of financial information reports according to conventions, Circular on regulating service prices in the securities sector (Circular 127/2018/TT -BTC and Circular 128/2018/TT-BTC), Circular guiding on covered warrants, Regulation on guiding securities margin trading replacing Decision 87, etc.
- The Company contributed many important comments to State management agencies (such as the SSC, HNX, HOSE, VSD, VCCI, Ministry of Finance, Ministry of Planning and Investment, etc.) as well as the Securities Investment Association, Vietnam Association of Small and Medium Enterprises and Vietnam Bond Market Association, etc. to building a safe, efficient securities market in Vietnam and improve the quality of operations and competitiveness of Vietnamese enterprises.
- The Company sent reports and disclosed information fully, promptly and transparently to management agencies such as the State Securities Commission, HNX and HOSE, VSD, National Financial Supervisory Commission, the State Bank, the Tax Authority, the Statistics Agency and Insurance Agency, etc.

- The Company provided full and reasonable explanations about the business and its financial and customer situation upon request of the State management agencies
- The Company continued to promote cooperation with many communication agencies and newspapers to provide proactive, complete, timely and responsible information to the public.

Thanks to positive contributions in 2021, the Company was honored to receive many certificates of merit from the Hanoi People's Committee, the Fatherland Front Committee of Hanoi City, the Hanoi Department of Industry and Trade, HOSE, Vietnam Association for Corporate Culture Development, Vietnam Report, Investment Newspaper, etc. *(Please refer to the Award section)*

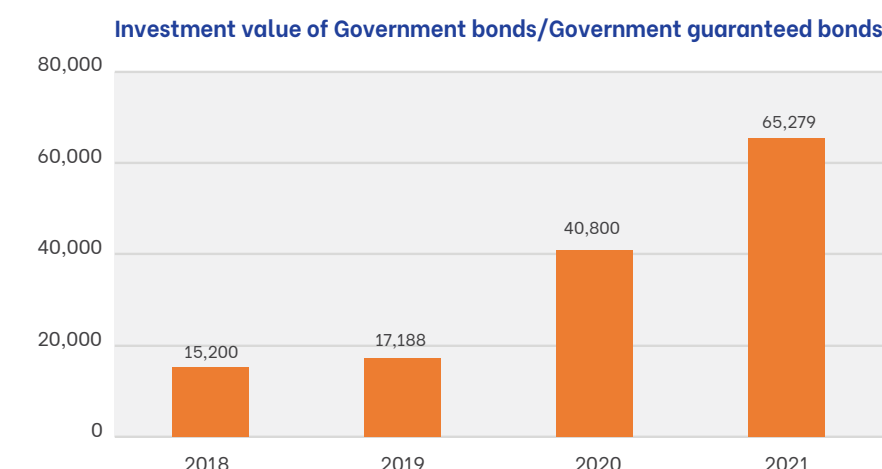
Contributing to the Green Capital Market

SHS continued the business strategy of using efficiently existing resources to enhance the competitiveness towards sustainable development. One of the priorities of the sustainable development strategy was to devote a significant portion of resources to invest in and support the green capital market through brokerage activities, financial services, investment, financial advisory and underwriting activities.

Brokerage and financial service activities

SHS provided a wide range of brokerage and financial services for investors who invested in listed and unlisted green stocks. In addition, the Company also provided many brokerage services and financial services for green enterprises in order to improve the financial and governance capacity of green enterprises. These activities supported transactions, improved the liquidity of green stocks, and helped investors gain more knowledge about green-field stocks. SHS was also an auction agent for many green stocks through the Stock Exchanges and through a securities Company. SHS's activities made the process of capital mobilization, divestment, sale of capital, and equitization of green enterprises more effective.

Investment activities



In 2021, the Company invested about VND 65,279 billion in Government bonds; Government guaranteed bank and corporate bonds, etc. which accounted for 66% of SHS's total investment in 2021 to indirectly finance green goals, programs and projects of the Government and businesses. Comparing with SHS's investment results in previous years, it showed that SHS's investment in green bonds in 2021 had a remarkable growth (increased 60% compared to 2020 and 280% compared to 2019).

The Company also spent hundreds of VND billion investing in green stocks (stocks of listed companies with good fundamentals, tending to invest in green projects, manufacturing healthy, energy saving, environment friendly products or applying environment friendly technology such as VCB, BID, TCB, etc.).

Investment analysis and consulting activities

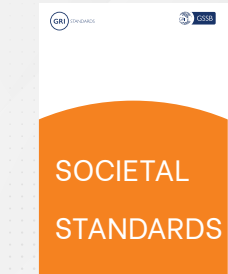
In 2021, the Company provided many investment recommendations through analytical bulletins and investment advisory reports. In particular, the Company regularly recommended investors to prioritize investing in green securities because these securities would be sustainable and efficient investments. SHS was willing to share information and investment opportunities in green securities with customers. Some investment recommendations in green-field securities of SHS in 2021 were REE, TV2, TDM, etc.

Responsibility to the local community and society

In 2021, SHS actively contributed to programs and funds which support children, the poor, families of war invalids, martyrs, and doctors, patients affected by the Covid-19 pandemic, in order to create better living environment for the community. Total funding and supporting value for the community in 2021 was VND 7.0 billion.

Some of the programs SHS sponsored and supported in 2021:

No.	Programs	Organizer	Amount	Time
1	Supported the Fund of buying Covid-19 vaccine with the Company's budget	Vietnam Fatherland Front in Hanoi City	3,000,000,000	June 2021
2	Supported the Fund "For Vietnam's seas and islands"	Vietnam Fatherland Front in Hanoi City	144,205,555	April 2021
3	Supported Ho Chi Minh City Center for Disease Prevention and Control to prevent Covid-19	The Company's employees	193,016,000	July 2021
4	Bought ventilators for Thong Nhat Hospital	State Securities Committee	500,000,000	August 2021
5	Project of the General Department II Museum	Board of Directors	2,930,713,000	February 2021
6	Supported and sponsored the program "Spring for you"	Vietnam Children's Fund	220,000,000	December 2021
Total			6,987,934,555	



GRI 418
Customer privacy



As a securities Company managing 58,485 customer accounts with VND 2,385.0 billion of deposits and VND 43,596.4 billion of securities value for clients, the privacy of customer information is a top priority. The Company has issued internal regulations regarding customer privacy protection as well as outlined punishments for failing to meet these regulations. All securities trading and accounting software was purchased from reputable partners. Furthermore, their use was decentralized and the access to information and data was based on the written proposal of the department's head, the approval of the Board of Management and the decentralization managed by the IT Department. The Company also bought firewall software to protect software systems and prevent illegal access to the Company's website. All contracts, records and documents related to customer information were managed by the related departments, kept in locked cabinets and destroyed when no longer in use, in accordance with the Company's regulations.

Sustainable development plan in 2022

Compared with the sustainable development plan for 2021, the Company completed most of the sustainable development goals of 2021, except for the goal of maintaining the position of the Top 5 securities companies with the largest brokerage market share in Vietnam.

Based on the assessment of the results of sustainable development in 2021 and comparing it to the objectives and development direction in 2022, SHS proposed the sustainable development plan for 2022 as follows:

Criteria	Targets
Enhance business effectiveness	- Complete and exceed the 2022 business plan approved by the General Meeting of Shareholders. - Maintain SHS's position in the top-5 securities companies with the largest brokerage market share in Vietnam. - Achieve other non-financial goals.
Ensure commitments with related parties	To employees - Ensure stable and growing income. - Creates an equal and professional working environment with opportunities for promotion. To shareholders - Ensure dividends and other benefits of shareholders. - Disclose information promptly and transparently. To customers and suppliers - Complete and continue to improve the quality of products and services provided at competitive prices. - Be a regular, reliable partner and share benefits together. To management agencies, associations and the media - Fulfill obligations to the State Budget. - Be an active member and contribute effectively to the development of Vietnam's stock market and its associations. - Cooperates in reporting, information disclosure and communication.
Enhance environmental, social responsibilities	To the environment - Implement solutions to save more energy and water resources. - Implement solutions to save more energy and water resources. - Actively protect the environment in many different forms. To society - Strengthen voluntary work and social security programs.

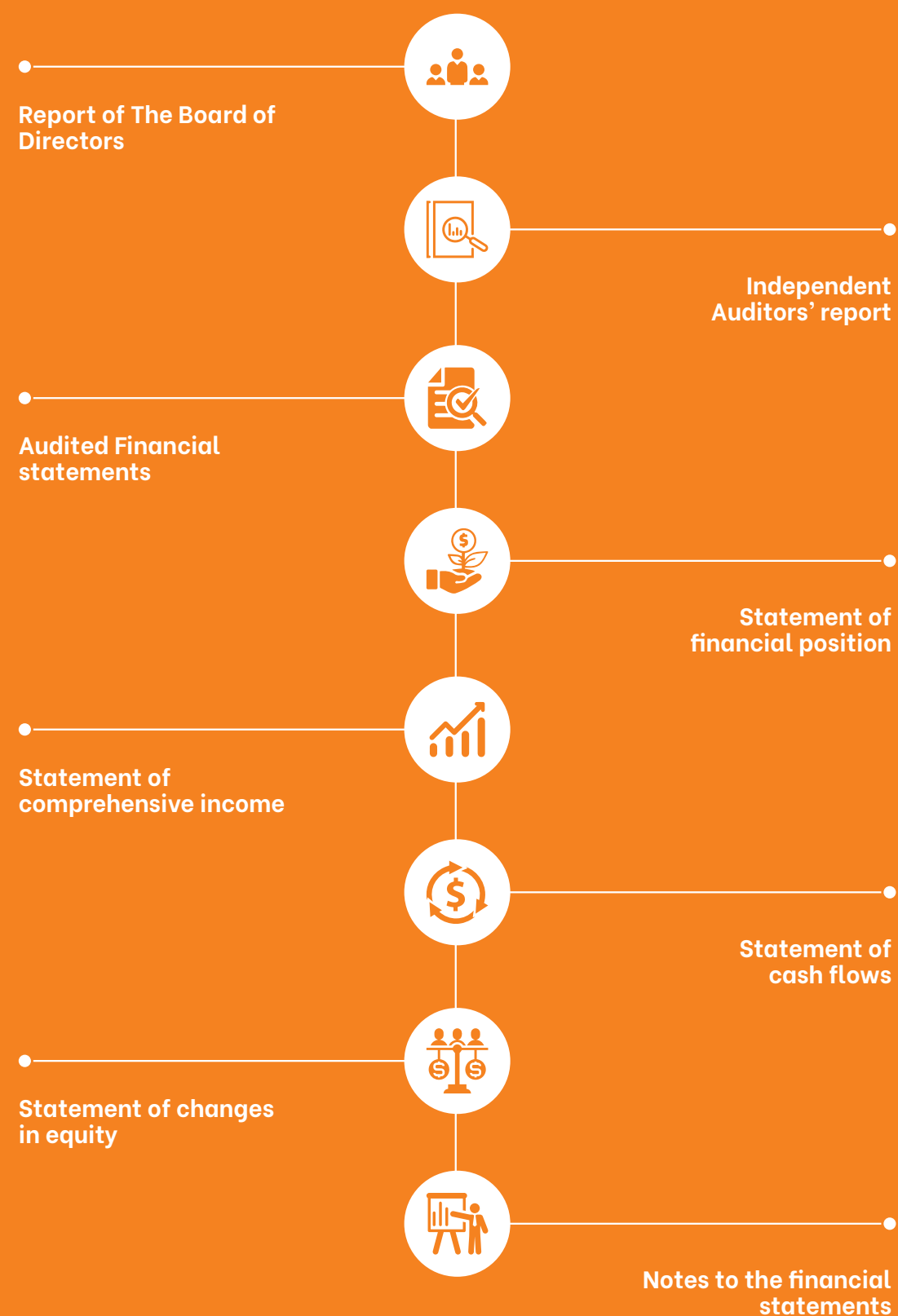


06

AUDITED REPORTS IN 2021

- AUDITED FINANCIAL STATEMENTS
- AUDITED FINANCIAL SAFETY RATIO REPORT

Audited financial statements



Report of the Board of Directors

The Board of Directors of Saigon - Hanoi Securities Joint Stock Company ("the Company") presents its report and the Company's Financial statements for the fiscal year ended as at 31 December 2021.

► The company

Saigon - Hanoi Securities Joint Stock Company which was established and operating activities based on License of securities operating activities No 66/UBCK-GPHDKD dated 15 November 2007 and Amended License of securities operating activities No.96/UBCK-GP dated 27 October 2021 issued by the State Securities Committee.

The Company's head office is located at: Floors 1-5 Unimex Hanoi Building, 41 Ngo Quyen, Hang Bai Ward, Hoan Kiem District, Hanoi City.

► Board of management, Board of directors and Board of supervision

The members of The Board of Management during the fiscal year and to the reporting date are:

Mr.	Do Quang Hien	Chairman
Mr.	Vu Duc Tien	Member
Mr.	Le Dang Khoa	Member
Mr.	Mai Xuan Son	Member
Mrs.	Nguyen Dieu Trinh	Member

The members of The Board of Directors in the fiscal year and to the reporting date are:

Mr.	Vu Duc Tien	General Director
Mr.	Tran Sy Tien	Deputy General Director as Chief Accountant
Mr.	Nguyen Chi Thanh	Deputy General Director
Mrs.	Tran Thi Thu Thanh	Deputy General Director
Continue to be appointed from 01/08/2021		

The members of the Board of Supervision are:

Mrs.	Pham Thi Bich Hong	Head of Control Department
Mrs.	Luong Thi Luu	Member
Mr.	Vu Duc Trung	Member

► Auditors

The auditors of the AASC Auditing Firm Company Limited take the audit of Financial statements for the Company.

► Statement of the Board of directors' responsibility in respect of the financial statements

The Board of Directors is responsible for the Financial statements of each financial year which give a true and fair view of the state of affairs of the Company and of results of its operation and its cash flows for the year. In preparing those Financial statements, The Board of Directors is required to:

- Establishment and maintenance of an internal control system which is determined necessary by The Board of Directors and Those charged with governance to ensure the preparation and presentation of Financial statements do not contain any material misstatement caused by errors or frauds;
- 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 basis of compliance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System applicable to securities companies and the current requirements relevant to preparation and presentation of Financial statements;
- Prepare the Financial statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

We, The Board of Directors, confirm that the Financial statements for the fiscal year ended as at 31 December 2021 prepared by us, give a true and fair view of the financial position at 31 December 2021, results of its operations and its cash flows in the year 2021 of Company accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System applicable to securities companies and the current requirements relevant to preparation and presentation of Financial statements.

► Other Commitment

The Board of Directors pledges that the Company complies with Decree No.155/2020/ND-CP dated 31 December 2020 on corporate governance applicable to public companies and the Company does not offend obligation of information disclosure under the regulation of Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by Ministry of Finance guiding the disclosure of information on securities market.

On behalf of The Board of Directors.



Vu Duc Tien
General Director

Hanoi, 28 March 2022

Independent auditors' report

To: Shareholders, The Board of Management and The Board of Directors
Saigon – Hanoi Securities Joint Stock Company

We have audited the Financial statements of Saigon – Hanoi Securities Joint Stock Company prepared on 28 March 2022, as set out on pages 06 to 50, including: Statement of financial position as at 31 December 2021, Statement of comprehensive income, Statement of cash flows, Statement of changes in equity for the fiscal year ended as at 31 December 2021 and Notes to financial statements.

► The Board of Directors' responsibility

The Board of Directors responsible for the preparation of Financial statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System applicable to securities companies and the statutory requirements relevant to preparation and presentation of Financial statements and for such internal control as management determines is necessary to enable the preparation of Financial statements that are free from material misstatement, whether due to fraud or error.

► Auditor's 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 standards, ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial statements are free from material misstatement.

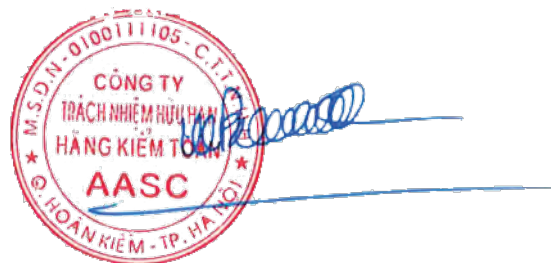
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of Financial statements that give a true and fair view 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 audit opinion.

► Auditor's opinion

In our opinion, the Financial statements give a true and fair view, in all material respects, of the financial position of Saigon – Hanoi Securities Joint Stock Company as at 31 December 2021, and of the results of its operations and its cash flows for the fiscal year ended as at 31 December 2021 in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System applicable to securities companies and the statutory requirements relevant to preparation and presentation of financial statements.

AASC Auditing Firm Company Limited



Vu Xuan Bien

Deputy General Director

Certificate of registration to audit practice

No: 0743-2018-002-1

Hanoi, 28 March 2022

Le Cong Thang

Auditor

Certificate of registration to audit practice

No: 4422-2019-002-1

Statement of financial position

As at 31 December 2021

Code	ITEMS	Note	31/12/2021	01/01/2021
			VND	VND
100	A. CURRENT ASSETS		10,839,040,649,736	6,857,673,176,841
110	I. Financial assets		10,834,566,867,422	6,854,795,267,225
111	1. Cash and cash equivalents	4	652,033,715,127	653,074,220,193
111.1	1.1 Cash		652,033,715,127	653,074,220,193
112	2. Financial assets at fair value through profit and loss (FVTPL)	5	2,700,773,774,103	2,204,736,610,306
114	3. Loans	5	5,817,012,626,522	2,171,684,164,501
115	4. Available for sale financial assets (AFS)	5	702,541,229,300	461,007,802,000
117	5. Receivables	6	38,853,352,485	33,134,169,793
117.2	5.1 Receivables from and accruals for dividend and interest income		38,853,352,485	33,134,169,793
117.3	5.1.1 Received dividends, interest		38,853,352,485	33,134,169,793
118	6. Prepayments to suppliers	7	3,671,818,770	1,866,245,590
119	7. Receivables from services provided by the Company	6	1,222,721,168,220	1,702,764,467,372
122	8. Other receivables	6	161,352,205,033	92,583,752,886
129	9. Provision for impairment of receivables	8	(464,393,022,138)	(466,056,165,416)
130	II. Short-term accounts receivable		4,473,782,314	2,877,909,616
131	1. Advances		2,748,529,899	1,703,254,001
132	2. Tools, supplies	9	266,851,450	309,592,214
133	3. Short-term prepaid expenses	10	1,455,650,965	862,313,401
134	4. Short-term mortgages	11	2,750,000	2,750,000
200	B. NON-CURRENT ASSETS		71,842,950,288	72,069,516,866
220	II. Fixed assets		14,128,110,338	4,372,741,766
221	1. Tangible fixed assets	12	12,379,402,978	3,792,208,871
222	- Cost		35,401,233,922	25,379,572,966
223a	- Accumulated depreciation		(23,021,830,944)	(21,587,364,095)
227	2. Intangible fixed assets	13	1,748,707,360	580,532,895
228	- Cost		24,657,980,987	23,184,664,987
229a	- Accumulated amortization		(22,909,273,627)	(22,604,132,092)
250	V. Other long-term assets		57,714,839,950	67,696,775,100
251	1. Long-term mortgages	11	1,435,890,343	1,436,890,343
252	2. Long-term prepaid expenses	10	36,278,949,607	46,259,884,757
254	3. Deposits to Settlement Assistance Fund	14	20,000,000,000	20,000,000,000
270	TOTAL ASSETS		10,910,883,600,024	6,929,742,693,707

Code	RESOURCES		Note	31/12/2021	01/01/2021
				VND	VND
300	C.	LIABILITIES		4,855,303,932,291	3,703,427,874,103
310	I.	Current liabilities		4,204,719,054,422	2,943,000,520,354
311	1.	Short-term loans and debts	15	2,748,000,000,000	794,000,000,000
312	1.1	Short-term loans		2,748,000,000,000	794,000,000,000
316	2.	Issued bonds	19	600,000,000,000	450,000,000,000
318	3.	Payables for securities transaction activities	16	9,791,264,000	-
320	4.	Trade payables		-	10,378,267
321	5.	Advances from customers		1,925,200,000	1,635,950,611
322	6.	Tax payables and statutory obligations	17	158,417,859,040	45,720,650,347
323	7.	Payables to employees		58,060,881,353	32,362,067,343
324	8.	Employee benefits		733,447,977	428,565,961
325	9.	Accrued expenses	18	95,790,643,323	64,450,609,647
328	10.	Short-term deposits, collateral received	20	452,596,761,401	1,495,276,630,132
329	11.	Other short-term payables	23	29,739,559,838	15,812,574,720
331	12.	Bonus and welfare fund		49,663,437,490	43,303,093,326
340	II.	Long-term liabilities		650,584,877,869	760,427,353,749
346	1.	Issued bonds	19	500,000,000,000	650,000,000,000
352	2.	Long-term deposits, collateral received	20	25,000,000	25,000,000
356	3.	Deferred tax payables	41.2	150,559,877,869	110,402,353,749
400	D.	OWNER'S EQUITY		6,055,579,667,733	3,226,314,819,604
410	I.	Equity	24	6,055,579,667,733	3,226,314,819,604
411	1.	Contributed legal capital		3,742,322,836,300	2,295,262,472,800
411.1	1.1	Contributed legal capital		3,252,650,270,000	2,072,682,010,000
411.1a	a.	Ordinary shares with voting rights		3,252,650,270,000	2,072,682,010,000
411.2	1.2	Share Premium		489,672,566,300	222,580,462,800
412	2.	Asset revaluation differences		293,029,794,376	43,388,969,600
414	3.	Charter capital supplementary reserve fund		77,136,777,489	63,561,856,552
415	4.	Operational risk and financial reserve fund		77,136,777,489	63,561,856,552
417	5.	Undistributed earnings		1,865,953,482,079	760,539,664,100
417.1	5.1	Realized earnings		1,263,713,970,604	318,930,249,102
417.2	5.2	Unrealized earnings		602,239,511,475	441,609,414,998
440	TOTAL RESOURCES AND OWNER'S EQUITY			10,910,883,600,024	6,929,742,693,707

Off-statement of financial position accounts

Code	ITEMS		Note	31/12/2021	01/01/2021
	A.	ASSETS OF THE SECURITIES COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
002	1.	Goods held under trust		1,500,000,000	1,500,000,000
003	2.	Receipt of collateral assets		6,903,330,000	6,903,330,000
006	3.	Quantity of outstanding shares in circulation		325,265,027	207,268,201
008	4.	Financial assets listed/registered at the VSD of the Company	25	944,959,880,000	941,156,880,000
009	5.	The Company's non-traded financial assets deposited at the VSD	26	32,037,470,000	1,501,710,000
010	6.	The Company's awaiting financial assets	27	-	16,570,100,000
012	7.	The Company's financial assets which are not deposited at the VSD	28	143,201,130,000	179,201,130,000
	B.	ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS			
021	1.	Financial assets listed/registered at the VSD of investors	29	41,578,629,440,000	32,085,071,250,000
021.1	a.	Unrestricted financial assets		35,808,331,870,000	25,820,844,780,000
021.2	b.	Restricted financial assets		2,156,424,300,000	3,369,389,590,000
021.3	c.	Mortgage financial assets		3,064,116,280,000	2,322,266,100,000
021.4	d.	Blocked financial assets		44,946,540,000	66,755,200,000
021.5	e.	Financial assets awaiting settlement		504,810,450,000	505,815,580,000
022	2.	Non-traded financial assets deposited at the VSD of investors	30	2,017,813,130,000	511,438,690,000
022.1	a.	Unrestricted and non-traded financial assets deposited at the VSD		971,686,500,000	219,143,010,000
022.2	b.	Restricted and non-traded financial assets deposited at the VSD		1,030,830,950,000	277,000,000,000
022.3	c.	Non-traded and mortgage financial assets deposited at the VSD		15,295,680,000	15,295,680,000
023	4.	Awaiting financial assets of investors	31	499,119,960,000	500,707,280,000

Code	ITEMS	Note	31/12/2021	01/01/2021
026	5. Investors' deposits	32	2,384,987,371,174	2,859,812,190,075
027	5.1 Investors' deposits for securities trading activities managed by the Company		787,074,410,882	511,475,622,919
028	5.2 Investors' synthesizing deposits for securities trading activities		1,597,617,003,500	800,254,229,600
030	5.3 Deposits of securities issuers		295,956,792	1,548,082,337,556
031	7. Payables to investors - Investors' deposits for securities trading activities managed by the Company	33	2,384,691,414,382	1,311,729,852,519
031.1	7.1 Payables to domestic investors - investors' deposit for securities trading activities managed by the Company		2,384,062,038,382	1,302,837,980,794
031.2	7.2 Payables to foreign investors - investors' deposit for securities trading activities managed by the Company		629,376,000	8,891,871,725
035	8. Payables for dividend, principal and interest from bonds	34	295,956,792	1,548,082,337,556

Nguyen Thi Thuy
Preparer

Tran Sy Tien
Chief Accountant



Vu Duc Tien
General Director

Hanoi, 28 March 2022

Statement of comprehensive income

Year 2021

Code	ITEMS	Note	Year 2021	Year 2020
			VND	VND
	I. OPERATING INCOME			
01	1.1 Gain from financial assets at fair value through profit and loss (FVTPL)		1,484,260,981,477	986,114,407,450
01.1	a. Gain from disposal of financial assets at FVTPL	36.a)	1,252,757,842,307	323,403,346,578
01.2	b. Gain from revaluation of financial assets at FVTPL	36.b)	179,816,966,577	553,290,190,657
01.3	c. Dividend, interest income from financial assets at FVTPL	36.c)	51,686,172,593	109,420,870,215
03	1.2 Gain from loans and receivables	36.c)	688,752,608,357	464,042,037,678
06	1.3 Revenue from brokerage services		553,924,680,674	172,457,118,516
07	1.4 Revenue from underwriting and issuance agent services		113,350,045,455	84,232,318,184
08	1.5 Revenue from securities investment advisory services		18,631,198,852	10,739,433,258
09	1.6 Revenue from securities custodian services		23,968,522,220	20,364,809,158
10	1.7 Revenue from financial advisory services		11,997,070,845	66,358,150,910
11	1.8 Revenue from other operating	36.d)	432,540,522	716,081,934
20	Total operating income		2,895,317,648,402	1,805,024,357,088
	II. OPERATING EXPENSES			
21	2.1 Loss from financial assets at fair value through profit and loss (FVTPL)		91,564,916,885	143,314,555,235
21.1	a. Loss from disposal of financial assets at FVTPL	36.a)	111,298,553,127	181,831,482,382
21.2	b. Loss from revaluation of financial assets at FVTPL	36.b)	(20,970,654,019)	(39,925,684,368)
21.3	c. Transaction costs of acquisition of financial assets at FVTPL		1,237,017,777	1,408,757,221
24	2.2 Provision expenses for diminution in value and impairment of financial assets, doubtful receivables and borrowing costs of loans		346,859,867,321	241,503,118,904
26	2.3 Expenses for proprietary trading activities		17,019,229,906	8,891,911,035
27	2.4 Expenses for brokerage services		362,586,535,811	130,364,422,865
28	2.5 Expenses for underwriting and issuance agent services		9,450,657,869	4,382,307,344
29	2.6 Expenses for securities investment advisory services		14,282,770,989	4,949,152,206
30	2.7 Expenses for securities custodian services		10,355,731,111	10,092,230,420
31	2.8 Expenses for financial advisory services		13,141,337,584	8,091,845,275
32	2.9 Expenses for other operating	37	(32,359,689,663)	38,649,065,268
40	Total operating expenses		832,901,357,813	590,238,608,552

Code	ITEMS	Note	Year 2021	Year 2020
			VND	VND
	III. FINANCIAL INCOME	38		
42	3.1 Non-fixed dividend and interest income		3,882,855,188	3,282,085,321
50	Total financial income		3,882,855,188	3,282,085,321
	IV. FINANCIAL EXPENSES	39		
52	4.1 Borrowing costs			194,561,422,445
55	4.2 Other financial expenses		20,000,000	2,644,931,507
60	Total financial expenses		149,084,549,192	197,206,353,952
62	VI. GENERAL AND ADMINISTRATIVE EXPENSES	40	164,929,154,783	82,193,699,222
70	VII. OPERATING PROFIT		1,752,285,441,802	938,667,780,683
	VIII. OTHER INCOME AND EXPENSES			
71	8.1 Other income		633,638,451	226,864,206
72	8.2 Other expense		1,100,091	61,495
80	Total other operating profit		632,538,360	226,802,711
90	IX. TOTAL PROFIT BEFORE TAX		1,752,917,980,162	938,894,583,394
91	9.1 Realized profit		1,552,130,359,566	345,678,708,369
92	9.2 Unrealized profit		200,787,620,596	593,215,875,025
100	X. CORPORATE INCOME TAX EXPENSES	41	356,632,479,107	184,582,643,371
100.1	10.1 Current corporate income tax expenses	41.1	316,474,954,988	80,459,842,013
100.2	10.2 Deferred corporate income tax expenses	41.2	40,157,524,119	104,122,801,358
200	XI. PROFIT AFTER TAX		1,396,285,501,055	754,311,940,023
300	XII. OTHER COMPREHENSIVE INCOME AFTER TAX			
301	12.1 Gain/(Loss) from revaluation of AFS financial assets		249,640,824,776	43,388,969,600
400	Total other comprehensive income		249,640,824,776	43,388,969,600
500	XIII. NET INCOME PER SHARE			
501	13.1 Earnings per share (VND/share)	43	5,795	3,475



Nguyen Thi Thuy
 Preparer



Tran Sy Tien
 Chief Accountant



Vu Duc Tien
 General Director

Hanoi, 28 March 2022

Statement of cash flows

Year 2021 (Under indirect method)

Code	ITEM	Note	Year 2021	Year 2020
			VND	VND
	I. Cash flow from operating activities			
01	1. Profit before tax		1,752,917,980,162	938,894,583,394
02	2. Adjustments for		145,935,350,129	216,687,907,577
03	- Depreciation and amortisation		2,554,072,130	1,413,122,300
04	- Provisions		(1,663,143,278)	23,995,448,153
06	- Interest expense		149,064,549,192	194,561,422,445
07	- Gains/losses from investing activities		(4,020,127,915)	(3,282,085,321)
10	3. Increase in non-monetary expenses		(20,970,654,019)	(39,925,684,368)
11	- Loss from revaluation of financial assets at fair value through profit or loss of FVTPL		(20,970,654,019)	(39,925,684,368)
18	4. Decrease in non-monetary expenses		(179,816,966,577)	(553,290,190,657)
19	- Gains revaluation of financial assets at fair value through profit or loss of FVTPL		(179,816,966,577)	(319,204,129,606)
20	- Gain on fair value difference in available-for-sale (AFS) assets upon reclassification		-	(234,086,061,051)
30	5. Operating profit before changes in working capital		(4,842,885,362,864)	(661,406,670,623)
31	- Increase (decrease) of financial assets is recognized through profit /loss of FVTPL		(295,249,543,201)	(341,417,236,915)
33	- Increase (decrease) in loans		(3,645,328,462,021)	(523,844,740,874)
34	- Increase (decrease) of financial assets available for sale AFS		8,107,397,476	(117,618,832,400)
36	- (-) Increase, (+) decrease in receivables and accrued dividends, interest on financial assets		(5,719,182,692)	14,534,813,607
37	- (-) Increase, (+) decrease in receivables of services provided by securities companies		480,332,548,541	356,290,583,834
39	- (-) Increase, (+) decrease other receivables		(68,768,452,147)	(47,562,221,041)
40	- Increase (decrease) other assets		(1,001,535,134)	4,115,641,169
41	- Increase (decrease) accrual expense (exclude interest expense)		36,830,075,646	(24,360,566,601)
42	- Increase (decrease) prepaid expense		9,387,597,586	11,487,339,171
43	- Corporate income tax paid		(239,038,559,074)	(72,298,940,330)
44	- Interest expense paid		(154,554,591,162)	(184,125,114,453)
45	- Increase (decrease) payables to supplier		(1,815,951,447)	318,556,619

Code	ITEM	Note	Year 2021 VND	Year 2020 VND
46	- Increase (decrease) in welfare benefits		304,882,016	49,286,664
47	- Increase (decrease) taxes and other payables to State budget (exclude corporate income tax)		35,260,812,779	13,120,884,827
48	- Increase (decrease) payables to employee		25,698,814,010	20,737,133,457
50	- Increase, (decrease) other payables	(1,018,691,558,203)		234,645,675,683
52	- Other payments for operating activities	(8,639,655,837)		(5,478,933,040)
60	Net cash flows from investing activities		(3,144,819,653,169)	(99,040,054,677)
	II. Cash flows from investing activities			
61	1. Purchase of fixed assets and other long-term assets	(12,309,440,702)		(1,359,805,000)
62	2. Proceeds from disposals of fixed assets and other long-term assets	137,272,727		-
65	3. Investments in other entities	3,882,855,188		3,282,085,321
70	Net cash flows from investing activities		(8,289,312,787)	1,922,280,321
	III. Cash flows from financing activities			
71	1. Receipts from stocks issuing and capital contribution from equity owners	1,447,060,363,500		-
73	2. Long-term and short-term borrowings received	16,511,999,982,002		23,207,842,685,626
73.2	2.1 Finance lease principle paid	16,511,999,982,002		23,207,842,685,626
74	3. Dividends, profit paid to equity owners	(14,557,999,982,002)		(23,251,842,685,626)
74.3	3.1 Long-term and short-term borrowings received	(14,557,999,982,002)		(23,251,842,685,626)
76	4. Dividends, profit paid to equity owners	(248,991,902,610)		(258,227,273,370)
80	Net cash flows from financing activities		3,152,068,460,890	(302,227,273,370)
90	IV. Net decrease/increase in cash and cash equivalents		(1,040,505,066)	(399,345,047,726)
101	V. Cash and cash equivalents at the beginning of the year		653,074,220,193	1,052,419,267,919
101.1	- Cash		653,074,220,193	1,052,419,267,919
103	VI. Cash and cash equivalents at the end of the year	4	652,033,715,127	653,074,220,193
103.1	- Cash		652,033,715,127	653,074,220,193

Cash flows from brokerage and trust activities of the investors

Year 2021

Code	ITEM	Note	Year 2021 VND	Year 2020 VND
	I. Cash flows from brokerage and trust activities of the investors			
01	1. Cash receipts from disposal of brokerage securities of customers		203,146,836,603,141	65,888,267,801,895
02	2. Cash payments for acquisition of brokerage securities of customers		(209,521,375,545,275)	(68,328,162,781,340)
07	3. Cash receipts for settlement of securities transaction of customers		7,456,981,432,393	3,125,930,937,062
11	4. Cash payments for custodian fees of customers		(9,480,928,396)	(9,971,988,161)
14	5. Cash receipt from securities issuers		14,058,460,714,982	9,970,732,975,159
15	6. Cash payments to securities issuers		(15,606,247,095,746)	(8,427,260,139,914)
20	Net increase/decrease in cash during the year		(474,824,818,901)	2,219,536,804,701
30	II. Cash and cash equivalents of investors at the beginning of year		2,859,812,190,075	640,275,385,374
31	Cash at banks:			640,275,385,374
32	- Investors' deposits managed by the Company for securities trading activities		511,475,622,919	440,076,755,463
33	- Investors' synthesizing deposits for securities trading activities		800,254,229,600	195,589,127,600
35	- Deposits of securities issuers		1,548,082,337,556	4,609,502,311
40	III. Cash and cash equivalents of investors at the end of year	32	2,384,987,371,174	2,859,812,190,075
41	Cash at banks:		2,384,987,371,174	2,859,812,190,075
42	- Investors' deposits managed by the Company for securities trading activities		787,074,410,882	511,475,622,919
43	- Investors' synthesizing deposits for securities trading activities		1,597,617,003,500	800,254,229,600
45	- Deposits of securities issuers		295,956,792	1,548,082,337,556

Nguyen Thi Thuy
Preparer

Tran Sy Tien
Chief Accountant



Vu Duc Tien
General Director

Hanoi, 28 March 2022

Statement of changes in owners' equity

Year 2021

ITEMS	Note	Beginning balance		Increase/ Decrease				Ending balance	
		01/01/2020	01/01/2021	Year 2020		Year 2021		31/12/2020	31/12/2021
				Increase	Decrease	Increase	Decrease		
		VND	VND	VND	VND	VND	VND	VND	VND
1. Contributed legal capital		2,295,262,472,800	2,295,262,472,800	-	-	1,550,687,613,500	103,627,250,000	2,295,262,472,800	3,742,322,836,300
1.1 Ordinary shares with voting rights		2,072,682,010,000	2,072,682,010,000	-	-	1,179,968,260,000	-	2,072,682,010,000	3,252,650,270,000
1.2 Share Premium		222,580,462,800	222,580,462,800	-	-	370,719,353,500	103,627,250,000	222,580,462,800	489,672,566,300
2. Charter capital supplementary reserve fund		48,863,340,849	63,561,856,552	14,698,515,703	-	13,574,920,937	-	63,561,856,552	77,136,777,489
3. Operational risk and financial reserve fund		48,863,340,849	63,561,856,552	14,698,515,703	-	13,574,920,937	-	63,561,856,552	77,136,777,489
4. Asset revaluation differences		-	43,388,969,600	43,388,969,600	-	352,982,012,703	103,341,187,927	43,388,969,600	293,029,794,376
5. Undistributed earnings		299,346,596,684	760,539,664,100	754,311,940,023	293,118,872,607	1,396,285,501,055	290,871,683,076	760,539,664,100	1,865,953,482,079
5.1 Realized earnings		340,550,702,961	318,930,249,102	271,498,418,748	293,118,872,607	1,235,655,404,578	290,871,683,076	318,930,249,102	1,263,713,970,604
5.2 Unrealized earnings		(41,204,106,277)	441,609,414,998	482,813,521,275	-	160,630,096,477	-	441,609,414,998	602,239,511,475
TOTAL		2,692,335,751,182	3,226,314,819,604	827,097,941,029	293,118,872,607	3,327,104,969,132	497,840,121,003	3,226,314,819,604	6,055,579,667,733
II. Other comprehensive income									
1. Gain/Loss from revaluation of financial assets at AFS		-	43,388,969,600	43,388,969,600	-	352,982,012,703	103,341,187,927	43,388,969,600	293,029,794,376
TOTAL		-	43,388,969,600	43,388,969,600	-	352,982,012,703	103,341,187,927	43,388,969,600	293,029,794,376

Nguyen Thi Thuy
Preparer

Hanoi, 28 March 2022

Tran Sy Tien
Chief Accountant



Vu Duc Tien
General Director

Notes to the financial statements

Year 2021

1. GENERAL INFORMATION

1.1.Forms of Ownership

Saigon – Hanoi Securities Joint Stock Company which was established and operating activities based on License of securities operating activities No 66/UBCK–GPHDKD dated 15 November 2007 and Amended License of securities operating activities No.96/UBCK–GP dated 27 October 2021 issued by the State Securities Committee.

The Company’s head office is located at: Floors 1–5 Unimex Hanoi Building, 41 Ngo Quyen, Hang Bai Ward, Hoan Kiem District, Hanoi City.

Company’s Charter capital under Business License: VND 3,252,650,270,000; Contributed Legal capital as at 31 December 2021: VND 3,252,650,270,000; Equivalent to 325,265,027 shares with the price of VND 10,000 per share.

As at 31 December 2021, the Company has 242 employees (as at 31 December 2020: 213 employees).

The Company’s member entities are as follows:

Name of member entities	Place of establishment and operation
Ho Chi Minh Brand of Sai Gon – Ha Noi Securities Joint Stock Company	3 rd Floor, Artex Saigon Building, 236–238 Nguyen Cong Tru, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City
Da Nang Brand of Sai Gon – Da Nang Securities Joint Stock Company	8 th Floor, Thanh Loi 2 Building, No. 03 Le Dinh Ly, Vinh Trung Ward, Thanh Khe District, Da Nang City

1.2. Business field

The Company’s business activities include: securities brokerage; principal trading; securities investment advisory; financial advisory; securities underwriting and depository services.

1.3. Operations of the company in the fiscal year affecting the financial statements

In 2021, Vietnam’s stock market witnessed a dramatic growth both in value and in the number of investors participating in the market. As a result, the Company’s revenue from securities trading, margin lending, securities brokerage, etc. improved enormously, leading to a significant increase in profit before tax compared to that of the previous year.

2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1. Accounting period and accounting monetary unit

Annual accounting period commences from 1st January and ends as at 31st December.

The Company maintains its accounting records in VND.

2.2. Accounting Standards and Accounting system

Accounting System

The Company applies Accounting System for securities company issued under Circular No.210/2014/TT–BTC dated 30 December 2014 by The Ministry of Finance on accounting guidance applicable to securities companies (replaced for Circular No.95/2008/TT–BTC dated 24 October 2008, Decision No.99/2000/QĐ–BTC dated 13 June 2000, Circular 162/2010/TT–BTC dated 20 October 2010); Circular No.334/2016/TT–BTC dated 27 December 2016 by Ministry of Finance amended, supplemented and replace appendix 02, 04 of Circular

No.210/2014/TT–BTC.

Announcement on compliance with Vietnamese standards and accounting system

The Company applies Vietnamese Accounting Standards and supplement documents issued by the State. Financial statements are prepared in accordance with regulations of each standard and supplement documents as well as with current accounting system.

Form of accounting record

The Company is applying accounting record by computer.

2.3. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits of securities companies.

Cash deposit for disposing underwriting securities is the money receive from disposing underwriting securities at the designated commercial bank by the function of the Company – Securities underwriting organizations (underwriting principal or secondary) (including proceeds from securities sale agents) and principal, interest and dividend payments of the Issuing Organizations.

Deposits for clearing payment for securities transactions are amounts ready for clearing and settlement of the Company and investors at T + x at the request of the Vietnam Securities Depository Center (VSD). It may be opened at the designated bank to make payment for the purchases or sale of securities according to the net deduction result.

Investors’ deposits on securities trading are presented at the non–financial statements (Off – statement of financial accounts).

2.4. Financial assets and Financial liabilities

a) Initial recognition

► Financial assets

Financial assets of the Company including cash and cash equivalents, financial assets at fair value through profit and loss (FVTPL), loans, available for sale financial assets (AFS) and receivables. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets, except financial assets at fair value through profit and loss (FVTPL) are identified by purchasing price/issuing cost.

► Financial liabilities

Financial liabilities of the Company including loans, trade payables and other payables, accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expense directly related to the issuance of those liabilities.

b) Classification principles

► Financial assets at fair value through profit and loss (FVTPL)

Financial asset is classified as FVTPL if it was held for the purpose of selling or repurchasing in financial market through researching and analyzing with profit–taking expectation. The other financial assets are not classified to FVTPL when they are sold, they must be reclassified to FVTPL.

Financial assets FVTPL is a debt instrument at maturity which must be recognized as receivables and provision as doubtful debts (if any).

► Loans

are non–derivative financial assets with fixed or identifiable payments and not listed on the market.

Types of loan commitments made:

- Margin contract;
- Prepaid of selling securities contract.

After initial recognition, loans are measured at amortized cost using the real interest rate method, except for

loans to financial assets recognized at fair value through profit or loss; Financial liabilities arising from the transfer a financial asset that are not eligible for discontinuance or when applicable in accordance with the continued relevant regulations; financial guarantee contracts.

► **Available for sale financial assets (AFS):**

are the non-derivative financial assets that are determined as available for sale or are not classified as:

- Loans or Receivables;
- Held to maturity investments;
- Financial assets at fair value through profit and loss (FVTPL).

Financial assets that are invested by the Company but have no short-term investment objectives and long-term objectives have not been identified. Therefore, this is a limited financial asset classified in the Company's operations.

► **Financial liabilities recognized through profit or loss:**

are financial liabilities that meet one of the following conditions:

- Financial liabilities are classified by The Board of Management into the holding group for business;
- At the time of initial recognition, the Company classified financial liabilities into groups that recognized through profit or loss.

Financial liabilities recognized by amortized value: financial liabilities are not classified as financial liabilities recognized through profit or loss.

c) Revalue financial asset principles

Revaluation of financial assets FTVPL and AFS at market value or fair value is according to the method of valuation in accordance with the law. In case, there is no market prices at the most recent trading date, the Company uses fair value to revalue its financial assets. The fair value is determined on the basis of respecting the principles, methods, or theoretical models for valuing financial assets as prescribed in the Company's Charter or Valuation Manual or after it has been approved by the Board of Directors in writing.

The fair value/market value of financial assets is determined in accordance with Circular No. 146/2014/TT-BTC as follows:

- The market value of the securities listed on the Hanoi Stock Exchange and the Ho Chi Minh City Stock Exchange is the closing price of the last trading day counted to the date of revaluation;
- For securities of unlisted, the Company registered for trading on unlisted public listed companies (UPCom), the market value is determined as the closed price at the last trading day counts until the date of revaluation;
- For listed securities that are delisted or blocked from the 6th trading day, actual stock prices are book values at the most recent Statement of Financial Position date;
- For unlisted and unregistered securities traded on unlisted public listed companies (UPCom), the actual market price of securities as a basis for re-evaluation is the average price of the actual transaction prices quoted by three (03) securities companies whose transactions have been made at the latest date with the time of re-evaluation but not more than one month prior to the re-evaluation date.

For securities without reference from the above sources, the Company has not properly measured the fair values of these securities because Vietnam Accounting Standards and Vietnamese Accounting System apply for securities companies do not have specific guidance on the determination of fair value. Accordingly, fair value is estimated at the original cost of the investment.

For unlisted stocks that have been merged from SHB Securities Joint Stock Company, the basis for revaluation is the quotation provided at the time of the merger on 31 March 2018. As at 31 December 2021, the Company did not collect quotes of these shares, so it retains the revaluation value at the time of the merger.

Difference of revaluation at market price or the most reliable value (in the absence of market price) of financial assets recognized through FVTPL on the List of financial assets of securities companies At the end of the accounting period, it is monitored separately on Account level 2 "Re-evaluation difference" of Account 121 - "Financial assets recognized through profit/loss" without recording increase or decrease of purchase price of Financial assets on the "Purchase Price" Account and specified for each reassessment are as follows:

- At the first revaluation period, fair value of re-evaluating financial assets recorded through FVTPL profit/loss on the List of financial assets of securities companies are recorded to Account 1212 "Re-evaluation difference re" is the difference between the revaluation of financial assets at fair value through profit or loss at fair value at the time of revaluation at market value or fair value and initial purchase price of assets. The financial income is recorded through FVTPL profit/loss on the List of financial assets of securities companies.
- At the second re-evaluation period onwards, the revaluation value of financial assets recorded via FVTPL profit/loss on the List of financial assets of securities companies are recorded to Account 1212 "revaluation" means the difference between the purchase price of financial assets recorded via FVTPL profit/loss and revaluation value at market value or fair value this period. Differences between assessments are recorded in Account 51112 "Increase in revaluation of financial assets is recognized by profit/loss of FVTPL" or Account 63213 "Reduction in revaluation of assets financial assets recognized through profit/loss FVTPL".

Differences in the increase or decrease due to revaluation of financial assets recorded through profit/loss of FVTPL on the List of financial assets of securities companies are recorded on the principle of non-clearing presented in the Income Statement, according to 2 indicators:

- "Decreasing difference due to revaluation of financial assets recorded via FVTPL profit/loss reflected in the "Loss" item and transaction costs of financial assets, FVTPL proprietary trading, details "The difference in revaluation of financial assets is recognized though profit/loss" FVTPL.
- "Increased difference due to revaluation of financial assets recorded though profit/loss FVTPL reflected in the item "Income", details "Difference in revaluation - Financial assets recognized in over profit/loss".

The difference in increase/decrease dues to revaluate AFS are recognized directly in equity of the Statements of Financial Position on the item "Asset revaluation differences".

Loans are made provision of impairment at the Statement of Financial Position date. Provision for loans is made on the basis of the estimated loss, calculated as the difference between the market value of the security used as collateral for the loan and the balance of the loan. Increases and decreases of provision are recognized in the Statement of Comprehensive Income on the "Provision expenses for diminution in value and impairment of financial assets, doubtful receivables and borrowing costs of loans".

2.5. Short-term and long-term deposits received

Deposits received are recording amounts enterprises received deposits related to business to be performed in compliance with regulations of law in force. Deposits received are not under assets of the Company, the Company has to manage separately from monetary assets of the Company.

2.6. Short-term and long-term receivables

Receivables from disposal of financial assets: reflecting receivables from disposal of financial assets of the Company (not through Stock Exchange), including maturity value of financial assets or liquidation of these financial assets.

Receivables from and accruals for dividend and interest income: reflecting receivables from and accruals for dividend and interest income belonging to the Company's financial asset list.

Receivables of services rendered by the Company: reflecting receivables of the Company with the Stock Exchange, the Vietnam Securities Depository (VSD), the Investors are clients of the Company, with Securities issuing organizations or underwriters of securities and receivables from securities trading activities.

Receivables are tracked in detail by receivable period, receivable object, type of receivable currency, and other factors according to the Company's management needs. Receivables are classified as short-term and long-term in the financial statements based on the remaining maturity of the receivables at the reporting date.

Provision for impairment of receivables: The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing.

The provision for bad debts is made for each bad debts according to the Circular No.48/2019/TT-BTC issued by Ministry of Finance on 08 August 2009 as follow:

Overdue period	Provision rate
From over six (06) months to less than one (01) year	30%
From one (01) year to less than two (02) years	50%
From two (02) years to less than three (03) years	70%
From three (03) years and above	100%

2.7. Fixed assets

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

Depreciation is provided on a straight-line basis. Annual rates calculated to write off the cost of each asset evenly over its expected useful life as follows:

- Machinery, equipment	03 – 07 years
- Transportation equipment	06 years
- Office equipment and furniture	04 – 05 years
- Management software, patent	03 – 05 years

2.8. Prepaid expenses

Prepaid expenses only related to present fiscal year are recognised as short-term prepaid expenses and are recorded into operating costs.

Prepaid expenses incurred during the year but related to business operations of several years are recorded as long-term prepaid expenses and are amortised to the income statement in several years.

The Company’s prepaid expenses include:

- ‘Tools and supplies, including assets held by the Company for business with the cost of each asset which is less than VND 30 million, are ineligible for recording as fixed assets according to current regulations. The cost of tools and supplies are allocated on a straight-line basis from 01 months to 36 months.
- Goodwill arising on merger with SHB Securities Joint Stock Company is amortized within 7 years.
- Other prepaid expenses are recorded based on historical costs and allocated on a straight – line basis over their useful lives from 01 months to 36 months.

2.9. Short-term and long-term payables

Payables is presented according to term of payables, details for every entity, details for each type of currency and the other factors due to the management of the Company. The payables are classified as short-term and long-term in the financial statements based on the remaining maturities of the payables at the reporting date.

Loans: reflects the situation of bond issuance and bond payment; reflect the temporary borrowings and repayment the loans of the Company to the Bank, Vietnam Securities Depository Center, Settlement Assistance Fund or other borrowers in accordance with the regulations on lending activities applicable to securities companies.

Payables for securities transaction activities: reflect the payment situation about Fees for securities trading activities, Securities services for the Stock Exchange, Vietnam Securities Depository (VSD), payable to the Securities release agent.

Payables to a securities issuing organization: reflecting the Securities Issuing Organization payable’s receipt and payment of disposing underwriting securities by The Company in the primary or secondary issuing company Primary or secondary securities, including the circumstance which the issued company disposed securities through agents.

2.10. Borrowing costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 “Borrowing costs”. Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

2.11 . Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting period, but the payments for such goods or services have not been made and other payables such as annual leave salary, expenses arising from seasonal cessation of production, interest expenses, etc. which are recorded as operating expenses of the reporting period.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.12. Owner’s equity

Owner’s equity is stated at actually contributed capital of owners.

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Differences arising from asset revaluation shall be recorded when revaluation of financial assets at fair value. Revalued assets include financial assets available for sale.

Undistributed profits of the Company include realized profits and unrealized profits. Accumulated realized profit of the Company at the end of the previous period is the basis for distributing profit to the owner. Accumulated unrealized profit at the end of the previous period is not the basis for distribution to the owner.

Realised profit during the period is the net difference between total revenue and income, and total expenses in the statement of comprehensive income of the Company. The profit is used to allocate for the owner will not contains losses realized at the beginning and losses not yet realized until distributing of interest to the owners. The distribution of the Company’s profits to the owner must be transparent and in accordance with the securities law and other relevant laws applicable to the securities company, Charter of the securities company, Resolution of the General Meeting of Shareholders. Profits have distributed income to capital contributing members or shareholders after subtracting the tax liabilities to be calculated on the income they are entitled to.

Dividends to be paid to shareholders are recognised as a payable in Statement of Financial position after the announcement of dividend payment from the Board of Management and announcement of cut-off date for dividend payment of Vietnam Securities Depository Center.

2.13. Revenue

Rendering of services

Revenue from rendering of services is recognized when the outcome of that transaction can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, each period’s revenue should be recognized by reference to the stage of completion at the balance sheet date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of completion of the transaction at the balance sheet date can be measured reliably;
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

The stage of completion of a transaction may be determined by surveys of work completed method.

Income from securities trading

Income from disposing of proprietary financial assets FVTPL is determined as the difference between the selling price and the cost of the number of FVTPL financial assets sold. Income from sale of financial assets is income earned.

Income from an increasing revalue of FVTPL proprietary financial assets at fair value. Income from revaluation financial asset in FVTPL proprietary financial assets are unrealized income.

Income derived from FVTPL, HTM, loans including: loan interest arising on loans in accordance with the Law on Securities; Dividends, dividends distributed from stock, bond interest; Interest derived from fixed deposits.

Dividends and dividends arising from financial assets belonging to the Company's portfolio: FVTPL, HTM, and AFS are recognized when the Company is entitled to receive dividends from the ownership of the shares already established.

2.14. Operating expenses and general and administrative expenses

Costs are recognized into operating costs when it may decrease economic benefits at the generating time or it may be determined in a certain way, no distinction it was paid or not.

2.15. Financial income, financial expense

Financial income

- Exchange income difference;
- Income from non – fixed deposit interest...

Income from business cooperation contracts

- Interest expenses;
- Other financial expenses (transfer fees, ...)

2.16. Taxation

a) Deferred income tax liability

Current tax liabilities are measured based on tax rates and tax laws used to compute the amount are those that are enacted by the balance sheet date.

b) Current corporate income tax expenses and Deferred corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the year and current corporate income tax rate.

Deferred corporate income tax expenses are determined based on deductible temporary differences, the taxable temporary differences and corporate income tax rate.

Current corporate income tax expenses and deferred corporate income tax expenses are not offset against each other.

c) Current corporate income tax rate

The Company is subject to corporate income tax of 20% for the fiscal year ended as at 31 December 2021.

2.17. Earnings per share

Basic earnings per share amounts are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and allowance for Board of Directors) by the weighted average number of ordinary shares outstanding during the year.

2.18. Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individuals;
- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

In considering the relationship of related parties to serve for the preparation and presentation of Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.19. Segment information

A segment is a distinguishable component of the Company that is engaged in providing an individual or group of related products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from other components.

Segment information should be prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company in order to help users of financial statements better understand and make more informed judgments about the Company as a whole.

3. VALUE OF SECURITIES TRANSACTION THIS YEAR

	Volume of securities transaction this year	Value of securities transaction this year
	VND	VND
Securities company	674,178,936	55,577,391,960,823
- Shares	283,601,762	10,016,607,726,200
- Bonds	390,577,174	45,560,784,234,623
Investors	14,342,031,789	414,158,608,463,359
- Shares	13,917,312,227	354,132,269,245,070
- Bonds	413,528,462	59,995,332,671,289
- Other securities	11,191,100	31,006,547,000
	15,016,210,725	469,736,000,424,182

4. CASH AND CASH EQUIVALENTS

	31/12/2021	01/01/2021
	VND	VND
Cash on hand	49,609,061	104,069,222
Cash at bank	651,568,405,302	652,448,389,780
Cash at bank for securities transaction compensation payment	415,700,764	521,761,191
	652,033,715,127	653,074,220,193

5. FINANCIAL ASSETS

a) Financial assets at fair value through profit and loss (FVTPL)

	31/12/2021		01/01/2021	
	Book value	Fair value	Book value	Fair value
	VND	VND	VND	VND
Listed securities	1,710,718,999,785	2,228,823,385,350	1,310,685,994,021	1,628,002,782,990
Unlisted securities	202,400,046,748	183,134,228,316	286,399,669,748	267,133,827,316
Listed bonds	34,319,374,487	34,319,374,487	-	-
Unlisted bonds	254,496,785,950	254,496,785,950	309,600,000,000	309,600,000,000
	2,201,935,206,970	2,700,773,774,103	1,906,685,663,769	2,204,736,610,306

b) Available for sale financial assets (AFS)

	31/12/2021		01/01/2021	
	Book value	Fair value	Book value	Fair value
	VND	VND	VND	VND
Listed securities	175,425,373,873	702,541,229,300	183,532,771,349	461,007,802,000
	175,425,373,873	702,541,229,300	183,532,771,349	461,007,802,000

c) Loans

	31/12/2021	01/01/2021
	VND	VND
Margin operation	4,862,983,913,394	1,778,870,609,208
Prepaid of selling securities operation	954,028,713,128	392,813,555,293
	5,817,012,626,522	2,171,684,164,501

d) Changes in market value (or value of 4 financial assets)

6. RECEIVABLES

a) Short-term receivables

	31/12/2021	01/01/2021
	VND	VND
Receivables from and accruals for dividend and interest income	-	4,155,342,462
Receivables from interest of margin activities	38,853,352,485	28,978,827,331
Receivables from services provided by the Company	1,222,721,168,220	1,702,764,467,372
- Receivables of business cooperation contracts	435,066,742,834	427,767,228,594
- Receivables interest of business cooperation contracts	58,805,149,410	58,035,032,434
- Receivables of advances to pay dividends	10,000,000,000	10,000,000,000
- Receivables from consulting activities	22,962,359,129	21,696,400,000
- Receivables from other securities trading activities	695,886,916,847	1,185,265,806,344
Other receivables	161,352,205,033	92,583,752,886
- Agricultural products and material Joint Stock Company (*)	45,006,580,297	45,006,580,297
- Receivable of auction activities	99,785,300,000	47,200,000,000
- Other receivables	16,560,324,736	377,172,589
	1,422,926,725,738	1,828,482,390,051

(*) This is the receivable amount relating to a lawsuit between the Company and the Agricultural Materials Joint Stock Company regarding the disposal of collaterals for margin lending. On January 16th, 2019, the Company received a notice from the Supreme People's Court that responded that the Court has received the Company's application for requesting review of cassation procedure and will notify the Company again. when there is a final conclusion. The company has sent Official Letter No. 1278/2019/CV-SHS dated 30 December 2019 to the Supreme People's Court, which requested the review of cassation procedures for Appellate Commercial Business Judgment No. 36/2017/KDTM-PT dated 16 May 2017 of the People's Court of Hanoi. On 6 January 2020, the Company received notice No. 01/TB-ANDTC-VP of the Supreme People's Court responding to the above dispatch about the fact that the Supreme People's Court accepted and has currently been reviewing and settling in accordance with the provisions of law. On 21 December 2020, the Company issued Official Letter No. 1362/2020/CV-SHS requesting the Supreme People's Court to provide information on the request for cassation. On 25 December 2020, the Supreme People's Court issued a notice No. 1252/TB-TANDTC-VP in response to Official Dispatch No. 1362/2020/CV-SHS, the Supreme People's Court had accepted the case and has currently considered and resolved it in accordance with the law when there is a settlement result, the Supreme People's Court will notify the Company.

7. SHORT-TERM PREPAYMENTS TO SUPPLIERS

	31/12/2021	01/01/2021
	VND	VND
Hoa Lac Hi-tech Park Development One Member Co., Ltd	-	1,252,000,000
Duc Uniform Co., Ltd	1,586,117,500	-
Lotte High Technology Joint Stock Company - HPT Vietnam	924,000,000	-
Others	1,161,701,270	614,245,590
	3,671,818,770	1,866,245,590

8. PROVISION FOR IMPAIRMENT OF RECEIVABLES

Table of provisions for impairment of receivables

9. INVENTORIES

	31/12/2021	01/01/2021
	VND	VND
Office Supplies	130,806,450	185,702,214
Tools	136,045,000	123,890,000
	266,851,450	309,592,214

10. PREPAID EXPENSES

a) Short-term prepaid expenses

	31/12/2021	01/01/2021
	VND	VND
Prepaid expenses of operating lease	129,525,000	129,525,000
Telecommunication network costs waiting for allocation	10,120,000	27,084,464
Health insurance costs for employees distributed	799,170,548	484,166,666
Software support service costs	-	141,398,371
Others	516,835,417	80,138,900
	1,455,650,965	862,313,401

b) Long-term prepaid expenses

	31/12/2021	01/01/2021
	VND	VND
The commercial advantage of a merger	33,785,810,252	44,181,444,176
Tooling costs awaiting for allocation	846,856,217	643,028,554
Consulting costs awaiting for allocation	460,253,219	455,233,219
Expenses for repair of fixed assets awaiting allocation	40,941,808	90,096,334
Cost of telecommunications network awaiting for allocation	285,380,019	448,957,710
Maintenance cost awaiting for allocation	153,949,100	216,208,222
Others	705,758,992	224,916,542
	36,278,949,607	46,259,884,757

11. DEPOSITS, COLLATERALS AND PLEDGES

a) Short-term

	31/12/2021	01/01/2021
	VND	VND
Deposit water bottle	2,750,000	2,750,000
	2,750,000	2,750,000

b) Long-term

	31/12/2021	01/01/2021
	VND	VND
Deposits on office lease contract	1,431,490,343	1,431,490,343
Others	4,400,000	5,400,000
	1,435,890,343	1,436,890,343

12. TANGIBLE FIXED ASSETS

	Machinery equipments	Transportation equipments	Management tools	Total
	VND	VND	VND	VND
Original cost				
As at 01/01/2021	18,592,591,074	6,386,267,182	400,714,710	25,379,572,966
Purchase	9,949,474,702	886,650,000	-	10,836,124,702
Liquidating, disposed	(122,396,564)	(692,067,182)	-	(814,463,746)
As at 31/12/2021	28,419,669,212	6,580,850,000	400,714,710	35,401,233,922
Accumulated depreciation				
As at 01/01/2021	17,907,578,887	3,417,085,035	262,700,173	21,587,364,095
Depreciation	1,238,020,852	953,800,267	57,109,476	2,248,930,595
Liquidating, disposed	(122,396,564)	(692,067,182)	-	(814,463,746)
As at 31/12/2021	19,023,203,175	3,678,818,120	319,809,649	23,021,830,944
Net carrying amount				
As at 01/01/2021	685,012,187	2,969,182,147	138,014,537	3,792,208,871
As at 31/12/2021	9,396,466,037	2,902,031,880	80,905,061	12,379,402,978

In which:

- Cost of fully depreciated tangible fixed assets but still in use: VND 40,077,401,138.

The Company has not determined the fair value of fixed assets because Vietnamese's Accounting Standards, Vietnamese Accounting System applied for securities companies has not guided in detail on the determination of the fair value.

13. INTANGIBLE FIXED ASSETS

The intangible fixed assets of the Company are transaction, accounting software with the historical cost and accumulated amortization of this asset as at 31 December 2021 is VND 24,657,980,987 and VND 22,909,273,627. The depreciation charged in the year was VND 305,141,535.

The company has not determined the fair value of these fixed assets due to the Vietnamese Accounting Standards, Vietnamese Accounting System applied to securities companies without specific guidance on determining fair value.

14. DEPOSITS TO SETTLEMENT ASSISTANCE FUND

	31/12/2021	01/01/2021
	VND	VND
Initial deposit	120,000,000	120,000,000
Additional deposit	18,066,986,207	18,066,986,207
Allocated interest	1,813,013,793	1,813,013,793
Ending balance	20,000,000,000	20,000,000,000

15. LOANS AND DEBTS

	01/01/2021	Increase in the year	Decrease in the year	31/12/2021
	VND	VND	VND	VND
Short-term loans	794,000,000,000	15,661,999,982,002	(13,707,999,982,002)	2,748,000,000,000
Loans from banks	794,000,000,000	15,661,999,982,002	(13,707,999,982,002)	2,748,000,000,000
	794,000,000,000	15,661,999,982,002	(13,707,999,982,002)	2,748,000,000,000

	31/12/2021	01/01/2021
	VND	VND
Detail short-term loans		
Saigon Hanoi Commercial Joint Stock Bank	1,848,000,000,000	-
Indovina Bank Ltd	200,000,000,000	100,000,000,000
An Binh Commercial Joint Stock Bank	150,000,000,000	100,000,000,000
The Joint Stock Commercial Bank for Investment and Development of Vietnam	-	294,000,000,000
Vietnam Prosperity Joint Stock Commercial Bank	450,000,000,000	200,000,000,000
ChinaTrust Commercial Bank - Ho Chi Minh City Branch	100,000,000,000	100,000,000,000
	2,748,000,000,000	794,000,000,000

As at 31 December 2021, the Company had short-term loans with terms of between 21 days and 5 months to supplement working capital, with the interest rates ranging from 4.64%/year to 8.6%/year. The collateral for these loans is listed and unlisted shares, detailed by each credit agreement or mortgage agreement.

16. PAYABLES FOR SECURITIES TRANSACTION ACTIVITIES

	31/12/2021	01/01/2021
	VND	VND
Securities Depository Center payables	9,791,264,000	-
	9,791,264,000	-

17. TAX PAYABLES AND STATUTORY OBLIGATIONS

	31/12/2021	01/01/2021
	VND	VND
Value added tax	899,665,181	5,243,187,804
Business income tax	105,896,237,927	28,459,842,013
Personal income tax	51,621,955,932	12,017,620,530
	158,417,859,040	45,720,650,347

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

18. SHORT-TERM ACCRUED EXPENSES

	31/12/2021	01/01/2021
	VND	VND
Accrued interest expenses	19,441,811,013	18,564,455,722
Interest expenses on securities brokerage contracts	37,061,732,939	11,963,333,694
Interest paid on bonds	17,671,506,849	24,038,904,110
Payables to exchanges	13,143,656,973	4,113,221,009
Other accrued expenses	8,471,935,549	5,770,695,112
	95,790,643,323	64,450,609,647

19. ISSUED BONDS

20. DEPOSITS, COLLATERAL RECEIVED

a) Short-term deposits, collateral received

	31/12/2021	01/01/2021
	VND	VND
Receiving deposits for securities brokerage contracts (*)	452,580,597,401	1,495,276,630,132
Others	16,164,000	-
	452,596,761,401	1,495,276,630,132

b) Long-term deposits, collateral received

	31/12/2021	01/01/2021
	VND	VND
Others	25,000,000	25,000,000
	25,000,000	25,000,000

(*) The balance reflects the deposit received in accordance with the Brokerage Contract to buy securities between the Company and the customers. Accordingly, the Company is responsible for finding organizations and individuals wishing to sell securities and carrying out relevant procedures to transfer securities to customers. In case the Contract is not fulfilled, the Company is responsible for refunding the deposit received and the opportunity fee calculated on the amount of the deposit received multiplied by the specified interest rate and the number of actual holding days.

23. OTHER SHORT-TERM PAYABLES

	31/12/2021	01/01/2021
	VND	VND
Dividend for shareholders payables	697,318,134	967,379,544
Payables for market development and finding customer	17,662,871,802	6,055,729,068
Payables for retail bonds	4,271,720,087	2,585,341,134
Others	7,107,649,815	6,204,124,974
	29,739,559,838	15,812,574,720

24. OWNER'S EQUITY

a) Details of owner's invested capital

	Rate	31/12/2021	Rate	01/01/2021
	(%)	VND	(%)	VND
T&T Group Joint Stock Company	5.60%	182,022,940,000	5.67%	117,434,160,000
Mr. Nguyen Duy Kien	5.78%	188,120,000,000	0.00%	-
Shareholder's contributed capital (less than 5%)	88.62%	2,882,507,330,000	94.33%	1,955,247,850,000
	100%	3,252,650,270,000	100%	2,072,682,010,000

b) Undistributed earnings

	31/12/2021	01/01/2021
	VND	VND
Undistributed realized profit	1,263,713,970,604	318,930,249,102
Unrealized earnings	602,239,511,475	441,609,414,998
	1,865,953,482,079	760,539,664,100

c) The situation of income distribution for shareholders or capital contributors

	Năm 2021	Năm 2020
	VND	VND
Realized earnings undistributed previous year	318,930,249,102	340,550,702,961
Unrealized loss accumulated to the end of the fiscal year	602,239,511,475	441,609,414,998
Realized gain/loss accumulated to the beginning of the year	1,235,655,404,578	271,498,418,748
Earnings distributed to shareholders accumulate to the end of the fiscal year	1,554,585,653,680	612,049,121,709
The deduction of funds from profit	(42,149,841,874)	(44,397,031,406)
- Charter capital supplementary reserve fund	(13,574,920,937)	(14,698,515,703)
- Operational risk and financial reserve fund	(13,574,920,937)	(14,698,515,703)
- Bonus and welfare fund	(15,000,000,000)	(15,000,000,000)
Earnings distributed to shareholders	(248,721,841,200)	(248,721,841,200)
Realized earning undistributed accumulated to the end of the fiscal year	1,263,713,970,604	318,930,249,102

According to Resolution No.01/2021/ND-DHĐCD dated 16 June 2021 issued by General Meeting of shareholders, the Company announced its profit distribution plan as follows:

	Amount
	VND
Charter capital supplementary reserve fund (5% realized profit in 2020)	13,574,920,937
Operational risk and financial reserve fund (5% realized profit in 2020)	13,574,920,937
Bonus and welfare fund	15,000,000,000
Paid dividends (12%/capital equity)	248,721,841,200

In 2021, the Company completed the increase in equity based on the Resolution of the General Meeting of Shareholders No. 01/2021/ND-DHĐCD dated 16 June 2021, information on the result of capital increase is as follows:

- The result of issuing shares to increase share capital from owner's equity:
 - Number of additional shares to be issued: 10,362,725 shares, equivalent to an additional charter capital of VND 103,627,250,000;
 - Issuance ratio: Issuing shares to increase share capital from equity sources for existing shareholders with the issuance rate of 5%, equivalent to 10,363,410 shares;
 - The form of issuance and the subjects to be distributed comply with the approved Resolution of the General Meeting of Shareholders No. 01/2021/ND-DHĐCD;
 - Final date: 24 August 2021.
- The result of issuing shares under the option program for employees in the company:
 - Number of additional shares to be issued: 4,000,000 shares, equivalent to an additional charter capital of VND 40,000,000,000;
 - Issuance rate: Issuing shares under the employee selection program with the expected number of 4,000,000 shares, the issuance price of 12,000 VND/share;
 - The form of issuance and the subjects to be distributed comply with the approved Resolution of the General Meeting of Shareholders No. 01/2021/ND-DHĐCD;
 - Final date: 14 October 2021.
- The result of public offering of shares to existing shareholders:
 - Number of additional shares to be issued: 103,634,101 shares, equivalent to an additional charter capital of VND 1,036,341,010,000;
 - Issuance rate: Issuing shares to existing shareholders to increase charter capital with the expected number of shares to be offered for sale is 103,634,101 shares, the offering price is VND 13,500/share;
 - The form of issuance, the issuance rate, and the subjects to be distributed comply with the approved Resolution of the General Meeting of Shareholders No. 01/2021/ND-DHĐCD.
 - Final date: 14 October 2021.

25. FINANCIAL ASSETS LISTED/REGISTERED AT THE VSD OF THE COMPANY

	31/12/2021	01/01/2021
	VND	VND
Unrestricted financial assets	495,222,380,000	588,236,780,000
Mortgage financial assets	446,937,500,000	331,137,500,000
Financial assets awaiting settlement	2,800,000,000	21,782,600,000
	944,959,880,000	941,156,880,000

26. THE COMPANY'S NON-TRADED FINANCIAL ASSETS DEPOSITED AT THE VSD

	31/12/2021	01/01/2021
	VND	VND
Unrestricted and non-traded financial assets deposited at the VSD	32,037,470,000	1,501,710,000
	32,037,470,000	1,501,710,000

27. THE COMPANY'S AWAITING FINANCIAL ASSETS

	31/12/2021	01/01/2021
	VND	VND
The Company's awaiting financial assets	-	16,570,100,000
	-	16,570,100,000

28. THE COMPANY'S FINANCIAL ASSETS WHICH ARE NOT DEPOSITED AT THE VSD

	31/12/2021	01/01/2021
	VND	VND
The Company's awaiting financial assets	143,201,130,000	179,201,130,000
	143,201,130,000	179,201,130,000

29. FINANCIAL ASSETS LISTED/REGISTERED AT THE VSD OF INVESTORS

	31/12/2021	01/01/2021
	VND	VND
Unrestricted financial assets	35,808,331,870,000	25,820,844,780,000
Restricted financial assets	2,156,424,300,000	3,369,389,590,000
Mortgage financial assets	3,064,116,280,000	2,322,266,100,000
Blocked financial assets	44,946,540,000	66,755,200,000
Financial assets awaiting settlement	504,810,450,000	505,815,580,000
	41,578,629,440,000	32,085,071,250,000

30. NON-TRADED FINANCIAL ASSETS DEPOSITED AT THE VSD OF INVESTORS

	31/12/2021	01/01/2021
	VND	VND
Unrestricted and non-traded financial assets deposited at the VSD	971,686,500,000	219,143,010,000
Restricted and non-traded financial assets deposited at the VSD	1,030,830,950,000	277,000,000,000
Non-traded and mortgage financial assets deposited at the VSD	15,295,680,000	15,295,680,000
	2,017,813,130,000	511,438,690,000

31. AWAITING FINANCIAL ASSETS OF INVESTORS

	31/12/2021	01/01/2021
	VND	VND
Awaiting financial assets of investors	499,119,960,000	500,707,280,000
	499,119,960,000	500,707,280,000

32. INVESTORS' DEPOSITS

	31/12/2021	01/01/2021
	VND	VND
Investors' deposits for securities trading activities managed by the Company	787,074,410,882	511,475,622,919
1. Domestic investors	786,445,034,882	502,583,751,194
2. Foreign investors	629,376,000	8,891,871,725
Investors' synthesizing deposits for securities trading activities	1,597,617,003,500	800,254,229,600
Deposits of securities issuers	295,956,792	1,548,082,337,556
1. Issuer's dividend payment deposit	295,956,792	1,548,082,337,556
	2,384,987,371,174	2,859,812,190,075

33. PAYABLES TO INVESTORS

	31/12/2021	01/01/2021
	VND	VND
Payables to investors – Investors' deposits for securities trading activities managed by the Company	787,074,410,882	511,475,622,919
1. Domestic investors	786,445,034,882	502,583,751,194
2. Foreign investors	629,376,000	8,891,871,725
Payables to investors – Investors' synthesizing deposits for securities trading activities	1,597,617,003,500	800,254,229,600
Deposit of issuers	295,956,792	1,548,082,337,556
1. Deposit for dividend payment of issuers	295,956,792	1,548,082,337,556
	2,384,987,371,174	2,859,812,190,075

34. PAYABLES FOR DIVIDEND, PRINCIPAL AND INTEREST FROM BONDS

	31/12/2021	01/01/2021
	VND	VND
Payables for dividend, principal and interest from bonds to investors	295,956,792	1,548,082,337,556
	295,956,792	1,548,082,337,556

35. LOAN PAYABLES OF INVESTORS TO THE COMPANY

	31/12/2021	01/01/2021
	VND	VND
1. Margin transaction payables	4,901,837,265,879	1,807,849,436,539
1.1 Principal of margin transaction	4,862,983,913,394	1,778,870,609,208
Domestic investors	4,862,983,913,394	1,778,870,609,208
1.2 Interest of margin transaction	38,853,352,485	28,978,827,331
Domestic investors	38,853,352,485	28,978,827,331
2. Prepaid of selling securities operation payables	954,028,713,128	392,813,555,293
2.1 Principal of prepaid of selling securities operation	954,028,713,128	392,813,555,293
Domestic investors	954,028,713,128	392,813,555,293
	5,855,865,979,007	2,200,662,991,832

36. REVENUE

a) Gain/loss from disposal of financial assets

b) Gain/loss from revaluation of financial assets

c) Dividend, interest income from financial assets at FVTPL, loans

	Year 2021	Year 2020
	VND	VND
Financial assets at fair value through profit and loss (FVTPL)	51,686,172,593	109,420,870,215
Loans	688,752,608,357	464,042,037,678
	740,438,780,950	573,462,907,893

d) Revenue outside of financial assets income

	Year 2021	Year 2020
	VND	VND
Other revenue	432,540,522	716,081,934
Of which:		
- Other revenue	432,540,522	716,081,934
Revenue deductible	-	-
Net revenue from operating activities	432,540,522	716,081,934

37. EXPENSES FOR OTHER SERVICES

	Year 2021	Year 2020
	VND	VND
Expenses for other services	(32,359,689,663)	38,649,065,268
- Expenses from other financial services	14,310,033,912	14,545,354,483
- Expenses from dividend, bond principal and interest of securities issuers	-	66,909
- Provision expenses for diminution in value and impairment of doubtful receivables from services provided by the Company	(46,669,723,575)	23,995,448,153
- Other expenses	-	108,195,723
	(32,359,689,663)	38,649,065,268

38. FINANCIAL INCOME

	Year 2021	Year 2020
	VND	VND
Income from interest on demand deposits	3,882,855,188	3,282,085,321
	3,882,855,188	3,282,085,321

39. FINANCIAL EXPENSES

	Year 2021	Year 2020
	VND	VND
Borrowing costs	149,064,549,192	194,561,422,445
Other financial expenses	20,000,000	2,644,931,507
	149,084,549,192	197,206,353,952

40. GENERAL ADMINISTRATIVE EXPENSES

	Year 2021	Year 2020
	VND	VND
Labor expenses	73,883,976,930	49,280,927,421
Trade union fund, Social insurance, Health insurance, Unemployment insurance	1,487,688,398	923,264,329
Office supplies expenses	414,073,092	439,751,347
Tools, supplies	172,647,274	404,965,750
Depreciation and amortisation	2,325,748,624	1,292,108,603
Tax, fees and charge	114,243,286	117,305,152
Provision expenses	45,006,580,297	-
Expenses from external services	7,884,172,570	8,743,996,758
Other expenses	33,640,024,312	20,991,379,862
	164,929,154,783	82,193,699,222

41. CURRENT CORPORATE INCOME TAX EXPENSES

41.1. Current corporate income tax expense

	Year 2021	Year 2020
	VND	VND
Total profit before tax	1,752,917,980,162	938,894,583,394
Increase	45,465,563,554	283,294,609
- Unreasonable expenses	45,465,563,554	283,294,609
Decrease	(216,008,768,775)	(536,878,667,942)
- Dividend	(15,221,148,179)	(16,264,661,147)
- Differences in revaluation of financial assets FVTPL	(200,787,620,596)	(520,614,006,795)
Taxable income	1,582,374,774,941	402,299,210,061
Current corporate income tax expense (tax rate 20%)	316,474,954,988	80,459,842,013
Tax payable at the beginning of year	28,459,842,013	20,298,940,330
Tax paid in the year	(239,038,559,074)	(72,298,940,330)
Corporate income tax payable end of the year	105,896,237,927	28,459,842,013

41.2. Thuế thu nhập doanh nghiệp hoãn lại

	31/12/2021	01/01/2021
	VND	VND
Deferred corporate income tax liabilities		
Taxable temporary differences	110,402,353,749	6,279,552,391
Reversal deferred income tax liabilities recorded in previous years	40,157,524,120	104,122,801,358
	150,559,877,869	110,402,353,749

Deferred income tax expenses charged to statement of comprehensive income

Deferred corporate income tax expense arising from the increase and decrease difference in revaluation of financial assets FVTPL	40,157,524,119	104,122,801,358
	40,157,524,119	104,122,801,358

43. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share that can be distributed to ordinary shareholders of the Company is made based on the following figures:

	Year 2021	Year 2020
	VND	VND
Undistributed earnings	1,396,285,501,055	754,311,940,023
Profit distributed for common stocks	1,396,285,501,055	754,311,940,023
Average circulated common stocks in the year	240,927,074	217,064,619
Basic earnings per share	5,795	3,475

Basic earnings per share have been adjusted retroactively in accordance with Vietnamese Accounting Standard No. 30 – Earnings per share. The company has not planned to deduct Bonus and welfare from the profit after tax for the fiscal year ended as at 31/12/2021.

As at 31 December 2021, the Company did not have shares with dilutive potential for earnings per share.

44. FINANCIAL INSTRUMENTS

The types of financial instruments of the Company include:

	Book value			
	31/12/2021		01/01/2021	
	Original value	Provisions	Original value	Provisions
	VND	VND	VND	VND
Cash and cash equivalents	652,033,715,127	-	653,074,220,193	-
Financial assets at fair value through profit and loss (FVTPL)	2,700,773,774,103	-	2,204,736,610,306	-
Available for sale financial assets	702,541,229,300	-	461,007,802,000	-
Loans	5,817,012,626,522	(18,091,800,300)	2,171,684,164,501	(44,161,370,559)
Trade and other receivables	1,422,926,725,738	(446,301,221,838)	1,828,482,390,051	(421,894,794,857)
	11,295,288,070,790	(464,393,022,138)	7,318,985,187,051	(466,056,165,416)

	31/12/2021	01/01/2021
	VND	VND
Borrowings and debts	3,848,000,000,000	1,894,000,000,000
Payables to supplier, payables for securities transaction activities and other payables	39,530,823,838	15,822,952,987
Accrued expenses	95,790,643,323	64,450,609,647
	3,983,321,467,161	1,974,273,562,634

According to the Circular 210/2009/TT-BTC, Circular 146/2014/TT-BTC and Circular 334/2016/TT-BTC, financial assets and financial liabilities of the Company were reevaluated at fair value at the ending of the period.

Financial risk management

The Company's financial risks include market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. “&Khai bao!D28&” of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control

Market risk

The Company's business operations will bear the risks of changes in prices, exchange rates and interest rates.

- Price Risk

The Company bears price risk of equity instruments from short-term and long-term investments in securities due to the uncertainty of future prices of the securities.

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2021				
Financial assets at fair value through profit and loss (FVTPL)	2,700,773,774,103	-	-	2,700,773,774,103
Available for sale financial assets	702,541,229,300	-	-	702,541,229,300
	3,403,315,003,403	-	-	3,403,315,003,403

As at 01/01/2021

Financial assets at fair value through profit and loss (FVTPL)	2,204,736,610,306	-	-	2,204,736,610,306
Available for sale financial assets	461,007,802,000	-	-	461,007,802,000
	2,665,744,412,306	-	-	2,665,744,412,306

- Exchange rate risk:

The Company bears the risk of exchange rate due to the fluctuation in fair value of future cash flows of a financial instrument in line with changes in exchange rates if loans, revenues and expenses of the Company are denominated in foreign currencies other than VND.

- Interest rate risk”

The Company bears the risk of interest rates due to the fluctuation in fair value of future cash flow of a financial instrument in line with changes in market interest rates if the Company has time or demand deposits, borrowings and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain interest beneficial for its operation purpose.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to perform its contractual obligations. The Company has credit risk from operating activities (mainly to trade receivables) and financial activities (including deposits, loans and other financial instruments), detailed as follows:

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2021				
Cash and cash equivalents	652,033,715,127	-	-	652,033,715,127
Loans	5,798,920,826,222	-	-	5,798,920,826,222
Trade and other receivables	976,625,503,900	-	-	976,625,503,900
	7,427,580,045,249	-	-	7,427,580,045,249

As at 01/01/2021

Cash and cash equivalents	653,074,220,193	-	-	653,074,220,193
Loans	2,127,522,793,942	-	-	2,127,522,793,942
Trade and other receivables	1,406,587,595,194	-	-	1,406,587,595,194
	4,187,184,609,329	-	-	4,187,184,609,329

Liquidity Risk

Liquidity risk is the risk that the Company has trouble in settlement of its financial obligations due to the lack of funds. Liquidity risk of the Company is mainly from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2021				
Borrowings and debts	3,348,000,000,000	500,000,000,000	-	3,848,000,000,000
Payables to supplier, payables for securities transaction activities	39,530,823,838	-	-	39,530,823,838
Accrued expenses	95,790,643,323	-	-	95,790,643,323
	3,483,321,467,161	500,000,000,000	-	3,983,321,467,161

As at 01/01/2021

Borrowings and debts	1,244,000,000,000	650,000,000,000	-	1,894,000,000,000
Payables to supplier, payables for securities transaction activities	15,822,952,987	-	-	15,822,952,987
Accrued expenses	64,450,609,647	-	-	64,450,609,647
	1,324,273,562,634	650,000,000,000	-	1,974,273,562,634

The Company believes that risk level of loan repayment is low. The Company has the ability to pay due debts from cash flows from its operating activities and cash received from mature financial assets.

45. EVENTS AFTER BALANCE SHEET DATE

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the financial statements.

46. SEGMENT REPORTING

47. TRANSACTION AND BALANCES WITH RELATED PARTIES

During year, there are a number of transactions between the companies with related parties as follows:

	Relation	Year 2021 VND	Year 2020 VND
Borrowing			
Saigon Hanoi Commercial Joint Stock Bank	The same the Chairman of the BOM	5,762,000,000,000	2,219,000,000,000
Loan repayment			
Saigon Hanoi Commercial Joint Stock Bank	The same the Chairman of the BOM	3,914,000,000,000	2,762,000,000,000
Interest expense			
Saigon Hanoi Commercial Joint Stock Bank	The same the Chairman of the BOM	22,027,227,899	43,331,767,124
Margin interest expense			
Saigon Hanoi Commercial Joint Stock Bank	The same the Chairman of the BOM	9,634,898,000	90,130,362,479
Revenue from underwriting and issuance agent services			
Saigon Hanoi Commercial Joint Stock Bank	The same the Chairman of the BOM	25,664,090,910	-
Revenue from securities custodian services			
Saigon Hanoi Commercial Joint Stock Bank	The same the Chairman of the BOM	245,000,000	-
Revenue from financial advisory services			
Petrovietnam Machine and Equipment JSC	(**)	150,000,000	-

Outstanding balance with related parties are as follows:

	Relation	31/12/2021 VND	01/01/2021 VND
Deposits			
Saigon Hanoi Commercial Joint Stock Bank	The same the Chairman of the BOM	597,218,575,844	449,194,677,760
Stock investment			
Saigon Hanoi Commercial Joint Stock Bank	The same the Chairman of the BOM	175,425,373,873	183,532,771,349
Saigon - Hanoi Insurance Corporation	The same the Chairman of the BOM	145,257,484,500	145,257,484,500
Thanh Hoa Petroleum Construction JSC	(*)	2,170,000,000	2,170,000,000
Receivables			
Thanh Hoa Petroleum Construction JSC	(*)	38,000,000	38,000,000

Receive deposit

Saigon Hanoi Commercial Joint Stock Bank	The same the Chairman of the BOM	-	560,000,000,000
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Short-term borrowings

Saigon Hanoi Commercial Joint Stock Bank	The same the Chairman of the BOM	1,848,000,000,000	-
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(*) Mr. Vu Duc Tien is a member of the Board of Management cum General Director of Saigon - Hanoi Securities Joint Stock Company, and a member of the Board of Directors of Thanh Hoa Petroleum Construction JSC.

(**) Mr. Vu Duc Tien is a member of the Board of Management cum General Director of Saigon - Hanoi Securities Joint Stock Company, as well as Chairman of the Board of Management of Petrovietnam Machine and Equipment JSC.

In addition to the related party information described above, transactions with other related parties are as follows:

	Year 2021 VND	Year 2020 VND
Remuneration to the Board of Management		
Mr. Do Quang Hien	4,477,777,778	1,511,111,111
Mr. Vu Duc Tien	(*)	(*)
Mr. Le Dang Khoa	755,555,556	355,555,556
Mr. Mai Xuan Son	755,555,556	355,555,556
Mrs. Nguyen Dieu Trinh	755,555,556	288,888,889

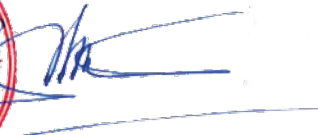
‘(*) Presented in the income of the Board of Directors.

	Năm 2021 VND	Năm 2020 VND
Remuneration to the Board of Directors		
Mr. Vu Duc Tien	7,180,467,041	4,152,055,706
Mr. Tran Sy Tien	4,038,040,000	2,529,602,350
Mr. Nguyen Chi Thanh	4,157,111,448	2,641,520,252
Mrs. Tran Thi Thu Thanh	3,814,833,848	2,086,599,500

48. COMPARATIVE FIGURES

The comparative figures are figures in the Financial Statements for the fiscal year ended as at 31 December 2020, which was audited by AASC Auditing Firm Company Limited.





Nguyen Thi Thuy
Preparer

Tran Sy Tien
Chief Accountant

Vu Duc Tien
General Director

Hanoi, 28 March 2022

d) Fluctuation of market value

	Book value		Market value		Increase		Decrease		Revaluation value	
	31/12/2021	01/01/2021	31/12/2021	01/01/2021	31/12/2021	01/01/2021	31/12/2021	01/01/2021	31/12/2021	01/01/2021
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
FVTPL	2,201,935,206,970	1,906,685,663,769	2,700,773,774,103	2,204,736,610,306	532,174,761,129	352,357,794,552	(33,336,193,996)	(54,306,848,015)	2,700,773,774,103	2,204,736,610,306
Listed	1,710,718,999,785	1,310,685,994,021	2,228,823,409,350	1,628,002,782,990	530,424,261,129	350,607,294,552	(12,319,851,564)	(33,290,505,583)	2,228,823,409,350	1,628,002,782,990
TCB	403,266,343,189	187,211,506,500	579,569,500,000	241,389,540,000	176,303,156,811	54,178,033,500	-	-	579,569,500,000	241,389,540,000
GEX	284,319,898,883	82,655,071,170	444,886,608,000	87,962,805,000	160,566,709,117	5,307,733,830	-	-	444,886,608,000	87,962,805,000
SSI	189,860,761,288	45,552,203,267	215,615,946,000	49,346,605,400	25,755,184,712	3,794,402,133	-	-	215,615,946,000	49,346,605,400
PET	90,192,519,317	284,180	148,433,862,900	419,900	58,241,343,583	135,720	-	-	148,433,862,900	419,900
SIP	70,074,154,434	-	69,563,900,000	-	-	-	(510,254,434)	-	69,563,900,000	-
VOC	57,236,763,806	6,818,680,000	57,228,120,000	6,921,720,000	-	103,040,000	(8,643,806)	-	57,228,120,000	6,921,720,000
Others	615,768,558,868	988,448,248,904	713,525,472,450	1,242,381,692,690	109,557,866,906	287,223,949,369	(11,800,953,324)	(33,290,505,583)	713,525,472,450	1,242,381,692,690
Delisted	1,506,150,610	1,506,150,610	1,504,203,640	1,504,203,640	-	-	(1,946,970)	(1,946,970)	1,504,203,640	1,504,203,640
- Hanoi Petroleum Construction JSC	1,503,750,000	1,503,750,000	1,503,750,000	1,503,750,000	-	-	-	-	1,503,750,000	1,503,750,000
- Others	2,400,610	2,400,610	453,640	453,640	-	-	(1,946,970)	(1,946,970)	453,640	453,640
Unlisted	200,893,896,138	284,893,519,138	181,630,000,676	265,629,623,676	1,750,500,000	1,750,500,000	(21,014,395,462)	(21,014,395,462)	181,630,000,676	265,629,623,676
- Saigon - Hanoi Insurance Corporation	145,257,484,500	145,257,484,500	145,257,484,500	145,257,484,500	-	-	-	-	145,257,484,500	145,257,484,500
- ICA Biotechnology - Pharmaceutical JSC	35,682,501,638	35,682,501,638	16,787,500,000	16,787,500,000	-	-	(18,895,001,638)	(18,895,001,638)	16,787,500,000	16,787,500,000
- My Xuan Shipbuilding and Port Service JSC	-	84,000,000,000	-	84,000,000,000	-	-	-	-	-	84,000,000,000
- Others	19,953,910,000	19,953,533,000	19,585,016,176	19,584,639,176	1,750,500,000	1,750,500,000	(2,119,393,824)	(2,119,393,824)	19,585,016,176	19,584,639,176
Listed bonds	34,319,374,487	-	34,319,374,487	-	-	-	-	-	34,319,374,487	-
- Bonds of Masan Group JSC, code MSN121014	30,222,000,000	-	30,222,000,000	-	-	-	-	-	30,222,000,000	-
- Government bonds were auctioned in round 79/2021	4,097,374,487	-	4,097,374,487	-	-	-	-	-	4,097,374,487	-
Unlisted bonds	254,496,785,950	309,600,000,000	254,496,785,950	309,600,000,000	-	-	-	-	254,496,785,950	309,600,000,000
- Bonds of Lien Viet Post Commercial Joint Stock Bank issued on 30 December 2021 (1)	100,000,000,000	-	100,000,000,000	-	-	-	-	-	100,000,000,000	-
- Bonds of Da Nang Red Star Joint Stock Company issued on 23 September 2021 (2)	110,250,940,000	-	110,250,940,000	-	-	-	-	-	110,250,940,000	-
- Bonds issued by Joint Stock Commercial Bank for Investment and Development of Vietnam 05.11.19	-	300,000,000,000	-	300,000,000,000	-	-	-	-	-	300,000,000,000
- Others	44,245,845,950	9,600,000,000	44,245,845,950	9,600,000,000	-	-	-	-	44,245,845,950	9,600,000,000
AFS	175,425,373,873	183,532,771,349	702,541,229,300	461,007,802,000	527,115,855,427	277,475,030,651	-	-	702,541,229,300	461,007,802,000
Listed	175,425,373,873	183,532,771,349	702,541,229,300	461,007,802,000	527,115,855,427	277,475,030,651	-	-	702,541,229,300	461,007,802,000
- SHB	175,425,373,873	183,532,771,349	702,541,229,300	461,007,802,000	527,115,855,427	277,475,030,651	-	-	702,541,229,300	461,007,802,000
	2,377,360,580,843	2,090,218,435,118	3,403,315,003,403	2,665,744,412,306	1,059,290,616,556	629,832,825,203	(33,336,193,996)	(54,306,848,015)	3,403,315,003,403	2,665,744,412,306

Note:

‘(*) Some merged stocks from SHB Securities Joint Stock Company are being assessed at market value according to the quotation provided at the time of merging 31 March 2018. As at 31 December 2021, the Company did not collect quotes of these shares, so it retains the revaluation value at the time of the merger. For the remaining unlisted stocks, due to the failure to collect 3 quotes of the securities company that traded at the time closest to the evaluation time, the market value is estimated at cost.

(1) Bank bonds of Lien Viet Post Commercial Joint Stock Bank with a term of 7 years from the date of issue on 30 December 2021, amount of 1,000,000 bonds, par value of VND 100,000 with an interest rate of 7.425%/year.

(2) Bonds of Da Nang Red Star Joint Stock Company have a term of 1 year from the date of issue on 23 September 2021, with the amount of 110,000 bonds, par value 1,000,000 VND with an interest rate of 10.5 %/year.

8. PROVISION FOR IMPAIRMENT OF RECEIVABLES

	Amount of doubtful debt	Current year			Closing
		Beginning	Provision	Reversal	
			VND	VND	VND
Provision for impairment of receivables and accrual dividend and interest income	820,000,000	820,000,000	-	-	820,000,000
- No.8 Investment and Construction Joint Stock Company	820,000,000	820,000,000	-	-	820,000,000
Provision for for impairment of receivables from margin trading contracts	30,281,619,086	44,161,370,559	2,000	(26,069,572,259)	18,091,800,300
Provision for impairment of other receivables	520,589,906,505	421,074,794,857	48,138,480,297	(23,732,053,316)	445,481,221,838
- Receivables from principal and interest of securities trading cooperation contracts	459,620,906,200	407,745,874,849	1,116,000,000	(23,732,053,316)	385,129,821,533
- Agricultural Products and Materials Joint Stock Company	45,006,580,297	-	45,006,580,297	-	45,006,580,297
- Receivables of advances to pay dividends	10,000,000,000	10,000,000,000	-	-	10,000,000,000
- Receivables consulting activities	2,963,500,000	330,000,000	2,015,900,000	-	2,345,900,000
- Receivables from other financial services	2,998,920,008	2,998,920,008	-	-	2,998,920,008
	551,691,525,591	466,056,165,416	48,138,482,297	(49,801,625,575)	464,393,022,138

19. BOND ISSUANCE

	01/01/2021	Increase		Decrease		31/12/2021
		VND	VND	VND	VND	
Short-term liabilities	450,000,000,000	1,407,220,000,000	(1,257,220,000,000)	600,000,000,000	600,000,000,000	VND
- Lien Viet Post Joint Stock Commercial Bank	300,000,000,000	-	(300,000,000,000)	-	-	-
- Others	150,000,000,000	1,407,220,000,000	(957,220,000,000)	600,000,000,000	600,000,000,000	600,000,000,000
Long-term liabilities	650,000,000,000	500,000,000,000	(650,000,000,000)	500,000,000,000	500,000,000,000	500,000,000,000
- Bao Viet Commercial Joint Stock Bank	250,000,000,000	200,000,000,000	(250,000,000,000)	200,000,000,000	200,000,000,000	200,000,000,000
- Indovina Bank Ltd	-	200,000,000,000	-	-	200,000,000,000	200,000,000,000
- Tien Phong Commercial Joint Stock Bank	-	100,000,000,000	-	-	100,000,000,000	100,000,000,000
- Ho Chi Minh City Development Commercial Joint Stock Bank	400,000,000,000	-	(400,000,000,000)	-	-	-
	1,100,000,000,000	1,907,220,000,000	(1,907,220,000,000)	1,100,000,000,000	1,100,000,000,000	1,100,000,000,000

The balance reflects bonds sold to organizations and individuals according to the Company's issuance, with the following details:

- Par value: VND 1,000,000,000/bond (with the quantity of 300 bonds) and VND 10,000,000/bond (with the quantity of 80,000 bonds);
- Term: 01 year for short-term bonds, 02 years for long-term bonds;
- Issuance method: Issuing directly to investors;
- Collateral: No collateral;
- Interest rate: Specified and adjusted in detail in each issue from time to time;
- Issuance purpose: To supplement operating capital for the Company.

36. OPERATING INCOME

a) Profit, loss of financial assets

	Total amount	Cost of goods sold	Gain, loss from trading shares of current year		Gain, loss from trading shares of the previous year	
			Gain	Loss	Gain	Loss
	VND	VND	VND	VND	VND	VND
Listed stock	5,352,742,093,428	4,465,727,023,090	978,872,380,020	91,857,309,682	62,860,442,592	81,509,190,837
Unlisted stock	196,860,000,000	162,000,000,000	34,860,000,000	-	1,000,000,000	19,825,000,000
Listed bonds	22,956,634,963,795	22,751,473,896,341	211,214,714,149	6,053,646,695	240,517,160,000	64,697,040,000
Unlisted bonds	42,538,918,170,389	42,527,327,874,284	22,993,819,469	11,403,523,364	12,740,709,404	9,953,997,216
Money Market Instruments	28,263,577,370,683	28,260,744,515,400	4,816,928,669	1,984,073,386	6,285,034,582	5,846,254,329
	99,308,732,598,295	98,167,273,309,115	1,252,757,842,307	111,298,553,127	323,403,346,578	181,831,482,382

b) Difference from revalued financial assets

	Original cost	Market value/ Fair value	Revaluation difference at 31/12/2021		Revaluation difference at 01/01/2021		Recorded in current year	
			Increase	Decrease	Increase	Decrease	Increase	Decrease
	VND	VND	VND	VND	VND	VND	VND	VND
FVTPL	2,201,935,206,970	2,700,773,774,103	532,174,761,129	(33,336,193,996)	352,357,794,552	(54,306,848,015)	179,816,966,577	(20,970,654,019)
Listed stock	1,710,718,999,785	2,228,823,409,350	530,424,261,129	(12,319,851,564)	350,607,294,552	(33,290,505,583)	179,816,966,577	(20,970,654,019)
Delisted stock	1,506,150,610	1,504,203,640	-	(1,946,970)	-	(1,946,970)	-	-
Unlisted stock	200,893,896,138	181,630,000,676	1,750,500,000	(21,014,395,462)	1,750,500,000	(21,014,395,462)	-	-
Listed bonds	34,319,374,487	34,319,374,487	-	-	-	-	-	-
Unlisted bonds	254,496,785,950	254,496,785,950	-	-	-	-	-	-
AFS	175,425,373,873	702,541,229,300	527,115,855,427	-	277,475,030,651	-	-	-
Listed stock	175,425,373,873	702,541,229,300	527,115,855,427	-	277,475,030,651	-	-	-
	2,377,360,580,843	3,403,315,003,403	1,059,290,616,556	(33,336,193,996)	629,832,825,203	(54,306,848,015)	179,816,966,577	(20,970,654,019)

46. SEGMENT REPORTING

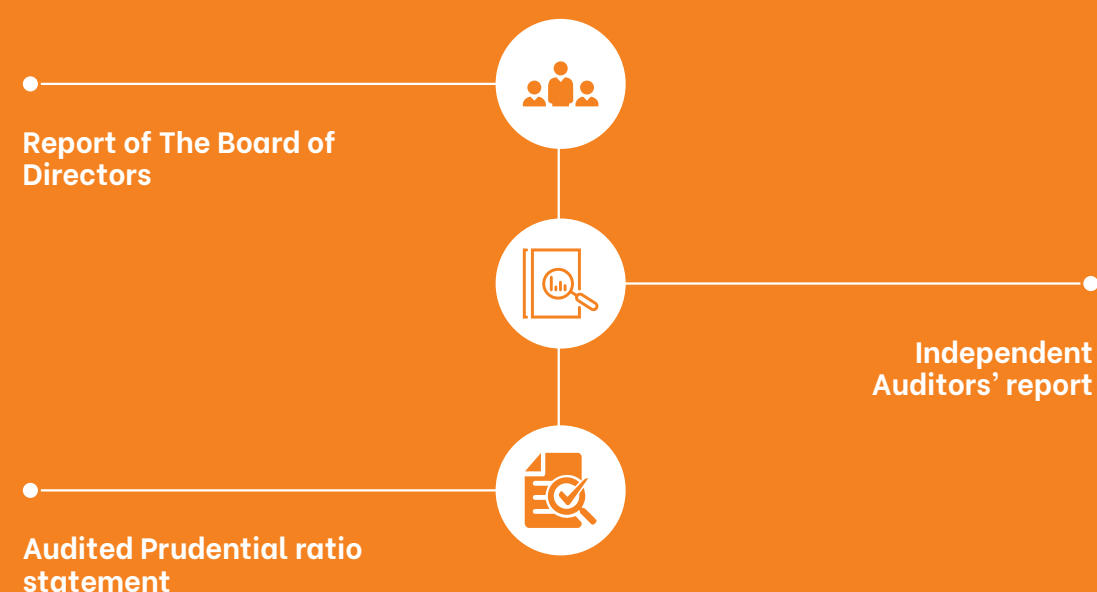
Under business fields

	Guarantee activities, securities issuance agents	Activities of securities brokerage and depository	Proprietary investment activities	Others	Grant total
	VND	VND	VND	VND	VND
Net revenue from operating activities	113,350,045,455	577,893,202,894	1,484,260,981,477	719,813,418,576	2,895,317,648,402
Segment expenses	9,450,657,869	372,942,266,922	108,584,146,791	341,924,286,231	832,901,357,813
Unallocated revenues					3,882,855,188
Unallocated expenses					314,013,703,975
Net profit from operating activities	103,899,387,586	204,950,935,972	1,375,676,834,686	377,889,132,345	1,752,285,441,802
Procurement costs of fixed assets					12,309,440,702
Direct segment assets	-	20,000,000,000	3,403,315,003,403	6,056,071,536,525	9,479,386,539,928
Unallocated assets					1,431,497,060,096
Total assets	-	20,000,000,000	3,403,315,003,403	6,056,071,536,525	10,910,883,600,024
Unallocated liabilities					4,855,303,932,291
Total liabilities	-	-	-	-	4,855,303,932,291

Under geographical areas

	Headquarters	Da Nang Branch	Ho Chi Minh Branch	Grant total
	VND	VND	VND	VND
Net revenue from operating activities	2,612,591,058,347	88,131,294,842	194,595,295,213	2,895,317,648,402
Segment assets	8,881,684,618,875	491,559,092,036	1,537,639,889,113	10,910,883,600,024
Segment liabilities	3,771,350,634,419	361,254,882,780	722,698,415,092	4,855,303,932,291

Audited financial safety ratio report



Report of Board of Management

The Board of Management of Saigon – Hanoi Securities Joint Stock Company (“the Company”) presents its report and the Company’s prudential ratio statements as at 31 December 2021.

► The company

Saigon – Hanoi Securities Joint Stock Company which was established and operating activities based on License of securities operating activities No 66/UBCK-GPHDKD dated 15 November 2007 and Amended License of securities operating activities No.96/UBCK-GP dated 27 October 2021 issued by the State Securities Committee..

The Company’s head office is located at: Floors 1-5 Unimex Hanoi Building, 41 Ngo Quyen, Hang Bai Ward, Hoan Kiem District, Hanoi City.

► The Board of management, the Board of directors and Board of supervision

The members of The Board of Management during the fiscal year and to the reporting date are:

Mr.	Do Quang Hien	Chairman
Mr.	Vu Duc Tien	Member
Mr.	Le Dang Khoa	Member
Mr.	Mai Xuan Son	Member
Mrs.	Nguyen Dieu Trinh	Member

The members of The Board of Directors in the fiscal year and to the reporting date are:

Mr.	Vu Duc Tien	General Director
Mr.	Tran Sy Tien	Deputy General Director as Chief Accountant
Mr.	Nguyen Chi Thanh	Deputy General Director
Mrs.	Tran Thi Thu Thanh	Deputy General Director
		Continue to be appointed from 01/08/2021

The members of the Board of Supervision are:

Mrs.	Pham Thi Bich Hong	Head of Control Department
Mrs.	Luong Thi Luu	Member
Mr.	Vu Duc Trung	Member

► Auditors

The auditors of the AASC Auditing Firm Company Limited take the audit of Financial statements for the Company.

► Statement of the Board of directors' responsibility in respect of the prudential ratio statement

We, The Board of Directors, confirm that the give a true and fair view of prudential ratios of Company Prudential ratio statement, accordance with Circular No.91/2020/TT-BTC dated 13 November 2020, of the Ministry of Finance on the prudential ratio and the handling measures for the securities institutions that fail to achieve the prudential ratio.

We, The Board of Directors, confirm that the Prudential ratio statement give a true and fair view of prudential ratios of Company as at 31 December 2021, accordance with Circular No.91/2020/TT-BTC dated 13 November 2020, of the Ministry of Finance on the prudential ratio and the handling measures for the securities institutions that fail to achieve the prudential ratio.

► Other Commitment

The Board of Directors pledges that the Company complies with Decree No.155/2020/ND-CP dated 31 December 2020 on corporate governance applicable to public companies and the Company does not offend obligation of information disclosure under the regulation of Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by Ministry of Finance guiding the disclosure of information on securities market. Thay mặt Ban

On behalf of The Board of Directors



Vu Duc Tien

General Director

Hanoi, 28 March 2022

Independent auditors' report

**To: Shareholders, The Board of Management and The Board of Directors
Saigon - Hanoi Securities Joint Stock Company**

We have audited the Prudential ratio statement as at 31 December 2021 of Saigon - Hanoi Securities Joint Stock Company prepared on 28 March 2022, as set out on pages 06 to 16, was prepared by The Board of Directors of Saigon - Hanoi Securities Joint Stock Company in accordance with the Circular No.91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance on the prudential ratio and the handling measures for the securities institutions that fail to achieve the prudential ratio.

► The Board of Directors' responsibility

The Board of Directors responsible for the preparation of Prudential ratio statement that give a true and fair view in accordance with the Circular No.91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance on the prudential ratio and the handling measures for the securities institutions that fail to achieve the prudential ratio, and for such internal control as management determines is necessary to enable the preparation of Prudential ratio statement that are free from material misstatement, whether due to fraud or error.

► Auditor's responsibility

Our responsibility is to express an opinion on these Prudential ratio statement based on our audit. We conducted our audit in accordance with Vietnamese standards on auditing No.800 - "The Auditor's report on special purpose audit engagements" and relevant others Vietnamese Standards on Auditing. Those standards require that we comply with standards, ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Prudential ratio statement are free from material misstatement..

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Prudential ratio statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Prudential ratio statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of Prudential ratio statement that give a true and fair view 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 Prudential ratio statement.

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

► Auditor's opinion

In our opinion, the Prudential ratio statement of Saigon - Hanoi Securities Joint Stock Company give a true and fair view of the prudential ratios of the Company as at 31 December 2021, in accordance with the provisions of Circular No.91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance on the prudential ratio and the handling measures for the securities institutions that fail to achieve the prudential ratio.

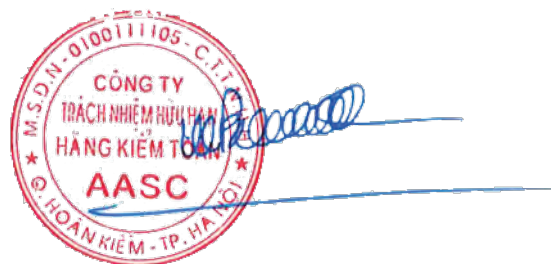
► Accounting Policy

Do not deny our opinion above, we draw readers' attention that Prudential ratio statement is prepared to help Saigon - Hanoi Securities Joint Stock Company to meet the requirements of the State Securities Commission. Thus, Prudential ratio statement may not suitable for other purposes.

► Other matters

Saigon - Hanoi Securities Joint Stock Company has prepared a Financial statements for the year ended at 31 December 2021 in accordance with Vietnamese Accounting Standards and System and comply with relevant statutory requirements relating to the preparation and presentation of financial statements and we have issued an Independent auditors' reports on that financial statements of Saigon - Hanoi Securities Joint Stock Company on 28 March 2022.

AASC Auditing Firm Company Limited



Vu Xuan Bien

Deputy General Director

Certificate of registration to audit practice

No: 0743-2018-002-1

Hanoi, 28 March 2022

Le Cong Thang

Auditor

Certificate of registration to audit practice

No: 4422-2019-002-1

**SAIGON - HANOI SECURITIES JOINT STOCK
COMPANY**

No.:

Prudential ratio statement

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

To: The State Securities Commission

Prudential ratio statement

As at 31 December 2021

We commit that:

1. The Statement is based on the data updated on the date of making this statement in accordance with the Circular No.91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance, on the prudential ratio and the handling measures for the securities institutions that fail to achieve the prudential ratio;
2. The issues that might affect the financial condition of the Company, which arise after this statement is made, shall be updated in the succeeding statement;
3. We are responsible before law for the accuracy of the statement.

Tran Sy Tien

Preparer

Tran Thi Van

Internal control department



Vu Duc Tien

General Director

Hanoi, 28 March 2022

Prudential ratio statement

As at 31 December 2021

I. LIQUIDITY

No.	CONTENT	LIQUIDITY		
		Liquidity	Deductions	Increases
A	OWNER'S EQUITY	(1)	(2)	(3)
1	Owner investment capital, excluding refunded preferred equity (if any)	3,252,650,270,000		
2	Equity surplus, excluding refunded preferred equity (if any)	489,672,566,300		
3	Treasury stocks	-		
4	Bond conversion option - Capital component	-		
5	Other owner's equity	-		
6	Differences in revaluation of assets at fair value	293,029,794,376		
7	Reserve fund for charter capital supplementation	77,136,777,489		
8	Financial provision and professional risk	77,136,777,489		
9	Other funds pertaining to equity	-		
10	After-tax profit	1,865,953,482,079		
11	Provision for impairment of assets	464,393,022,138		
12	Difference in revaluation of fixed assets	-		
13	Foreign exchange rate difference	-		
14	Convertible debts			-
15	Total decrease or increase of securities of financial investment		-	21,014,395,462
16	Other equity (if any)	-		
1A	Total	6,540,987,085,333		
B	Short-term assets			
I	Cash and cash equivalents			
1	Cash and cash equivalents			
2	Fair value through profit and loss financial assets (FVTPL)			
	- Securities with market latene risks			
	- Securities be deducted from liquidity			
3	Held-to-maturity investments (HTM)			
	- Securities with market latene risks			
	- Securities be deducted from liquidity			
4	Loans			
5	Financial assets available for sale (AFS)			
	- Securities with market latene risks			
	- Securities be deducted from liquidity			

6	Provision for impairment of financial assets and mortgage assets			
7	Receivables from clients (Receivables from sale of financial assets; Receivables from and accruals for dividend and interest income)			
	- Receivables from customers having the remaining payment period of 90 days or less			
	- Receivables from customers having the remaining payment period of over 90 days		-	
8	Warrant certificate is not yet issued			
9	Basic securities for the purpose of risk prevention when issuing warrant certificates			
10	Receivables from services provided by the Company			
	- Receivables have the remaining payment period of 90 days or less			
	- Receivables have the remaining payment period of over 90 days		419,386,441,841	
11	Short-term internal receivables			
	- Internal receivables have the remaining payment period of 90 days or less			
	- Internal receivables have the remaining payment period of over 90 days		-	
12	Receivables from securities trading error			
	- Receivables have the remaining payment period of 90 days or less			
	- Receivables have the remaining payment period of over 90 days		-	
13	Other receivables			
	- Other receivables have the remaining payment period of 90 days or less			
	- Other receivables have the remaining payment period of over 90 days		45,006,580,297	
14	Provision for impairment of receivables			
15	Advances to suppliers		3,671,818,770	
II	Other short-term assets		-	
1	Advances			
	- Advances have the remaining payment period of 90 days or less			
	- Advances have the remaining payment period of over 90 days		-	
2	Office supplies, tools		266,851,450	
3	Short-term prepaid expenses		1,455,650,965	
4	Mortgages, mortgages, collateral, short-term deposits		2,750,000	
5	VAT deducted		-	
6	Taxes and receivables to state budget		-	
7	Other short-term assets		-	
8	Provision for impairment of other short-term assets			
1B	Total		469,790,093,323	

C	Long-term assets			
I	Long - term financial assets			
1	Long-term receivables		-	
2	Investments			
2.1	Held-to-maturity investments (HTM)			
	- Securities with market latene risks			
	- Securities be deducted from liquidity		-	
2.2	Investments in subsidiaries		-	
2.3	Other long-term investments		-	
II	Fixed assets		14,128,110,338	
III	Investment real estate		-	
IV	Cost of construction in progress		-	
V	Other long-term assets			
1	Long - term mortgages, mortgages, collateral, short-term deposits		1,435,890,343	
2	Long - term prepaid expenses		36,278,949,607	
3	Deferred income tax assets		-	
4	Deposits to Settlement Assistance Fund		20,000,000,000	
5	Other long - term assets		-	
VI	Provision for long-term assets			
	The asset targets are considered exceptions, contrary to or denied in the audited, reviewed financial statements without being deducted as prescribed in Article 5		-	
1C	Total	71,842,950,288		
D	Collateral guaranteed asset			
1	Collateral value			
1.1	Deposits to Settlement Assistance Fund (for derivatives market)		-	
1.2	Value of contributing to the clearing fund of the central payment for the opening position of the clearing member (for derivatives market)		-	
1.3	Cash deposit and bank guarantee value upon issuance of secured warrant certificate		-	
2	The value of the collateral for liabilities has a term of more than 90 days		-	
1D	Total	-		
LIQUIDITY = 1A-1B-1C-1D			5,999,354,041,722	

Prudential ratio statement

As at 31 December 2021

II. RISK VALUE

A	MARKET RISKS			
		Risk coefficient	Scale of risk	Value of risk
	Investment items	(1)	(2)	(3) = (1) x (2)
I	Cash and cash equivalents, instruments of the money market			-
1	Cash (VND)	0%	652,033,715,127	-
2	Cash equivalents, term deposits	0%	-	-
3	Valuable papers, transferring instruments on the money market, certificates of deposit	0%	-	-
II	Government bonds			122,921,235
4	Government bonds without interest	0%	-	-
5	Government bonds with coupon payment			
	Government bond (including bonds and bonds for projects issued previously), Government bond of countries in OECD bloc or sponsored by Government or Central Bank of the countries in this bloc. The bond issued by international organizations IBRD, ADB, IADB, AfDB, EIB and EBRD.	3%	4,097,374,487	122,921,235
III	Government bonds			15,000,000,000
	The listed bond has the remaining maturity time of less than 01 year, including convertible bond	3%	-	-
	The listed bond has the maturity time from 01 to under 03 years, including convertible bond	8%		
6	The listed bond has the maturity time from 03 to under 05 years, including convertible bond	10%	-	-
	The listed bond has the maturity time from 05 years or more, including convertible bond	15%	100,000,000,000	15,000,000,000
IV	Corporate bonds			43,328,054,190
	Listed bonds			
	The listed bond has the remaining maturity time of less than 01 year, including convertible bond	8%	-	-
	The listed bond has the maturity time from 01 to under 03 years, including convertible bond	10%	30,222,000,000	3,022,200,000
7	The listed bond has the maturity time from 03 to under 05 years, including convertible bond	15%	-	-
	The listed bond has the maturity time from 05 years or more, including convertible bond	20%	-	-

	Unlisted bonds			
	The unlisted bond has the remaining maturity time of less than 01 year, including convertible bond	15%	79,000,000	11,850,000
	Unlisted bonds issued by listed enterprises with remaining maturities from 1 year to less than 3 years, including convertible bonds	20%	15,317,845,950	3,063,569,190
	Unlisted bonds issued by listed enterprises with remaining maturities from 3 years to less than 5 years, including convertible bonds	25%	-	-
	Unlisted bonds issued by listed enterprises with remaining maturity of 5 years or more, including convertible bonds	30%	-	-
8	Unlisted bonds issued by other enterprises with remaining maturity of less than 1 year, including convertible bonds	25%	110,250,940,000	27,562,735,000
	Unlisted bonds issued by other enterprises with remaining maturities from 1 year to less than 3 years, including convertible bonds	30%	14,649,000,000	4,394,700,000
	Unlisted bonds issued by other enterprises with remaining maturities from 3 years to less than 5 years, including convertible bonds	35%	8,140,000,000	2,849,000,000
	Unlisted bonds issued by other enterprises with remaining maturity of 5 years or more, including convertible bonds	40%	6,060,000,000	2,424,000,000
V	Shares			400,132,894,555
9	Common stock and preferred stock of the listed organizations at HCM Stock Exchange; open treasury certificate	10%	2,568,103,189,350	256,810,318,935
10	Common stock and preferred stock of the listed organizations at Hanoi Stock Exchange	15%	61,994,363,800	9,299,154,570
11	Common stock and preferred stock of the public companies not listed and registered for trading via UpCom system	20%	301,267,061,500	60,253,412,300
12	Common stock and preferred stock of the public companies registering depository but not listed or registered for trading; Stocks are in the initial issuance (IPO)	30%	-	-
13	Shares of other public companies	50%	147,540,017,500	73,770,008,750
VI	Certificate of securities investment funds			-
14	Public funds, including public investment companies	10%	-	-
15	Member funds, separate investment companies	30%	-	-
VII	Restricted securities			1,204,483,712
16	Securities of unlisted public companies are warned due to the delay in disclosing information on audited or reviewed financial statements according to regulations	30%	-	-
17	Listed securities are warned	20%	-	-
18	Listed securities are controlled	25%	-	-

19	Securities temporarily suspended from trading	40%	-	-
20	Delisted or canceled securities	80%	1,505,604,640	1,204,483,712
VIII	Derivative securities			55,103,001,638
21	Stock index futures contract	8%	-	-
22	Government bond futures contract	3%	-	-
23	Shares listed in foreign markets included in the benchmark	25%	-	-
24	Shares listed in foreign markets not included in the benchmark	100%	-	-
25	Covered warrants listed on Ho Chi Minh Stock Exchange	8%	-	-
26	Covered warrants listed on Hanoi Stock Exchange	10%	-	-
27	Shares and bonds of un-issued companies that do not have the latest audited financial statements up to the time of reporting or have audited financial statements but have contrary audit opinions, disclaimer of opinion, or opinions that do not fully agree.	100%	55,103,001,638	55,103,001,638
28	Shares, capital contribution and other securities	80%	-	-
29	Covered warrants issued by the security companies			
30	Securites formed form hedging activities for the covered warrants issued (in case covered warrants are not profitable)			
31	The difference between the value of underlying securities used to hedge the risk and the value of underlying securities necessary to hedge against the risk of secured warranties			
IX	The additional risk (if any) (based on the liquidity after making all provisions)			7,025,412,293

	Securities code	Level increase	Risk coefficient	Scale of risk	Value of risk
1	SHB	10%	10%	702,541,229,300	7,025,412,293
A	TOTAL MARKET RISK VALUE (A= I+II+III+IV+V+VI+VII+VIII)				521,916,767,623

Prudential ratio statement

As at 31 December 2021

II. RISK VALUE

B PAYMENT RISK								
Form of trading		Value of risk (VND)						Total value of risk
Rate of		(1)	(2)	(3)	(4)	(5)	(6)	
		0%	0.8%	3.2%	4.8%	6.0%	8.0%	
I	Risk before the due date							13,896,121,176
1	Term deposits, loans without collateral, and receivables from the securities trading and securities services and other potential payment risk items.	-	-	-	-	-	13,896,121,176	13,896,121,176
2	Given securities loans/economic agreements with the same nature	-	-	-	-	-	-	-
3	Taken securities loans/economic agreements with the same nature	-	-	-	-	-	-	-
4	Securities trading contracts with commitment to sell back/economic agreements with the same nature	-	-	-	-	-	-	-
5	Securities trading contracts with commitment to buy back/economic agreements with the same nature	-	-	-	-	-	-	-
Details of payment risk factors by partners are determined as follows:								
STT	Payment partner for securities trading organizations	Coefficient of payment risk						
1	Government, issuers guaranteed by the Government and Central Banks of OECD countries; People's Committees of provinces and cities under central authority;	0%						
2	Stock Exchange, Securities Depository Center	0.8%						
3	Credit institutions, financial institutions, securities business organizations established in OECD countries and having credit ratings that meet other conditions according to internal regulations of securities trading organizations	3.2%						
4	Credit institutions, financial institutions, securities business organizations established outside OECD countries; or established in OECD countries and did not meet other conditions according to internal regulations of securities trading organizations.	4.8%						
5	Credit institutions, financial institutions, securities business organizations established and operating in Vietnam	6.0%						
6	Others	8.0%						
II	Risk after the due date							2,456,600,000
	Overdue period					Risk coefficient	Scale of risk	Value of risk
1	0 – 15 days after the deadline of payment or securities transfer					16%	-	-
2	16 – 30 days after the deadline of payment or securities transfer					32%	-	-
3	31 – 60 days after the deadline of payment or securities transfer					48%	-	-
4	60 days or more					100%	2,456,600,000	2,456,600,000
III	Risk after the due date							690,000,000,000
1	Contracts, transactions, capital uses other than transactions and contracts are recorded at Points a, b, c, d, đ, e, g, Clause 1, Article 10 of this Circular; revenue from debt trading with trading partners other than Vietnam Asset Management Company (VAMC), Vietnam Debt Trading Company Limited (DATC) (Details of each entity)). The advance accounts for more than 5% of the equity with the remaining repayment period of fewer than 90 days (Details of each subject).					100%	690,000,000,000	690,000,000,000
IV.	Increased risk (if any)							69,000,000,000
No.	Details of each loan and each partner				Level increase	Risk coefficient	Scale of risk	Value of risk
1	Hanoi Financial Technology Investment Joint Stock Company (FINTECH)				10%	100%	690,000,000,000	69,000,000,000
B	TOTAL VALUE OF RISK OF PAYMENT (B=I+II+III+IV)							775,352,721,176

Prudential ratio statement

As at 31 December 2021

II. RISK VALUE

C	RISK OF OPERATION (WITHIN 12 MONTHS)	Risk value
I	Total expenses arising within 12 months	1,146,915,061,788
II	Amounts deducted from the total expense	128,984,824,025
	1. Depreciation expenses	2,554,072,130
	2. Expenses/Reversal of provision for diminution in value of short-term financial assets and mortgaged assets	-
	3. Expenses/Reversal of provision for diminution in value of long-term financial assets	-
	4. Expenses/Reversal of provision for impairment of receivables	(1,663,143,278)
	5. Expenses/Reversal of provision for impairment of other short-term assets	-
	6. Expenses from differences for diminution in the revaluation of financial assets recognized through profit/loss	(20,970,654,019)
	7. Interest expenses	149,064,549,192
III	Total expense after deduction (III = I - II)	1,017,930,237,763
IV	25% of total expense after deduction (IV = 25% III)	254,482,559,441
V	20% of legal capital of the securities institution	60,000,000,000
C	TOTAL VALUE OF OPERATION RISK (C=Max {IV, V})	254,482,559,441
D	TOTAL VALUE OF RISK (A+B+C)	1,551,752,048,240

III. SUMMARY OF RISK AND LIQUIDITY

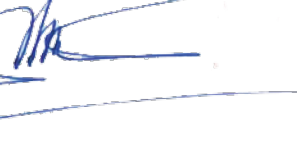
No.	Targets	Risk value/Liquidity	Note (if any)
1	Total value of market risk	521,916,767,623	
2	Total value of payment risk	775,352,721,176	
3	Total value of operation risk	254,482,559,441	
4	Total value of risk (4=1+2+3)	1,551,752,048,240	
5	Liquidity	5,999,354,041,722	
6	Liquidity ratio (6=5/4)	386.62%	



Tran Sy Tien
Preparer
Hanoi, 28 March 2022



Tran Thi Van
Internal control department



Vu Duc Tien
General Director

REPRESENTATION SAIGON - HANOI SECURITIES JOINT STOCK COMPANY

Hanoi, 19 April 2022



VU DUC TIEN
General Director



SAIGON - HANOI SECURITIES JOINT STOCK COMPANY

Address: UNIMEX Hanoi Building, 1-5 floors, 41 Ngo Quyen Street, Hoan Kiem Dist., Hanoi, Vietnam

Tel: 84-24-38 181 888

Fax: 84-24-38 181 688

Website: <http://www.shs.com.vn>