

No. 04/2025/BC-BVSC

*Hanoi, May 31, 2025*

**REPORT OF THE BOARD OF MANAGEMENT ON BUSINESS PERFORMANCE IN 2024  
AND BUSINESS PLAN FOR 2025**

**To: General Meeting of Shareholders of Bao Viet Securities Joint Stock Company**

*Pursuant to Law on Enterprises and applicable laws, Bao Viet Securities Joint Stock Company (“BVSC”) would like to report to the General Meeting of Shareholders on the Business Performance for 2024 and propose the Business Plan for 2025 as follows:*

**PART I**

**BUSINESS PERFORMANCE IN 2024**

**I. OVERVIEW OF THE STOCK MARKET**

In 2024, Vietnam’s stock market witnessed favorable factors such as a stable socio-political environment and high economic growth. Low domestic interest rates helped domestic cash flow stable and become the main driver for the market. In addition, several economic support policies were also enacted, including the amended Land Law, Law on Credit Institutions, and Law on Securities, etc. Along with that, regulatory authorities’ efforts to upgrade the market’s status created positive changes. A notable milestone was the Ministry of Finance’s official issuance of Circular 68/2024/TT-BTC, allowing foreign institutional investors to place buy orders without 100% pre-funding (non-prefunding). The strong profit growth of businesses in 2024 from the low level of 2023 also positively supported the stock market in 2024.

On the contrary, the US Federal Reserve (FED) maintained higher interest rates for longer than anticipated, with the first interest rate adjustment done in September 2024 after 3 years. As a result, the US dollar index (DXY) continued to remain elevated throughout the first half of the year, thereby creating downward pressure on many currencies in the world, including the Vietnamese dong. The rising exchange rate not only posed challenges for domestic monetary policy but also had a negative impact on the stock market in 2024. This caused foreign investors to consistently sell off strongly in the stock market, with a record net selling value of up to VND 90 trillion on the HOSE, four times higher than in 2023. Of which, approximately VND 22 trillion was withdrawn through Exchange Traded Funds (ETFs) by foreign investors. Adding to the pressure, a large volume of maturing corporate bonds raised concerns over default risks at several enterprises, indirectly impacting the non-performing loans (NPLs) of credit institutions.

Given the aforementioned context, the Vietnamese stock market in 2024 largely moved sideways, with alternating short-term bullish and bearish waves. Specifically:

***In terms of indexes:*** The VN-Index recorded a strong rally in the first quarter of 2024, surpassing the 1,300-point threshold – a gain of over 150 points compared to the closing price of 2023. However, from April through the end of the year, the market shifted into a sideways trend, fluctuating within a narrow range of 1,188 to 1,325 points. As of December 31, 2024, the VN-Index closed at **1,266.78 points**, marking a year-on-year increase of 136.85 points (equivalent to 12%). In contrast,



the HNX-Index closed at **227.43 points** on the same day, down 3.61 points (equivalent to 1.56%) compared to 2023.

**In terms of liquidity:** There was a significant difference in the average trading value between the first and second half of the year across all three exchanges. In the first six months, market liquidity remained robust, with an average trading value of approximately VND 24.6 trillion per session. However, liquidity across the three exchanges has dropped significantly since July, remaining around VND 17 trillion to 19 trillion per session. The average trading volume per session in 2024 on all three exchanges reached VND 21,018 billion/session, up by 19% compared to 2023.

## II. BUSINESS PERFORMANCE IN 2024

### 1. Evaluation of operations in 2024

- **Targets approved by the 2024 Annual General Meeting of Shareholders:**

- + Total realized revenue: VND **828** billion
- + Realized profit after tax: VND **165** billion.

- **2024 Performance Results:**

Unit: billion VND

No.	INDICATORS	2024 Realized	2024 Plan	% of Plan	% vs. 2023
<b>1</b>	<b>Total revenue</b>	<b>993</b>	<b>877</b>	<b>113.3%</b>	<b>106.1%</b>
	<i>Realized revenue</i>	<i>949</i>	<i>828</i>	<i>114.6%</i>	<i>109.1%</i>
<b>2</b>	<b>Total expenses</b>	<b>752</b>	<b>651</b>	<b>115.6%</b>	<b>107.8%</b>
	<i>Realized costs</i>	<i>702</i>	<i>622</i>	<i>112.9%</i>	<i>104.0%</i>
<b>3</b>	<b>Profit before tax</b>	<b>241</b>	<b>226</b>	<b>106.5%</b>	<b>101.3%</b>
	<i>Realized profit before tax</i>	<i>247</i>	<i>206</i>	<i>120.0%</i>	<i>126.9%</i>
<b>4</b>	<b>Profit after tax</b>	<b>200</b>	<b>181</b>	<b>110.5%</b>	<b>101.1%</b>
	<i>Realized profit after tax</i>	<i>206</i>	<i>165</i>	<i>125.1%</i>	<i>129.2%</i>

Source: 2024 Audited Financial Statements

Thus, the Company successfully reached the target with revenue and profit exceeding the set plan, in which realized revenue reached 949 billion VND, equal to 114.6% of the plan and realized profit after tax reached 206 billion VND, equal to 125.1% of the plan. The Company's Return on Equity (ROE) in 2024 rose to 8.61%, exceeding both the previous year's ROE of 7.10% and the industry average of 4.39%.

- **Notable Achievements in 2024:** BVSC ranked in the Top 10 Listed Companies with Best Corporate Governance Practices (2023–2024); Top 50 Pioneering enterprise committed to improve corporate governance – VNCG50; Top 10 Best Annual Reports – Finance Sector; Top 100 Sustainable Businesses in Vietnam for the 7th consecutive year; Top 100 Best Places to Work in Vietnam (Mid-sized Enterprises Category); an Outstanding Member in Equity Trading Settlement Activities (2024); a Leading Advisory Institution (2023–2024), etc.

- **BVS Stock Performance & Dividend Payment**

+ BVS Stock Performance in 2024: As of December 31, 2024, BVS shares closed at VND 37,000, up by 48% compared to the closing price at the end of 2023. Liquidity also showed strong improvement throughout the year: average daily trading volume and value reached 728,904 shares and VND 27.9 billion –equivalent to 110% and 225%, respectively compared to 2023.

+ On October 22, 2024, BVSC paid a cash dividend at a rate of 8% of par value to shareholders.

### 2. Evaluation of business performance in 2024



### 1.1 Brokerage & financial services

Indicators	2024	2024 Plan	% Realized YoY	% Realized vs Plan
Share and fund certificate brokerage market share (*)	2.18%	2.63%	82.5%	88.6%
Brokerage revenue	319	323	98.6%	103.5%
Financial service revenue. Of which:	458	381	120.2%	99.3%
Margin lending & advance	411	328	125.1%	124.4%

(\*) Market share of stock and fund certificate brokerage was calculated based on all three exchanges. In particular, the company ranked 8th in market share by trading volume on the Hanoi Stock Exchange (HNX).

#### Key strategic initiatives deployed in 2024:

- **Client development:** BVSC focused on expanding its institutional client base and targeting high-value clients, strengthening interactions and exchanges with potential partners across regional markets such as Thailand, Singapore, and Hong Kong, etc. in order to promote investment opportunities. In addition, the company also developed and cared for customer groups in the Bao Viet ecosystem through coordinated programs with Bao Viet Group & member units towards the 60th anniversary of Bao Viet's establishment.

- **Products and services:** The company launched a new product "Margin T+" with 5 interest-free days as an outstanding margin loan, continuously promoted promotional programs throughout the year, and launched a non-prefunding transaction service for foreign institutional investors.

- **Information technology:** On August 1, 2024, BVSC officially launched the new **BVSC Invest mobile app**, replacing the previous BVSC Mobile version. The upgraded app features a modern interface and a host of new functionalities designed to significantly enhance the customer experience, expanding its electronic payment and collection network through Fmoney, in partnership with Bao Viet Bank and BIDV. In addition, the company increased investment in monitoring, protection and backup software and services to enhance security for information and customer's currency and securities transactions.

- **Capital Resources:** BVSC proactively engaged in negotiations with Commercial Banks to secure both short- and long-term credit lines, aiming to meet the growing demand for margin lending and cash advance services of clients.

### 1.2 Advisory, underwriting and issuance agency

In 2024, despite facing various challenges, BVSC's advisory segment began showing positive signs of recovery compared to 2023. Advisory revenue reached **VND 3.5 billion**, equal to 31.6% of the annual plan and 157% of the previous year's result.

- Notably, there was an increase in demand for corporate financial (CF) advisory services in 2024. Highlighted advisory contracts in 2024 included: Equity issuance advisory for Indochina Petroleum Transport JSC and Hanhud; Successful advisory on two merger deals: Deo Nai Coal – Coc Sau Coal, and Hanoi Railway Transport – Saigon Railway Transport; IPO and listing advisory for Socola Marou and Livespo, etc.

- Additionally, recognizing the growing interest in foreign bank credit, BVSC actively provided fund-raising and loan arrangement advisory services, connecting corporate clients with overseas banking partners in BVSC's international network.

- Divestment of capital in state-owned enterprises and the equitization of state-owned enterprises were not strongly implemented due to difficulties in valuation process.



- The amended laws, including revisions to regulations on securities issuance, public company registration, and stock listing, passed by the National Assembly in November 2024, have had a significant impact on corporate financial advisory services provided by securities companies.

### ***1.3 Proprietary trading***

With the strategic priority of allocating capital to support Brokerage activities and a prudent investment approach, the proportion of stocks and fund certificates in its proprietary trading portfolio consistently kept at lower level, around 10% of the company's equity. Investment decisions were made cautiously, based on actual market analysis, ensuring that proprietary trading activities contributed positively to the company's overall performance while mitigating risks amid market volatility.

### ***1.4 Securities depository***

The company has always strictly adhered to the regulations of the Vietnam Securities Depository Center, ensuring standardization and caution in implementing its operations. Depository service revenue reached **VND 6.9 billion**, equal to 124.7% of the annual target.

### ***1.5 Management and support***

#### ***❖ IT & Transaction management***

- Alongside maintaining the secure and stable operation of its trading systems, BVSC placed strong emphasis on deploying comprehensive information security solutions: Strengthening investment in software and services for system monitoring, identity recognition, protection, and backup to ensure the company's IT infrastructure meets Level 3 Information System Security Standards; Selecting Viettel Group as the official provider of Security Operations Center (SOC) services, supporting cybersecurity monitoring and incident response; Upgrading company-wide data storage and backup infrastructure, and transforming the Ho Chi Minh City Data Center into a fully operational disaster recovery site.

- At the same time, BVSC continued to research and develop new digital products and applications to enhance the customer experience, fully aligned with the company's digital transformation strategy for the 2021–2025 period.

#### ***❖ Legal, Internal Control & Risk Management***

- BVSC has continuously reviewed, edited, and synchronized the Company's internal regulations, procedures, and contract and agreement forms to increase proactiveness and timeliness in complying with the Company's laws.

- BVSC regularly and continuously monitored risks arising in the Company's business operations as well as market developments and the status of margin trading accounts to make margin calls and handle collateral fully and promptly.

#### ***❖ Research and analysis activities***

- The quality of investment advisory was further enhanced in closely alignment with investors' needs through various product lines, including industry and company reports, macro and market reports, and daily, monthly, and quarterly periodic reports. The coverage of analysis reports on the HSX and HNX exchanges was 85% and 46% of market capitalization, respectively. The company launched the **"Wednesday pit-stop"** Webinars covering various market and industry topics, to introduce online investment opportunities.

#### ***❖ Marcom & IR activities***

- BVSC promoted Digital Marketing to launch products and services, thereby increasing the revenue and brand awareness among new customers and investors. BVSC strengthened public communication, implemented various brand building and development activities and conducted business-promoting workshop series such as collaborations with investment funds, and online seminars for potential customers, etc. The IR newsletter has been published regularly every quarter in Vietnamese and English, providing investors with comprehensive and updated information, thereby



further enhancing information transparency and proactivity in shareholder relations activities.

❖ **Human resources & organizational development**

Total: **719 employees**. Of which, at the Head Office: **453 employees**, at HCMC Branch Office: **266 people**.

- **Recruitment:** Recruitment rate in 2024 reached 14%
- **Training:** Provided 02 recruitment and training courses *Next Gen 2024 in Hanoi and HCMC*.

In 2024, the Company was once again honored among the **Top 100 Best Places to Work in Vietnam (Mid-sized Enterprises category)** held by Anphabe, with the patronage of the Vietnam Chamber of Commerce and Industry (VCCI).

**1.6 Remuneration of BOM and other managers:**

Payment of remuneration to the BOM and other managers was fully disclosed in the 2024 Financial Statements, audited by Ernst & Young (E&Y). The Company has fulfilled its public disclosure obligations in accordance with applicable laws.

## PART II

### BUSINESS PLAN FOR 2025

#### I. OUTLOOK FOR THE ECONOMY AND STOCK MARKET IN 2025

##### 1. Economic Outlook

- *GDP growth in 2025: The Government has set an ambitious target of 8% GDP growth.* This optimistic forecast is underpinned by several key drivers: (1) Public investment is accelerated and poised to be a major growth engine, with the disbursement target reaching VND 878 trillion – the highest level ever recorded. (2) Several amended laws have been passed and are scheduled to take effect from early 2025, helping to improve the legal framework and create a more transparent and favorable environment for development, particularly in the real estate and private investment sectors. (3) Foreign direct investment (FDI) inflows remain positive, supported by Vietnam's continued expansion of diplomatic relations with a diverse range of countries and territories. (4) The Government is considering extending the 2% VAT reduction until the end of 2026, which would serve as a stimulus to boost domestic consumption. However, GDP growth may face challenges due to potential shifts in U.S. tariff policies. While the U.S. has reached trade agreements with certain countries, the majority — including Vietnam — are still in the negotiation stage.

- *Inflation remains under control.* The main pressure comes from electricity prices (increased from October 2024 and May 2025). However, with some commodities having a high comparison base such as gasoline, oil, rice, and the high comparison base of pork prices in the second half of 2024, which support reducing pressure on the CPI, inflation is forecast to remain under control in 2025, projected to be in the range of 4-4.5%, lower than the 4.5-5% target set by the National Assembly.

- *Exchange rate pressure is likely to persist in 2025.* Pressure from the USD remains present in the context of US President Donald Trump continuously making tariff adjustments since taking office, fueling concerns that US inflation may be difficult to cool down, potentially delaying interest rate cuts by the Federal Reserve. Meanwhile, some other major central banks such as the BoE and ECB have implemented interest rate cuts in the first meetings of the new year. These factors make it difficult for the DXY index to decline significantly in 2025, thereby putting pressure on other currencies, including the VND.

- *Monetary policy remains accommodative, and interest rates continue to be low to support growth.* The SBV has set a credit growth target of 16% - the highest since 2017. Therefore, monetary policy in 2025 is likely to continue to be accommodative, with low interest rates to support growth. With persistent exchange rate pressure on one side and efforts to maintain low interest rates to support



growth on the other, the SBV is expected to flexibly deploy open market operations (OMO), through liquidity injections and withdrawals as needed, to guide monetary policy effectively in 2025, thereby maintaining a positive interest rate differential between the VND and USD.

### BVSC forecasts some macroeconomic items for 2025

Key indicators	2024	2025	
		Government's goal	BVSC's forecasts
<b>GDP growth (%)</b>	7.09	8	7.5-8
<b>Average inflation (%)</b>	3.63	4.5-5	4-4.5
<b>Credit growth (%)</b>	15.08	16	15-16
<b>USD/VND fluctuation (%)</b>	5.01	N/A	±5

## 2. Stock Market Outlook in 2025

### 2.1 Opportunities

- Stable political and social climate. Strong economic growth momentum in the final year of the current government term. Boost in private sector investment.
- Vietnam's stock market has a chance of being upgraded to FTSE Secondary Emerging Market status in 2025.
- A low-interest rate environment and aggressive credit growth could ensure domestic capital continues to flow steadily into the market.
- Listed companies are forecast to maintain robust profit growth in 2025.
- Major infrastructure investments in transport, electricity, and oil & gas are expected to boost productivity and fast-track urbanization in Vietnam.

### 2.2 Challenges

- Uncertainty surrounding the new U.S. administration's policies, along with concerns over potential tariffs imposed on Vietnamese exports to the U.S.
- The stock market faces competition from other investment channels such as real estate, gold, and the US dollar, which offer attractive and safe returns.
- A delayed rate-cutting cycle by the U.S. Federal Reserve could keep the Dollar Index (DXY) elevated, pressuring the VND and making it more challenging to conduct a loose monetary policy.
- A large volume of maturing corporate bonds may increase default risk for several companies, potentially affecting NPLs of banks.

### 2.3 Market Outlook in 2025

Based on the movement of the Vietnamese economy and stock market, BVSC gives the following views on the key indicators of the stock market:

Key indicators	Planning Scenario
<b>VNIndex (points)</b>	<b>1.400-1.450</b>
<i>From Dec 31, 2024 (points)</i>	<i>up 133 - 183</i>
<b>Market liquidity (VND billion)</b>	<b>25.000</b>
<i>Vs. 2024 average</i>	<i>up 19%</i>

## II. BUSINESS PLAN FOR 2025



## 1. Business indicators

### 2025 Business Plan

Unit: VND billion

No.	INDICATORS	2024 Realized	2025 Plan	% KH 2025/TH 2024
1	<b>Total revenue</b>	<b>993</b>	<b>1068</b>	<b>108%</b>
	<i>Earned Revenue</i>	<i>949</i>	<i>1025</i>	<i>108%</i>
2	<b>Total expenses</b>	<b>752</b>	<b>825</b>	<b>110%</b>
	Realized costs	702	800	114%
3	<b>Profit before tax</b>	<b>241</b>	<b>244</b>	<b>101%</b>
	Realized profit before tax	247	225	91%
4	<b>Profit after tax</b>	<b>200</b>	<b>195</b>	<b>97%</b>
	<i>Realized profit after tax</i>	<i>206</i>	<i>180</i>	<i>87%</i>

#### *Analysis of Key Changes in Business plan 2025:*

- Regarding realized revenue, the company targets VND 1,025 billion in 2025, up 8% from 2024, with a focus on core business lines including: Brokerage services (expected to increase by 1.3% year-on-year); Margin lending and interest from deposits (projected to grow by 10%); Proprietary trading (forecasted to rise by 14%).

- In terms of expenses, the 2025 plan is projected at VND 800 billion, an increase of 14% compared to 2024 – outpacing revenue growth. Notable increases in expenditure include interest expenses, expected to rise due to increased borrowings from commercial banks and/or bond issuances to support margin lending, client advances, and proprietary trading amid limited equity capital; IT investment, projected to grow by 220%, driven by system upgrades (including monitoring software, servers, and firewalls) to ensure secure and stable operations and safeguard clients' transactions; and depreciation and renovation costs, which will increase as a result of planned refurbishment of transaction offices in 2025.

- Regarding net profit after tax in 2024, the Company recorded a sharp increase of 29% YoY and 25% above the target, partly due to a VND 44 billion provision reversal. Excluding this one-time item, adjusted PAT was approximately VND 171 billion (equivalent to 103% of the 2024 target). Compared to the planned PAT for 2025 (VND180 billion), the 2025 PAT plan still represents an increase of over 5% compared to actual PAT in 2024.

## 2. Key solutions

### 2.1 Brokerage & Financial Services

- **Client development:** BVSC placed strong focus on expanding its institutional client base and targeting high-value clients. The Company actively organized client engagement sessions with potential partners across regional markets such as Thailand, Singapore, and Hong Kong, etc. as well as through IBs: Bofa, Instinet, UBS, etc. BVSC will continue to promote investment advisory and direct customer care activities for internal clients within the Bao Viet ecosystem.

- **Products and services:** Enhance digital transformation to improve operational efficiency and elevate the end-to-end customer experience. Continuously improve products and design fee and margin interest rate policy programs that are attractive, flexible, and closely aligned with the market to ensure high competitiveness for customers

- **Human resources:** Strengthen recruitment and training of human resources, Deploy the Next Gen 2025 program in both Hanoi and HCMC.

- **Capital:** Strengthen negotiations with Commercial Banks to increase short-term and long-term loans, moving towards a more balanced and stable capital structure; thereby increasing financial



capacity to meet customers' margin lending and advance payment needs, based on strict risk management.

## **2.2 Advisory, underwriting and issuance agency**

In 2025, the Company aims to focus on high-value activities such as capital arrangement consulting for businesses, corporate merger consulting, etc. At the same time, the Company promotes consulting activities in the areas of public company registration, IPO and listing advisory for corporations and businesses seeking to mobilize capital and list/register their stocks on the stock market and strengthen risk control in consulting activities.

## **2.3 Proprietary trading**

The Company will continue to use a flexible investment strategy, focusing on evaluating and looking for investment opportunities based on the performance of enterprises after updating the 2024 business results. Moreover, the company will closely follow the market trends and investment fluctuations to make appropriate adjustments. Trading activities will be given greater emphasis and are expected to play a more prominent role in proprietary operations during 2025. Additionally, BVSC aims to expand value-added services for asset management companies, particularly in supporting ETF rebalancing operations, including ETF redemption/creation transactions and related activities.

## **2.4 Securities depository**

Deliver professional, legally compliant depository services, ensuring that investor settlements are processed accurately and promptly.

## **2.5 IT & Transaction management:**

In addition to ensuring the secure and seamless operation of trading systems, BVSC continues to prioritize information security and data protection as a mission-critical objective in 2025. To that end, the Company will continue to roll out the following solutions to ensure system information security: purchasing licensed monitoring software (to monitor transmission equipment, network devices, and servers), licensed log recording and analysis services for Fortinet firewalls; investing in additional firewall equipment for the server system. In addition, the company will upgrade and replace outdated hardware and software licenses to maintain the stability and security of the trading system, including: upgrading and replacing database server clusters, auxiliary servers; upgrading and adding core database software.

Simultaneously, the Company focuses on implementing several key projects, including upgrading the core Flex system to be compatible with Windows 11 operating system and the new database version, deploying a gateway system for order placement, as well as developing APIs for institutional clients and Algo Trading systems, etc. to enhance customer experience. Prepare infrastructure, equipment, and implementation plans, etc. to conduct successful connection with the KRX software of the Stock Exchanges and the Vietnam Securities Depository (VSD).

## **2.6 Other activities:**

- **Human resources:** Strengthen recruitment and training, design methods to evaluate work performance according to the JD to ensure objectivity, fairness and transparency.
- **Research and Analysis:** Continue to improve the quality of reports and increase exposure and presentations to funds and institutional clients; at the same time, increase interaction with clients and individual investors through online Webinars.
- **Marcom & IR:** Promote Digital Marketing campaigns to promote new products to customers and investors, implement multi-channel interactions to receive feedback and improve the customer care ecosystem. Develop new sales channels based on partnership models.
- For investor relations activities: Implement bilingual information disclosure in both Vietnamese and English to enhance transparency and facilitate investors, especially foreign investors, to access the Company's business performance information more easily; while continuing to diversify



information channels connecting to shareholders, investors, and stakeholders, such as hotline, email, fanpage, and Zalo; thereby further enhancing information transmission and exchange activities with shareholders to maximize the rights and benefits of shareholders and stakeholders.

- **Legal & Compliance:** Continuously update new legal regulations, timely standardize the Company's procedures and regulations. Strengthen the supervisory role of Internal Audit and risk management for the Company's operational areas, with a focus on ensuring security and confidentiality for the IT system, especially when deploying new products and services.

This report presents the Company's 2024 Business Performance and the 2025 Business Plan. The plan is submitted for the AGM's consideration and approval. At the same time, we kindly request the General Meeting of Shareholders to authorize the Board of Directors to adjust the 2025 Business Plan in response to significant, unforeseen stock market fluctuations.

Respectfully submit to the General Meeting of Shareholders for consideration and approval.

*Best regards!*

*Recipients:*

- As above;
- Archive: Secretariat.

**BAO VIET SECURITIES JOINT STOCK COMPANY**  
**CHIEF EXECUTIVE OFFICER**



**Nhu Dinh Hoa**