

**CÔNG TY CỔ PHẦN CHỨNG
KHOÁN PHÚ HƯNG
PHU HUNG SECURITIES
CORPORATION**

**CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM
Độc lập - Tự do - Hạnh phúc
THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness**

Số/No.: 387/2023/PHS-PL

Thành phố Hồ Chí Minh, ngày 27 tháng 12 năm 2023
Ho Chi Minh City, 27 December 2023

**CÔNG BỐ THÔNG TIN BẤT THƯỜNG
EXTRAORDINARY INFORMATION DISCLOSURE**

- Kính gửi/ To:
- Ủy ban Chứng khoán Nhà nước/ *State Securities Commission of Vietnam*;
 - Sở Giao dịch Chứng khoán Việt Nam/ *Vietnam Exchange*;
 - Sở Giao Dịch Chứng Khoán Hà Nội/ *Hanoi Stock Exchange*.

1. Tên tổ chức: **CÔNG TY CỔ PHẦN CHỨNG KHOÁN PHÚ HƯNG (“PHS”)**
Name of organization: PHU HUNG SECURITIES CORPORATION (“PHS”)

- Mã chứng khoán/Mã thành viên/Stock code/Broker code: PHS/022
- Địa chỉ/Address: Tầng 21, Phú Mỹ Hưng Tower, 08 Hoàng Văn Thái, Phường Tân Phú, Quận 7, Thành phố Hồ Chí Minh/21st Floor, Phu My Hung Tower, 08 Hoang Van Thai, Tan Phu Ward, District 7, Ho Chi Minh City
- Điện thoại liên hệ/Tel.: (+84 28) 5413 5479 Fax: (+84 28) 5413 5472
- E-mail: cbtt_phs@phs.vn

2. Nội dung thông tin công bố/ *Contents of disclosure*:

Căn cứ quy định tại Thông tư 96/2020/TT-BTC hướng dẫn công bố thông tin trên thị trường chứng khoán, PHS trân trọng công bố Kế hoạch kinh doanh năm 2024.
According to Circular 96/2020/TT-BTC on guidance for information disclosure in the stock market, PHS sincerely discloses Business Plan of 2024.

(Chi tiết vui lòng tham khảo tài liệu đính kèm)
(Further information, please find the attachment)

3. Thông tin này đã được công bố trên trang thông tin điện tử của PHS vào ngày 27 tháng 12 năm 2023 tại đường dẫn: <https://www.phs.vn>, phần Về PHS, mục Quan Hệ Cổ Đông.
This information was published on PHS's website on 27 December 2023 in the link at <https://www.phs.vn>, tab About PHS and section Investor Relation.

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 các thông tin đã công bố.

We hereby certify that the information provided is true and correct and we bear the full responsibility to the law.

Tài liệu đính kèm/Attachments:

- 1. Nghị quyết số 03/82_0823/NQ-HĐQT
ngày 27 tháng 12 năm 2023;
Resolution No. 03/82_0823/NQ-HĐQT
dated 27 December 2023;*
- 2. Kế hoạch kinh doanh năm 2024.
Business Plan of 2024.*

ĐẠI DIỆN TỔ CHỨC ^{ok}
ORGANIZATION REPRESENTATIVE

(Ký, ghi rõ họ tên, chức vụ, đóng dấu)
(Signature, full name, position, and seal)



Ông/ Mr. CHEN CHIA KEN
Người đại diện theo pháp luật thứ hai kiêm
Tổng Giám đốc
The second legal representative cum
General Director

Ref. No.: 03/82_0823/NQ-HĐQT

Ho Chi Minh City, December 27th, 2023

RESOLUTION
BOARD OF DIRECTORS OF PHU HUNG SECURITIES CORPORATION
(TERM 2022 – 2025)

- Pursuant to the Law on Enterprises No.59/2020/QH14;
- Pursuant to the Law on Securities No.54/2019/QH14;
- Pursuant to the current Charter of Phu Hung Securities Corporation;
- Pursuant to the Meeting Minutes No. 01/82_0823/BB-HĐQT dated December 27th, 2023 of Board of Directors of the Company;

RESOLVE:

Article 1: Resolution 2

The Board of Directors passed the Business Plan 2024.

Article 2: Organization and implementation

Board of Directors, Inspection Committee, General Director and all the employees of Phu Hung Securities Corporation are responsible for implementing this Resolution from the signing date.

Received:

- As above Article 2;
- Archived at Company Secretary;
- Archived at Company Secretariat.


For and on behalf of B.O.D.
Chairman

Albert Kwang-Chin Ting



BUSINESS PLAN 2024

PHU HUNG SECURITIES CORPORATION

CONTENTS

1. GENERAL MARKET OVERVIEW	3
2. 2024 MARKET FORECAST	4
3. BUSINESS PLAN.....	5
3.1. Brokerage	6
3.2. Advisory & Underwriting	7
3.3. Dealing	8
3.4. Cover Warrant	8
3.5. Marketing	9
3.6. Risk Management.....	10
3.7. Information Technology	11
3.8. Human Resources.....	11
4. FORECAST FINANCIAL PERFORMANCE	14
5. Appendix 1: Budget 2024 by Location/Division	

PHS BUSINESS PLAN 2024

1. GENERAL MARKET OVERVIEW

Following an impressive 8% GDP growth rate in 2022, Vietnam's economic growth experienced a sharply declined in the first half of 2023. This downturn was primarily attributed to both the weakening domestic and alongside faltering external demand. Specifically, China's economy exhibited signs of weakness stemming from its domestic real estate crisis and waning confidence, despite recently reopening post-pandemic.

Simultaneously, there was sustained global pressure for interest rate hikes, particularly driven by the US Federal Reserve ("Fed"). Throughout the first half of 2023, the Fed raised interest rates seven times in 2022 and four times in 2023, resulting the interest rate in a range of 5.25% to 5.50% by November 2023.

In addition to the prolonged tension from the Russia-Ukraine war, the second half of 2023 witnessed another new conflict between Israel-Hamas, creating uncertainty in energy prices and prolonging inflation. All of these factors impacted strongly on the global economy in 2023.

In response to controlled inflationary pressures and decelerating growth, the State Bank of Vietnam ("SBV") has eased monetary policy to bolster economy support. Notably within a span of three months, from March to June 2023, the SBV has done four rate cuts, effectively reducing interest rates to around 3% to 4%. The differences in monetary policies and the upward pressure of the global USD caused significant fluctuations in the domestic exchange rate (USD/VND) during certain periods.

Despite these challenges, SBV's flexible policies coupled with robust USD inflows from Foreign Direct Investment ("FDI") and import-export activities, swiftly contributed to the stabilizing of the exchange rate, enabling the SBV to continue maintaining easing monetary policies to support economic growth.

In 2023, the government took proactive steps to ease difficulties in the real estate sector and the corporate bond market, by issuing a series of decrees and circulars. These significant supports from the government in the context of domestic economic challenges and weakened growth, assist to reduce the capital burden for the real estate developers, warmed up the corporate bond market liquidity, and stimulated credit growth in the latter part of 2023.

2023 proved to be a volatile year for the stock market. Attributed to the attractive P/E ratios and the anticipated potential of the KRX system upon implementation, with the expectation to open an era for Vietnam's equity market, the initial eight months of this year saw a robust rebound of VN-Index.

However, a series of dramatic sell-offs hits the stock market, triggered by the revelation of business results that reflected the underlying weakness of the economy. The earnings of the listed companies decline by 5% YoY in third quarter, recording the fourth consecutive quarter of declines.

There was a moment when the VN-Index plummeted by 1,020 points, wiping out all accumulated gains since year beginning. The market also lacked supportive factors as foreign investors had been constantly selling for months, and ETFs had lately begun to withdraw. The average liquidity on HOSE in October stood approximately VND 14.4 trillion, a 35% decline from the peak in August.

Despite facing numerous challenges in 2023 due to unfavorable global macro-economic conditions, Vietnam's economy appears to bottom out in the second

quarter. Vietnam's GDP showed signs of a gradual recovery: Q1: 3.28% YoY, Q2: 4.05% YoY, Q3: 5.33% YoY. Accumulatively, in the first 9 months of the year, Vietnam's GDP increased by 4.24%. It is anticipated that Vietnam's economy will achieve a growth rate of 5% for 2023.

Vietnam's inflation is consistently tight-controlled, estimated to increase by only 3.5% in 2023 despite significant fluctuations in global commodity prices. This continues to provide basis for supportive policies from the government and the SBV.

Furthermore, the trade balance recorded a record surplus of USD 24.6 billion within the 10 months of 2023. Despite a decline in Vietnam's trade turnover throughout 2023 in the context of weak global economy There have been significant improvements starting from third quarter of 2023. In 2023, Vietnam also officially became a comprehensive and strategic partner with both the US and Japan.

The total registered FDI into Vietnam for the first 10 months of the year hit a five-year record of USD 25.76 billion, marking a 14.7% YoY increase. The disbursed FDI in the same period also reached USD 18 billion, showing a 3.15% YoY rise. Despite ongoing global economic challenges and investor anxiety, these positive FDI figures underscore Vietnam's enduring appeal as one of the most attractive destinations for foreign investors.

2. 2024 MARKET FORECAST

In 2024, the global growth rate is forecasted to remain sluggish and uneven across countries, albeit not stagnant. Especially, global inflation has shown signs of being gradually controlled. Central banks worldwide are reaching the end of their interest rate hike trajectories and are expected to soon shift towards easing monetary policies to provide support to their respective economies.

The International Monetary Fund ("IMF") notes that all forecasts are in consensus with the "Soft Landing" scenario for the US. The high interest rates in the US are expected to manage inflation without significantly dampening the economic activities. The forecasted increase in unemployment rate being very modest, from 3.6% to 3.9% in 2025.

The IMF further suggests that economic recovery will be more pronounced in emerging and developing economies compared to developed economies. The trend of weak growth in Europe is forecasted to continue in 2024. Nevertheless, a modest rebound is expected in the Europe as inflation is projected to ease and the job market remains robust. Meanwhile, many emerging markets show resilience and surprising growth momentum, except for China.

Compared to other countries in the region, the IMF forecasted Vietnam's GDP growth rate for 2024 at 5.8%, only slightly below the 5.9% growth rate projected for the Philippines. Meanwhile, the Vietnamese government has set a target of 6% to 6.5% GDP growth for the same period. PHS believes that with a more optimistic global economic outlook in 2024, coupled with supportive policies from government, Vietnam's economic growth target will be achieved.

Using the P/E valuation approach, PHS forecast that VN-Index will reach 1,460 points by 2024, with an average P/E ratio of 14x. PHS anticipates that the average income of listed companies will rebound quickly, with a 15% growth rate relative to the low base of 2023, and that GDP will recover a stable growth rate of roughly 6.5%.

A major risk for the Vietnamese market is that oil prices fluctuation in an unfavorable direction, causing inflation continue to persist. The Fed may delay lowering the interest rates, affecting the market's target P/E as well.

In addition, risks from the domestic real estate market freezing longer than expected along with the impact of record corporate bond maturity in 2024, impacting the liquidity and bad debts within the banking system, thereby affecting market sentiment and valuation.

In our opinion, implementation of the new KRX system in 2024 is regarded as a historical milestone for the Vietnamese stock market. Expecting a new range of financial products, including short selling and intraday stock trading (T+0), attracting investors and enhancing liquidity.

In particular, the central clearing partner model (“CCP”) is a critical bottleneck in solving missing screens in upgrading to the emerging market. Inflows from worldwide ETFs into the Vietnamese stock market will be promoted. According to PHS, the average trading value on HOSE and HNX might reach VND 21,750 billion in 2024 (including put through trading and matched orders).

3. BUSINESS PLAN

Year 2023 poses significant challenges for the global economy, Vietnam's economy, and stock market in particular. Securities companies face the task of not only maintaining business operations but also retaining investors and developing products and services that align with practical needs. Despite these challenges, positive factors persist within the market, such as stable liquidity, market's responsiveness to monetary policies, and the resurgence of individual investors.

These optimistic elements, coupled with expectations for improvement in the Vietnam stock market over the next 2-3 years, serve as incentives for securities companies to continue investing in their systems and communication activities to strengthen their position in the market.

2024 is deemed a pivotal year for the recovery of the economic cycle, presenting an opportunity for the Vietnamese stock market to break out and attract more cash flow. The government's determination to upgrade the market and launch the new KRX trading system are steps eagerly awaited by all securities companies, including ourselves. These initiatives will enable us to introduce a diverse range of products and services to our investors.

Based on a proactive evaluation of the market's development capacity and objective conditions, PHS has formulated development and investment-business plans for 2024. The target is to achieve a total revenue of VND 745.6 billion and total expenses of VND 613.1 billion. The company aims to attain VND 132.5 billion for profit before tax and VND 100.8 billion for profit after tax.

With the company's focus on services, innovation and products in 2024, solutions for each business segment have been planned by PHS to achieve these goals. Specifically:

- Improving service quality – PHS consistently improves the competence of its human resources through training programs, ensuring the provision of reliable services, prioritizing safety, and building a sustainable reputation with customers. Continue to emphasize and enhance our customer support, promptly addressing issues faced by customers through the Customer Care Center, and implementing the CRM system. In future, plans to apply the SLA model to further improve service quality and the company's commitment to each customer. Furthermore, the company is enhancing market research efforts to offer a range of diverse products tailored to customer needs. Simultaneously, PHS will strengthen its promotional activities, product introductions and overall image by organizing

periodic customer seminars, ensuring that internal information aligns with customer requirements.

- New Mobile App – Understanding that technology’s role in this industry is no longer just a supplementary role, but an essential factor towards key success, involving not only meeting regular demands for normal technology adaptation to stabilize the environment and improve performance, but also focusing shortening the trading time. The online trading platforms are being revamped to best fit the requirements for traders, ranging from casual to professional. Looking forward to 2024, PHS will deploy online services on the new mobile app to adapt future changes, catering to the specific needs of the target customers, particularly Gen Z.
- Upgrade current and develop new products – PHS consistently conducts research, development and offers top-tier products and services. Expanding various support utilities and communication tools within the existing translation framework. Consistently meet the requirements for both personnel and infrastructure preparation to upgrade the system and related services, adhering to KRX system connection requirements and ensuring the best possible customer experience.

3.1. Brokerage

In 2023, Vietnam's stock market experienced notable fluctuations, leading to an emotionally charged journey for investors. Despite challenges in the last quarter of 2022, investor sentiment seemed more stable, with lingering doubts about future prospects persisted in the early months of 2023. From June 2023 and onwards, the Vietnamese stock market began to witness a positive recovery. Optimistic outlooks from global issues and the government's proactive policies supporting businesses, along with the SBV's monetary policies, propelled the Vietnamese stock market into a short-term growth phase.

The VN-Index surged and peaked at 1,245.5 points on September 6, 2023, increase approximately 23.6% compared to the end of 2022. The clear improvement extended not only to the VN-Index but also to market liquidity. The average daily liquidity for the entire market increased to over VND 23 trillion, doubling from the earlier months of 2023. This reflects investors' renewed confidence and the positive return of capital to the market. In 2023, the government also took several proactive actions to promote the upgrading of the Vietnamese stock market, coupled with positive signals from the global economy, heightening positive expectations for the Vietnamese stock market in 2024.

In the first nine months of 2023, the company faced significant challenges amid the general difficulties of the Vietnamese stock market. Total market liquidity decreased by about 15% compared to the entire year of 2022, impacting company's transaction value, and the securities brokerage revenue recorded a decline compared to the same period last year, reaching just over VND 108 billion. Nevertheless, the company implemented effective cost management measures, reducing brokerage costs to VND 123.6 billion. Demonstrating the company's flexibility and ability to adapt to the unstable business environment of the stock market.

The margin lending business maintained stable performance similar to the previous year, reaching VND 229.7 billion. Indicating as the positive factor demonstrating the company's stability in financial support services, helping to protect revenue and sustain profits. Through flexible customer development policies, the company secured a position in the top 8 market shares of government bond brokerage in the third quarter of 2023. This not only reflects the company's efforts to maintain and

expand its customer network, but also demonstrates its ability to adapt and capitalize on opportunities in a dynamic market.

In 2024, PHS will focus strongly on developing and offering new services to meet the growing needs of individual investors in the stock market. Recognizing the importance of this customer segment, PHS has set specific targets to optimize business operations and enhance its market share in securities brokerage.

One of the top priorities is upgrading the stock trading system to optimize the trading experience for individual customers. Flexibility, speed, and security are paramount to ensure that investors can easily execute trades and monitor market conditions conveniently. Additionally, improving the quality of investment advice is a crucial part of the development strategy. PHS will invest in training and developing a team of advisory experts, while providing tools and quality information sources to support individual investors in making informed investment decisions. Deploying a diverse range of products tailored for different investor groups is an effective strategy for attracting and retaining customers. This approach will ensure that every customer has options suitable for their goals and investment strategies.

Through these initiatives, PHS has set a market share target of 1.32% in securities brokerage for 2024. This target goes beyond numerical goal, but also a commitment of the company to bring real value to customers and the stock market. It also demonstrates PHS' determination to shape and develop sustainably in a period of volatility and intense competition within the financial market.

The futures securities brokerage business has become a standout for PHS in 2023, especially as the company secured the 7th position in the futures brokerage market share on the HNX with 2.66%. This represents an impressive growth of over 54% compared to the end of 2022 and is seven times higher than in 2021, the first year of implementing this business. Notably, the revenue from futures brokerage fees also experienced significant growth, doubling compared to the same period in 2022. This demonstrates the effectiveness and potential for development in this business, as well as the result of appropriate policies applied by the company to build and develop a potential sales team. This policy not only focuses on enhancing professional skills but also emphasizes customer care. This helps build a positive and professional working environment, thereby creating trust from customers and the market. Setting a target of a 2.87% market share in futures brokerage in 2024 is evidence of the company's confidence and determination in development and shaping the future.

With these positive results, PHS has demonstrated its ability to manage and leverage opportunities in a volatile market environment. The expansion into the futures securities brokerage field not only brings profit to the company but also contributes to the diversification and stability of the business in the challenging context of the stock market.

3.2. Advisory & Underwriting

The global economy continues its slow recovery, marked by divergence due to the cyclical effects of monetary tightening policies aimed at controlling inflation, escalating wars, and extreme weather events in 2023. In a context where there are more difficulties and challenges than advantages, both domestically and globally, Vietnam's economy in the first 9 months of the year still recorded very respectable growth results. The GDP growth rate in the first 9 months of 2023 reached 4.24% and is showing a tendency to increase gradually over time. Inflation is under control, with the average consumer index increasing by 3.16% over the same period.

In 2023, the Advisory Division initiated internal restructuring efforts, diversified its products to meet market needs, and expanded its network of partners and customers through interactions with PHS branches and other securities companies. Additionally, Advisory Division established connections and provided advice to foreign companies already operating in Vietnam. Moreover, Advisory Division updated its consulting processes to ensure effective risk control in the implementation of service contracts, storage, and tracking of customer records.

In 2024, Advisory Division will maintain its primary business strategy of providing comprehensive consulting services to customers. This includes consultancy for listing, issuing, and raising capital for customers' businesses. Advisory Division will also continue to expand its network of domestic and foreign investors to meet the capital mobilization needs of businesses. For foreign customers operating in Vietnam seeking consultation on capital mobilization, capital divestment, or additional issuance, Advisory Division will actively connect and provide advice. Simultaneously, Advisory Division will focus on improving service quality and enhancing professionalism in the areas of corporate finance and M&A consulting to increase customer satisfaction and appeal to investors. Based on the current situation and existing capabilities, PHS plans to focus on developing Advisory Division in the following directions:

- Establishing a team of professional and capable staff to enhance service quality and address the diverse needs of potential customers.
- Maintain regular connections and collaboration with PHS branches and brokers to understand the needs of customers at the branches. Based on this understanding, Advisory Division will offer necessary services to customers, seize opportunities to secure consulting service contracts, and introduce the company to potential customers. Additionally, implementing a commission policy for those who introduce consulting service contracts will provide motivation for the growth of service contracts introduced by branch employees.
- Continue to sustain communication with both past and current customers, and broaden relationships with domestic and foreign businesses operating in Vietnam.

Establish a network of domestic and foreign investors by expanding connections with investment funds, securities companies, banks, and insurance companies to explore future cooperation opportunities.

3.3. Dealing

In 2023, following the recovery of the Vietnam stock market, the Dealing Division concentrated on identifying investment opportunities in leading stocks across mainstream industries and targets with specific topics in their business operation and prospects. However, an overall price readjustment in the stock market has occurred since mid-September. In the first 11 months of 2023, our portfolios saw a gain of only 2.1%.

The stock market remains an attractive investment channel, thanks to policy support measures aimed at boosting the economy next year. Furthermore, the Vietnam stock market is taking steps to upgrade its status from frontier to emerging. Recently, regulators and securities officials have been working closely to introduce a new trading system to the market. Therefore, there is confidence that the Vietnam stock market still holds promise and exhibits upside potential in 2024.

Our portfolio have been strategically reallocated to take advantage when the stock market rallies next year. Continually seeking opportunities to diversify and enhance

our investment portfolio, with more comprehensive and instant monitoring in both fundamental and technical aspects, thus believe that the Dealing Division will be able to filter out more valuable investment opportunities and report better performance in 2024.

Currently, the watch-list for investable stocks is closely reviewed and adjusted based on observations of signals revealed from fundamental and technical indicators. The results of investment positions are regularly reviewed, and the stock tracking procedure will be recorded as a guideline for any investment decision-making in the future.

Overall, we are committed to closely monitoring the movements of the market and be more aggressive in searching for investment opportunities. With close cooperation with the Research Team, using a significant amount of fundamental and technical analysis, the Dealing Division has become more professional in chasing potential capital gains with well-analyzed reasonable risk exposure.

3.4. Cover Warrant

Since 2019 till now, the scale of issuing and listing covered warrants has exhibited continuously grown. In 2023, up until November 17, there have been 286 new covered warrants issued and listed on HOSE, and the number of outstanding covered warrants reached a new high of 241. Additionally, the daily average trading value of the covered warrant market has substantially increased from VND 20.8 billion to VND 28.01 billion, YoY 34.66% compared to 2022. The maximum trading volume and value reached a new high at 81.14 million shares and VND 100.26 billion on September 22, 2023, the trading value of the covered warrant market is highly correlated with VN-Index.

In 2023, PHS has contributed to this growth with three covered warrant issuances listed on HOSE, which are CHPG2304, CHPG2314, and CSTB2311. The average daily trading value of these three covered warrants is VND 483 million, with an issuance market share in 2023 of 1.05%.

Covered warrant products offer various advantages for individual investors, including trading convenience, lower entry barriers, leverage, and limited maximum loss. Notably, covered warrant products are the only listed derivatives for single stocks in Vietnam. Potential investors often lack knowledge about covered warrants. To address this, PHS plans to implement a marketing plan and focus on investor education in the upcoming years.

In 2024, PHS aims to develop several systems to support market-making and hedging activities more efficiently, accurately, and consistently. Simultaneously, leveraging automation, PHS intends to expand the number of covered warrants and enhance productivity per capita. The issuance of covered warrants will align with overall market trends and competitors' movements, with the goal of increasing market visibility and the outstanding position of covered warrants.

3.5. Marketing

Building on the previously established online communication platforms, in 2023, PHS will persist in the direction of revamping its image toward a professional and youthful aesthetic. The company will emphasize marketing activities to attract customers, encouraging them to become familiar with and open accounts at PHS through online channels.

Furthermore, PHS evaluates student programs or events at universities in Ho Chi Minh City, as well as online investment webinars for loyal investors with a more

professional focus. All these events are characterized by a substantial scale, clear objectives, consistent content, and cohesive visual representation.

In 2024, the company's marketing communication and promotion activities will aim at achieving the following goals:

- Promote PHS's digital products and services to target investors. Build on 2023's activities with a set of carefully planned initiatives, PHS's 2024 promotional campaigns will emphasize explosiveness, uniqueness, and extensive coverage to attract and engage a significant number of interested customers.
- Establish strong relationships with media agencies as a foundation for risk management in the context of volatile markets. This proactive engagement ensures that information about PHS is presented accurately, preventing misleading narratives, and providing investors with a reliable source of useful information from the press.
- Measure and manage marketing data to enhance customer care. Digital marketing communications offer the advantage of capturing customer behavioral data, providing insights for evaluating the effectiveness of activities. Therefore, in 2024, marketing data will be meticulously processed to serve as valuable input for internal improvement activities within the company.

3.6. Risk Management

PHS recognizes that risk is an integral and unavoidable component of business and is committed to managing risk in a proactive, flexible, and effective manner, without abruptly changing policies, and providing robust support for business activities.

The stock market in 2023 experienced significant macroeconomic fluctuations both domestically and globally. Domestic demand weakened alongside a sharp decline in foreign demand, coupled with prolonged inflation, leading to a substantial economic slowdown in Vietnam.

In 2023, it was also a volatile year for the stock market, and PHS implemented flexible risk management strategies, such as adjusting force selling ratios to support business and hedge risks during periods of market volatility. Control measures were taken on the maximum loan price and loan ratio in accordance with legal provisions and market conditions. The risk management strategy underwent changes, with a focus on allocating margin outstanding structures primarily to large-cap, fundamental stocks, and clients with strong backgrounds. The risk management activities, particularly in margin trading services, proved highly effective. Notably, there were no new bad debts in the past year based on the assessment of bad debt resulting from margin trading services. The Risk Management Division collaborated effectively with the Research Division to conduct advanced analyses of listing companies eligible for margin trading, incorporating changes in risk management strategies to demonstrate adaptability and effectiveness in response to market changes.

With the anticipated launch of the KRX operational plan, expected to introduce new trading and settlement solutions, PHS aims to upgrade the stock market, attract investors, and boost liquidity. Based on the market situation in 2023, the Risk Management Division will develop policies suitable for the general market in 2024. The focus will be on good fundamental stocks to increase their proportion in the portfolio of securities allowed for margin trading. Additionally, policies will concentrate on enhancing the process of evaluating margin-traded securities to

minimize risks for PHS and its customers, while supporting the overall business objectives of PHS.

Since PHS launched derivatives securities trading three years ago, the number of customers has had many opportunities to grow in 2024. With the continuous expansion of derivative products, the development of risk management strategies for this product needs to be proactive and improved to minimize negative impacts. The main identified risks include market risk, capital leverage, margin requirements, legal, liquidity, and system risk. As a response, the Risk Management Division will submit criteria to control risks in real-time, tailored to the market conditions, aiming to minimize risks in business activities in the Derivative Market. This proactive approach will help ensure the stability and security of operations while facilitating the growth and participation of customers in the Derivative Market.

In 2024, minimizing risks and supporting business operations are the paramount strategies in risk management operations. To uphold these strategies, the Risk Management Division will actively collaborate with the Research Division to conduct advanced analyses of listing companies eligible for margin trading. Additionally, the division will continue to utilize data analysis tools developed by the IT Division. This collaboration aims to assist the Risk Management Division in swiftly, accurately, and efficiently collecting data for submission to the Risk Management Committee.

Furthermore, the division plans to apply more diversified margin lists with different loan ratios to support safe and efficient business operations, enhancing competitiveness in the market. Above all, the risk management policies for 2024 must ensure independence, flexibility, uniformity, efficiency, and sustainability to foster business growth. This approach underscores the commitment to a robust risk management framework that contributes to the overall success and stability of PHS.

3.7. Information Technology

In 2023, PHS has made significant investments in its IT infrastructure. This includes a comprehensive improvement of the PHS website, deployment of a CRM system to enhance service and interaction with customers and the facilitation of remote customer support for the Customer Care Center. The company has successfully set up a backup data center, connected to the Stock Exchange and Viet Nam Securities Depository and Clearing Corporation (“VSDC”), ensuring the continuous operation of the transaction system at a high level. Additionally, PHS has deployed technologies for smart OTP authentication, establishing high safety and security standards to ensure the safe operation of the transaction system. Furthermore, implemented an online solution for linking BIDV accounts, offering features like online deposits and withdrawals to facilitate faster and more convenient transactions for customers.

PHS worked continuously with securities trading software providers to upgrade its trading software, investing in technology infrastructure and systems to meet the technical requirements and connection standards of the new KRX trading system. This includes faster processing speeds, support for more market orders, and integration of new financial products from the Stock Exchange and VSDC.

In 2024, PHS plans to focus on significant improvements and deep investments in technology and trading platforms to enhance the quality of its products and services. The company aims to provide modern financial solutions and tools for optimal customer efficiency. Additionally, PHS will continue its heavy investment in information security, encompassing both technology and processes, to meet demands and ensure safe and reliable customer transactions.

PHS will embark on the development and comprehensive improvement of the new mobile app, web-trading, and eKYC. The company will also create tools for analysis and automatic data evaluation using algorithms, offering in-depth analytical information about enterprises and portfolio management. This initiative is designed to deliver the best customer experiences regarding the products and services offered by the company.

Furthermore, PHS plans to upgrade its servers, high-speed network equipment, and communication channels to the Stock Exchange, ensuring the ability to handle a large volume of transactions with minimal latency when the new KRX system becomes fully operational. The company is committed to building a backup datacenter to ensure the highest level of continuous operation for its trading system.

3.8. Human Resources

In 2023, our HR continuously innovated communication content to encourage the habit of accessing company information through internal channels such as email and Base Inside application. Simultaneously, various internal activities were retained, such as employee birthdays, team building, sports and arts festivals, etc., to create opportunities for interaction and networking among employees from the back office and front office.

In 2024, HR plans to improve the bonding activities based on the feedbacks and contributions from PHS members through quality program surveys. These improvements are aimed to make activities employee-friendly, fostering a sense of importance and belonging as part of the company, while enhancing PHS's image on social media. Honest sharing about work experiences and participation in engagement events will help potential candidates better understand the company and build trust before making any decisions on job applications. Each employee becomes a quality communication channel for the PHS brand.

Building on the success of the training roadmap implemented in 2023, HR in 2024 remains committed to enhancing not only professional knowledge but also refining and developing procedures, and professional sales skills tailored to each job position. This involves integrating technological advancements and providing personalized learning experiences through the E-learning system. Through this strategic approach, our goal is not only to meet but to exceed industry standards, creating a workforce that is not only skilled but visionary, thus contributing to the sustained success of the company.

PHS is committed to closely monitoring the learning journey of our employees, ensuring a customized and effective route that aligns with job standards. This adaptive approach guarantees that employees are equipped with the precise knowledge and skills required for their respective roles. Our key focus areas for 2024 are as follows:

- **Advanced Professional Knowledge:** Implement specialized courses to deepen professional expertise in line with industry advancements. Foster a culture of continuous learning through regular knowledge-sharing sessions and workshops.
- **Sales Process Enhancement:** Develop tailor-made training modules to refine and elevate sales processes for each job position. Introduce role-specific simulations and real-world scenarios to enhance practical application.
- **Career Development & Succession Planning:** Align individual career goals with the strategic objectives of the organization, ensuring that employees contribute meaningfully to the overall success of PHS. Succession planning focuses on the

deliberate development of employees with high potential, providing them with the skills and experiences needed to assume leadership roles in the future.

- Long-Term Vision and Career Development: Establish mentorship programs to guide employees in crafting a long-term vision for their careers. Provide resources for personal and professional growth, ensuring a motivated and committed workforce.
- Performance Monitoring and Feedback: Utilize data analytics to track the effectiveness of training programs. Establish mentorship programs to guide employees in crafting a long-term vision for their careers. Implement a feedback mechanism to gather insights from employees, fostering a culture of continuous improvement.

In recent years, PHS has been making efforts to maintain and adjust attractive compensation and benefit policies to ensure the attraction of a skilled workforce and encourage long-term employee contributions at the company.

In 2024, salary, bonus, and benefit policies at the company will continue to be developed and implemented according to the following basic criteria:

- Compliance with labor laws: Ensure adherence to regulations on minimum wage, labor benefits, taxes, and other related labor laws.
- Alignment with the company's business situation and operating budget: Develop salary and benefit structures in line with the company's financial standing and operational budget.
- Salary and benefit payment mechanism: Implement a payment mechanism based on an employee's position, capacity, and experience.
- Bonus payment mechanism: Establish a bonus payment system tied to criteria evaluating employees' work performance and results throughout the year.
- Ensuring fairness and market competitiveness: Guarantee fairness within the company and competitiveness in the job market to foster a healthy, harmonious, and stable working environment.

At the same time, ensuring the fair and transparent enforcement of Labor Disciplinary Regulations forms the basis for scientifically organizing labor, maintaining labor order, and stabilizing production and business within the company, impacting both the specific organization and society at large

4. FORECAST FINANCIAL PERFORMANCE

ITEMS	2022 (Actual)	2023 (Forecast)	2024 (Budget)
1. Operating income	535,614,846,581	561,599,076,463	744,792,412,682
Gains from financial assets at fair value through profit or loss ("FVTPL")	1,933,611,365	11,979,076,684	40,383,000,000
Interest income from held-to-maturity investments	49,989,155,905	73,767,812,369	53,551,434,280
Interest income from loans and receivables	289,890,811,142	315,725,939,216	377,940,243,227
Revenue from securities brokerage	188,307,352,556	153,667,785,200	259,102,965,576
Revenue from securities custody	3,978,382,004	5,609,539,058	12,470,659,187
Revenue from financial advisory	558,343,434	-	500,000,000
Other operating income	957,190,175	848,923,937	844,110,412
2. Operating expenses	210,776,663,446	211,466,697,172	289,985,158,276
Inside: Write-off expenses/ Provision for bad debt	7,462,021,413	17,709,244,624	22,952,911,768
3. Financial Income	58,233,925,239	37,768,692,680	843,861,000
4. Financial expenses	213,976,716,652	224,225,522,430	203,656,230,974
5. General and administration expenses	96,158,826,067	103,249,428,903	119,498,136,476
6. Profit/(loss) from operating	72,936,565,655	60,426,120,638	132,496,747,956
7. Other operating profit / (loss)	746,308,144	(58,863,766)	-
8. Net profit/ (loss) before tax	73,682,873,799	60,367,256,872	132,496,747,956
9. Corporate income Tax	13,703,672,240	13,409,291,563	31,679,074,481
10. Net profit/ (loss) after tax	59,979,201,559	46,957,965,309	100,817,673,475