ANNUAL GENERAL SHAREHOLDERS MEETING

Saigon Securities Inc. (SSI)

04/2015

1

AGENDA

1. Review of 2014 Macro Economy & Stock Market
2. Review of 2014 Business Performance
3. 2015 Macro Economy & Market Outlook
4. 2015 Business Plan

Note:

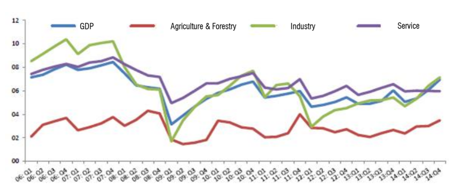
Note:

MACRO ECONOMY
& STOCK MARKET REVIEW

2014 MACRO ECONOMY

STRONG RECOVERY OF ECONOMIC GROWTH

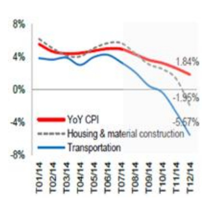
- GDP growth at 5,98%
- Strong recovery in Industrial & Construction sectors
- Export grew at 13,6%



Source: GSO

MACRO ECONOMY HAS BEEN REMAINED STABLE

- CPI increased only at 1,84%
- Trade balance surplus at $2 billion US in 2014
- Stable exchange rate, high level of foreign exchange reserve
- Interest rates of bank deposits and loans continued to decrease from 1% - 1,5%
- Credit growth at 14%



	2010	2011	2012	2013	2014
RON 92	3%	27%	11%	5%	-26%
Fuel oil	-1%	34%	7%	4%	-15%
Petroleum	-2%	32%	5%	5%	-20%
Diesel	1%	38%	6%	7%	-20%

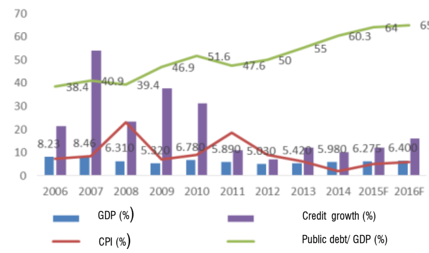
Source: Petrolimex, Ministry of Finance

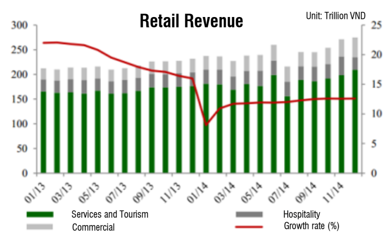
Note:

2014 MACRO ECONOMY

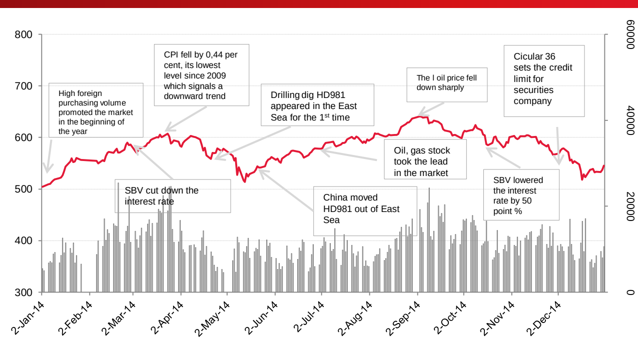
CONCERNS…

- Impact from changes in global economies
- Oil price issue
- Public debt continues to increase
- Low domestic consumption – 6.12%





2014 STOCK MARKET

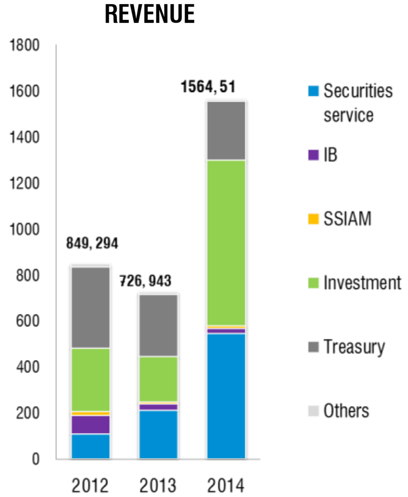


- Stock Market was significantly impacted by the East Sea event and the falling oil price
- Circular No.36 sets the credit limit for securities companies
- Criminal conviction announcement of several weak banks' leaders.
- VNIndex increased by 8,1% at the end of the year

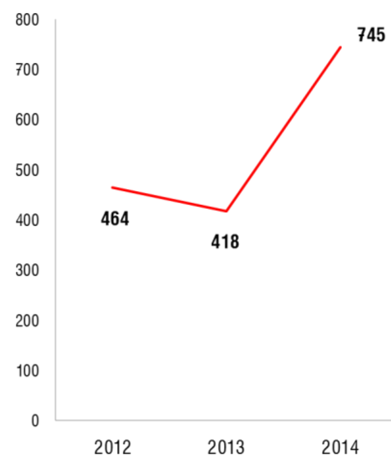
2014 BUSINESS PERFORMANCE REVIEW

STRONG PERFORMANCE

REVENUE



PROFIT



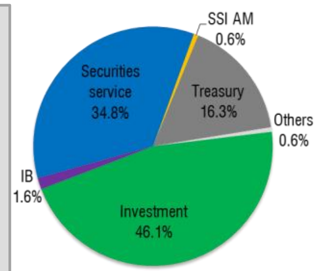
Unit: Billion VND

Note:

REVENUE BREAKDOWN

SECURITIES SERVICES

- SSI regained the no1 position in brokerage market share at 11.15%
- Launched 2 online trading products: SSI Pro trading & SSI Mobile trading



ASSET MANAGEMENT

- Total asset under management reached 4,237 billion VND (increase by 26% compared with last year).
- Launched 2 investment funds: SSI – SCA Fund and ETF SSIAM HNX30 Fund

INVESTMENT BANKING

- Awarded as Best Vietnamese Advisory and Best Vietnamese Investment Banking by The Asset and FinanceAsia.

INVESTMENT

- Investment return improved due to liquidation of some big investments

TREASURY

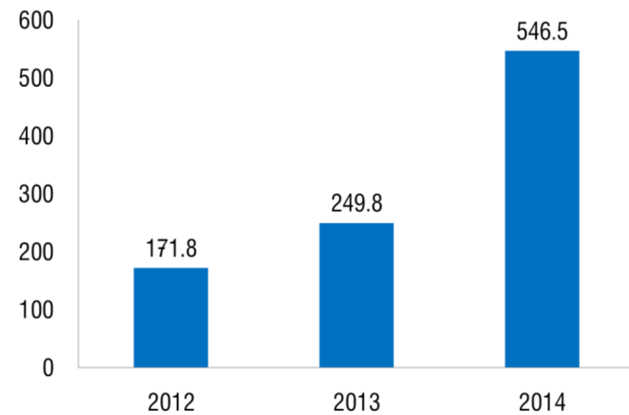
- Ensured the liquidity and capital demand for SSI's clients as well as the Company.

AWARDS

Note:

SECURITIES SERVICES

Impressive Revenue growth



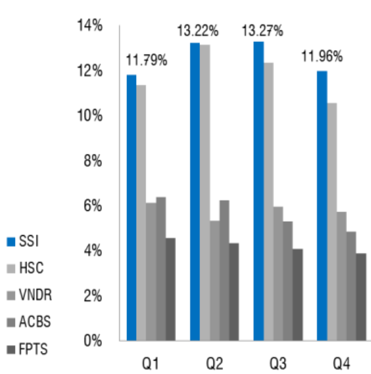
Unit: billion VND

Note:

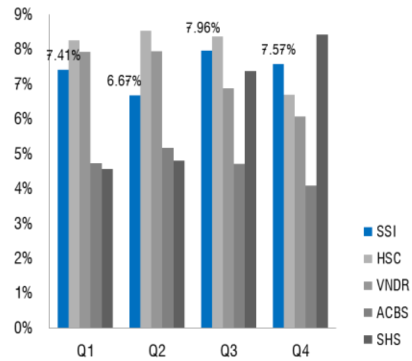
SECURITIES SERVICES

Market share growth

HOSE



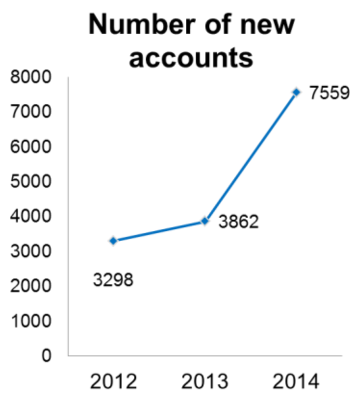
HNX



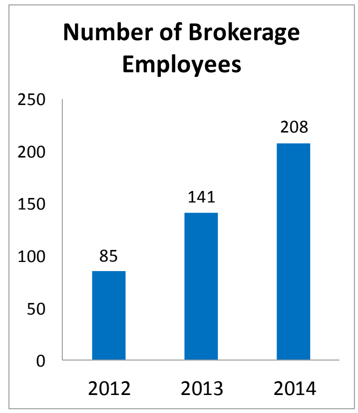
Note:

SECURITIES SERVICES

Customers growth



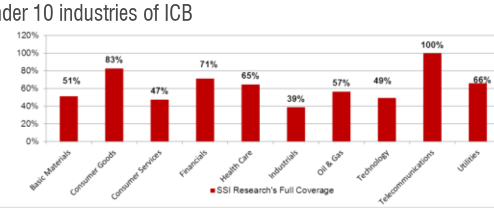
Brokerage Employee growth



SECURITIES SERVICES

Enhance the quality of products and services

- Advisory products and investment recommendations for individual clients accurately reflect the market, therefore meet the customers' requirement.
- In-depth research coverage:
  - Full coverage on 90 out of 697 listed companies, mainly large cap and blue chips (85% of the total market cap)
  - Fully cover 26 out of 26 stocks in FTSE Vietnam
  - Watching over 100 listed and OTC companies
  - Cover 22 sub-sectors under 10 industries of ICB



SECURITIES SERVICES

Enhance the quality of products and services

- Improve online trading system with new applications
- The leading distributor of open-ended fund certificate
- Improve the quality of margin lending products by:
  - Provide more value-added services to the online trading system
  - Expand the eligible list of companies for the margin lending service
  - Flexibly restructure the margin rate
  - Prudent risk management
    - Monthly evaluate the list of companies for margin lending service
    - Daily monitor the price changes and stock liquidity

INVESTMENT BANKING

- Provide diversified investment banking services:
  - Bond/ Convertible Bond Issuing Advisory service
  - Private placement & Public offering Advisory service
  - IPO Advisory service
  - Listing Advisory service
- Awarded as Best Vietnamese Advisory and Best Vietnamese Investment Banking by The Asset and FinanceAsia.

Note:

IPO DEALS

VIGLACERA IPO Feb 2014	HANCORP IPO Mar 2014	PORT OF HAI PHONG IPO May 2014
▪ Company name: Viglacera Corporation ▪ Industry: Building materials & Real estate ▪ Charter capital: US$ 146.2 million ▪ No. of offering shares: 76,947,600 shares ▪ Offering price: US$ 0.5 per share ▪ Capital raised : US$ 9.6 million ▪ SSI's role: Advisor	▪ Company name: Hanoi Construction Corporation ▪ Industry: Construction ▪ Charter capital: US$ 90.5 million ▪ No. of offering shares: 49,742,300 shares ▪ Offering price: US$ 0.5 per share ▪ Capital raised : US$ 765,445 ▪ SSI's role: Advisor	▪ Company name: Port of Haiphong ▪ Industry: Port ▪ Charter capital: US$ 155.7 million ▪ No. of offering shares: 37,635,600 shares ▪ Offering price: US$ 0.64 per share ▪ Capital raised : US$ 11,364,607 ▪ SSI's role: Advisor

PRIVATE PLACEMENT DEALS

PAN Apr 2014	INTERFOOD · FIMEX VN · AN PHAT PLASTIC
▪ Company name: Pan Pacific JSC. ▪ Industry: Agribusiness, Foods & Services ▪ Capital raised: 1,402.500 billion VND **Phase 1 – 3/2014** ▪ Issue 20,312,500 shares via private placement ▪ Issuing price: 32,000 VND per share **Phase 2 – 11/2014 – 1/2015** ▪ Issue 21,500,000 shares via private placement ▪ Issuing price: 35,000 VND per share	▪ Company name: Interfood, CTCP Thực phẩm sao ta (FMC), CTCP Đầu tư kinh doanh nhà Khang Điền (KDH), CTCP Nhựa và Môi trường xanh An Phát (AAA)… ▪ Capital raised : 1000 billion VND

Note:

BOND ISSUANCE

- Company name: Hung Vuong corporation
- Capital raised: 300 billion VND

- Company name: Transimex-Saigon Corporation
- Capital raised: 100 billion VND

LISTING ADVISORY

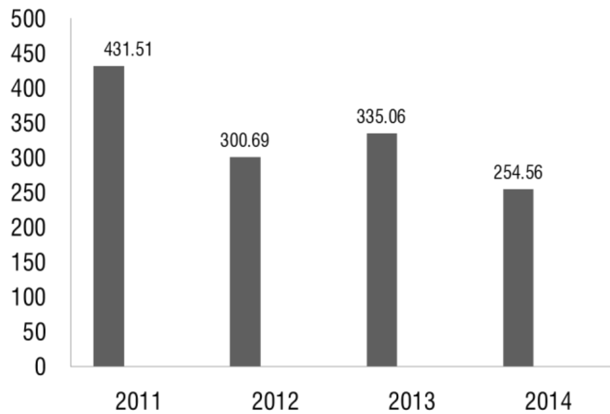
- Company name: Noibai Cargo Terminal Service, JSC.
- Charter capital: 249,209,340,000 VND
- Issuing price : 10,000 VNĐ per share
- Issuing quantity: 24,920,934
- Capital raised : 249,209,340,000 VND

- Company name: Vietnam Electric Cable Corporation
- Charter capital: 288 billion VND
- Issuing price: 10,000 VND per share
- Issuing quantity: 28,800,000
- Capital raised: 288 billion VND

Note:

TREASURY

Effective and Impressive Business Performance

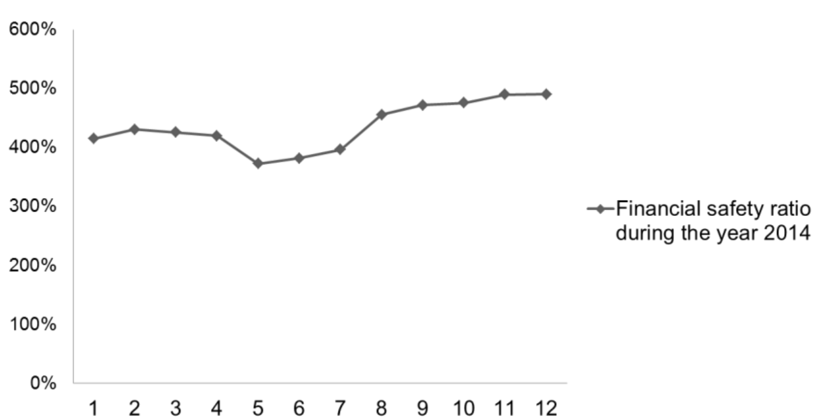


Unit: Billion VND

Note:

TREASURY

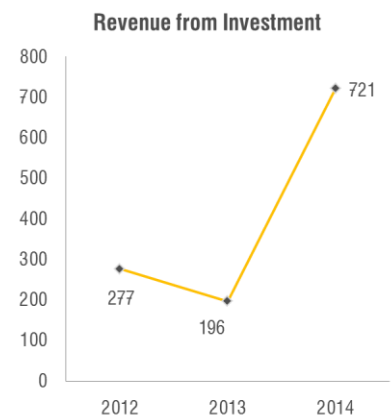
Maintain a high financial safety ratio



Note:

INVESTMENT

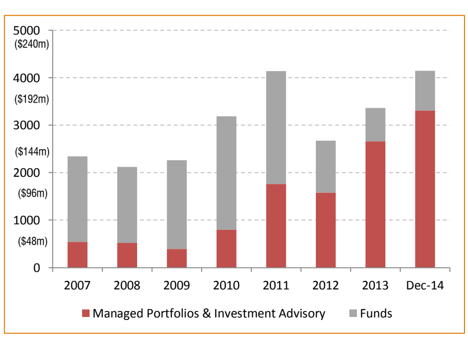
- Partnership and Value Creation differentiate us apart
- Deliver high performance



Unit: Billion VND

SSI ASSET MANAGEMENT

SSIAM's Total AUM



TOTAL (End of Dec 2014)	**197** (US$M)	**4,147** (VND B)	
Funds	**40**	**840**	**20%**
- SSIIMF	23	483	12%
- DSCAP	11	240	6%
- SSI-SCA	6	118	3%
- SSIAM HNX30 ETF	4	88	2%
Managed Portfolios	**98**	**2,050**	**49%**
Institutional Accounts	95	1,994	48%
- Balanced Portfolio	15	306	7%
- Dividend Portfolio	45	955	23%
- Other clients	35	733	18%
Private Wealth Accounts	3	57	1%
Investment Advisory	**57**	**1197**	**29%**
SSIAM Equity Capital	**3**	**60**	**1%**

Exchange rate: 1USD = 21,000 VND

Note:

SSI ASSET MANAGEMENT

SSI - Sustainable Competitive Advantage Fund

- **Capital**: 118 billion VND
- **Biggest open - ended fund that was established in the market in 2014.**
- **Benchmark**: 80% VNIndex & 20% 5 years government coupon bond.
- **Type**: balanced fund
- **Investor benefits**:
  - Highly qualified, experienced managers
  - Clear investment strategy
  - Strict and disciplined investment process
  - Managed by SSIAM - the best local Asset Management Company which has various prestigious global awards.

Exchange-traded fund ETF SSIAM HNX 30

- The second onshore fund which adopt the investment strategy replicate the performance of HNX30 index portfolio, fund certificates is traded as a listed share.
- **Capital:** 101 billion VND
- **Investor benefits:**
  - Low cost
  - High liquidity
  - High transparency
  - Diversify portfolio

SUSTAINABLE DEVELOPMENT

Strong financial foundation

- Ensure the stability and positions for opportunities

Operating strategies

- Risk control and management
- Cost saving and effective operating
- Endeavour to discover new ideas

Capitalize on future opportunities

- Well position to seize future growth opportunities

SUSTAINABLE DEVELOPMENT

Significantly Improved Financial Profile

	2012		2014
Total Asset	7.981 billion VND	+ 12%	8.914 billion VND
Equity	5.192 billion VND	+ 10%	5.691 billion VND
Financial safety ratio	300%		491%
ROA	5.8%		8.4%
ROE	8.9%		13.1%

CORPORATE RESPONSIBILITY

"We strive to better the communities in which we work"

Outstanding activities in 2014:

- Provided 30 scholarships for poor students with good academic record
- Provided educational equipment for poor students in Ha Giang
- Participated in activities to reduce poverty by helping the local farmers to overcome difficulties in Vinh Thach, Quang Tri province

Note:

2015 MACRO ECONOMY
& STOCK MARKET FORECAST

2015 MARKET OUTLOOK – EXTERNAL FACTORS

…Apart from the positive external effects

- US economic growth
- Low inflation rate
- New trade agreements

…there will be several negatives from:

- Slowing Chinese economic growth
- The increase in USD value

Note:

2015 MARKET OUTLOOK – INTERNAL FACTORS

POSITIVES

- The economy growth trend has come back as a result of the positive re-structuring
- Stable macro economy

CONCERNS

- High increase rate of public debt
- Budget deficit due to the falling oil price.

MAINTAIN ECONOMIC GROWTH IN 2015

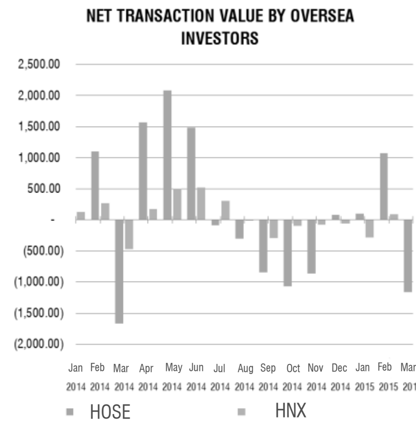
	2012	2013	2014	2015F
GDP growth	5,25	5,42	5,98	6,5
CPI (%)	6,81	6,03	1,86	4,18
Trade balance (Billion USD)	0,80	0,90	0.8	4,80
% Export	0,70%	0,68%	0,53%	2,71%
Exchange rate (USD/VND)	20.900	21.250	21.250	21.600
Current account balance (Billion USD)	7	8,8	8,1	9
Foreign exchange reserve (Billion USD)	25,4	32	36	40
Foreign exchange reserve/ import (week)	11,61	12,67	12,36	12,05
Credit growth (%)	8,91	12,5	13	14
Deposit interest rate (VND %)	8	8	6	6

Note:

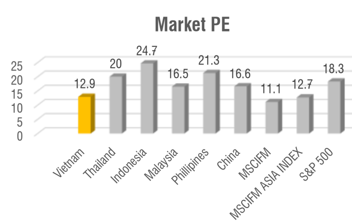
2015 MARKET OUTLOOK

SHORT-TERM RISK CAUSED BY LOW CAPITAL INFLOWS

- Capital withdrawal from oversea investors
- Impact from circulars 36, 210, & 09
- Emergences of other investment channels and investment opportunities from IPO



2015 MARKET OUTLOOK



Revenue growth %			Profit growth %			EPS %			Dividend growth %		
2013	2014	2015	2013	2014	2015F	2013	2014	2015F	2013	2014	2015F
9,87%	12,60%	11,68%	19%	-2,13%	10,49%	4,66%	-0,01%	8,55%	4,86%	4,90%	5,01%

- The economy continues to recover
- P/E remains reasonable and attractive compared to neighboring countries’
- Positive business prospects

- Possible lifting of foreign ownership limit
- New Trade Agreements signed
- Market scale continues to increase
- Improve Vietnam Capital market rating

Note:

2015 BUSINESS PLAN

2015 BUSINESS PLAN

	Billions VND
Revenues	**1,318**
Profit from associated companies	85
Provision/ (Reversal of provision for securities)	*(273)*
Operating and administrative expenses	*655*
Profit before tax	**1,021**

Note:

STRATEGY FOR SECURITIES SERVICES DEVELOPMENT

- Improve brokerage market share
  - HOSE – No 1
  - HNX – No 1
- Develop new customers network
- Continue to expand and diversify products & services portfolio
- Enhance the quality of products & services to meet the particular customer's need.
  - Build specific product to serve specific customer's sector
  - Provide valuable invesment recommendation report

Note:

STRATEGY FOR INVESTMENT BANKING DEVELOPMENT

- Strive to maintain the market leader through diversification of products/ services, focusing on professional and high value-added services
- M&A and Private Placement Advisory services continue to be the priority
- Focus on expanding customer network
- Broaden the relationship with the leading international financial institutions.
- Re-struture Invesment Banking by specializing each staff to be responsible for particular business field, in order to improve the advisory quality of SSI

Note:

STRATEGY FOR TREASURY DEVELOPMENT

- Prudently and accurately manage the cash flow, guarantee the safety for investors' asset, ensure liquidity for the whole system
- To keep the company's capital intact.
- Diversify the product's structure, develop the new flexible products
- Continue to improve the bond - related business, such as Brokerage, Bidding…

Note:

INVESTMENT STRATEGY

- Continue the prudent investment strategy, select the enterprises which is in fundamentals economic sector, has long-term potential development, strategy and ability to perform steady growth plan
- Maintain the associated investment strategy: "partner and develop with associated companies"
- Combine with the short term investment based on evaluating market trend and stocks analysis

Note:

Note:

STRATEGY FOR ASSET MANAGEMENT DEVELOPMENT

- Effectively manage current funds and clients' portfolio
- Gather resources into capital raising, enhance asset under management to serve the long term sustainable development strategy of SSIAM
- Spend resource on improving activities as well as developing the scale of open-ended funds: SSI – SCA & ETF SSIAM HNX30

Note:

1Q2015 P&L (SSI SEPARATE)

	Billion VND
Total Revenues	**365**
In which:	
Revenue from Brokerage service	134
Revenue from Securities Investment & Capital Contribution	167.9
Revenue from Investment Banking	9,1
Revenue from property lease	0,19
Revenue from business equity	53.8
Revenue deduct	**0,9**
Total expense s	**134,15**
In which:	
Direct operating expenses	120,57
Securities provision expenses	10,85
General and administrative expenses	**2,73**
Other profit	**0,38**
Profit before tax	**230**

Note:

1Q2015 P&L (SSI SEPARATE)

Review on effects of market on 1Q2015 brokerage services revenue

- 1Q2015 transaction value was 96,860 billion VND at HOSE and 32,308 billion VND at HNX
- 1Q2015 brokerage market share regained No1 position
  - ➢ Brokerage market share at HOSE is at 11.70% (increase by 0.28% in compared to 4Q2014)
  - ➢ Brokerage market share at HNX is at 8.58% (increase by 1.02% in compared to 4Q2014)

Revenue from Brokerage Services reached 134 billion VND at the end of 1Q2015, increased 115% compared to 1Q2014

Note:

THANK YOU

Note:

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