

2 Dec 2021

## SSI Securities (SSI)

### The best has yet to come

- All-time-high quarterly profit in 3Q21
- Brokerage spiked while margin loan has more room to grow
- Less impressive from FVTPL performance
- Valuation is high based on expected booming profit in 4Q21

### All-time highest quarter profit in 3Q21

SSI keeps breaking its quarterly profit record thanks to its VND848bn revenue (+15.7% QoQ, +101.6% YoY) and a VND683bn net profit (+15.5% QoQ, +98.6% YoY) in 3Q21. In 9M21, SSI posted a VND1,697bn net profit, 93.9% YoY, beating the full-year guidance by 13.4%.

### The second brokerage player

In 3Q21, SSI's market share in terms of trading value on HSX expanded to 11.58% (+61%p QoQ), lagging behind leading player VPBS with 16.5%. The total trading value was VND357tn (+8.4% QoQ, +293.8% YoY) in 3Q21 and VND924tn (3.6x YoY) in 9M21. Such better-than-ever trading value is making headway for both brokerage revenue and margin lending.

### The leading loan provider with ample room to grow

Margin loan as of end-Sep leaped to VND18.1tn (+295% YoY, +16.5% QoQ), prompting SSI to be the dominating player in margin segment with 30% beyond the runner up. Since SSI's margin loan ratio was only 150%, far below the regulated 200%, SSI could provide an additional 30% to VND6,000bn margin loan.

### Valuation has been priced in

SSI is trading at a 23.9x TTM PE and 3.7x PB ratio, higher than the local peer median of 19.8x and 3.5x, respectively. SSI valuation is warranted by its top three largest broker and top 1 in margin loan provider who could make the most benefit from the rising daily average trading value up to VND 31tn in late Nov. However, given that SSI generated a lower TTM ROE of 18.5% and a ROA of 5.1% than the industry with 23.4% and 9.8%, we see the current valuation is not cheap.

	Net revenue (VND bn)	EBT (VND bn)	NP (VND bn)	EPS (VND)	BPS (VND)	PE (x)	PB (x)	ROA (%)	ROE (%)	DY (%)
2017A	2,898	1,405	1,161	1,350	9,727	10.4	1.4	6.9	14.7	4.1
2018A	3,673	1,623	1,303	1,487	10,165	9.0	10,165	7.3	14.7	4.2
2019A	3,235	1,106	907	1,018	10,465	9.3	10,465	6.1	9.8	6.0
2020A	4,367	1,558	1,256	1,383	10,818	15.5	10,818	3.6	13.0	3.1
9M21A	5,020	2,112	1,697	2,172	13,761	18.7	13,761	5.1	17.7	1.6

Analysts who prepared this report are registered as research analysts in Vietnam but not in any other jurisdiction, including the U.S.  
PLEASE SEE ANALYST CERTIFICATIONS AND IMPORTANT DISCLOSURES & DISCLAIMERS AT THE END OF THIS REPORT.

### Stock data

VNIndex (01 Dec, pt)	1,485
Stock price (01 Dec, VND)	55,200
Market cap (USD mn)	2,388
Shares outstanding (mn)	982
52-Week high/low (VND)	55,900/12,769
6M avg. daily turnover (USD mn)	32.88
Free float / Foreign ownership (%)	87.6/39.1
Major shareholders (%)	
Daiwa Securities Group	15.7
NDH investment	9.6
Sai Gon Dan Linh Real Estate	5.6

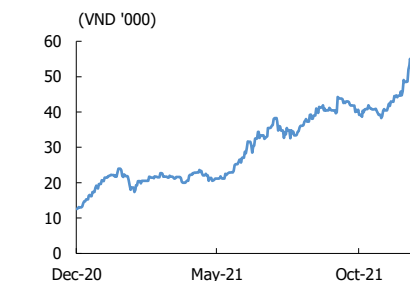
### Valuation

	2019A	2020A	9M21A
PE (x)	9.3	16.4	12.4
PB (x)	0.9	0.8	0.8
ROE (%)	9.8	4.6	6
DY (%)	6.0	4.2	4.3
EPS (VND)	1,018	1,383	2,172
BPS (VND)	10,465	10,818	13,761

### Performance

	1M	6M	12M
Absolute (%)	33.3	94.9	339.0
Relative to VNIndex (%p)	30.1	83.1	289.9

### Stock price



Source: Bloomberg

**Tri Duong**

tri.dd@kisvn.vn

In terms of revenue breakdown, brokerage accounted for the largest portion in revenue with 38.2%, followed by income from loans with 24.7% of the revenue pie. FVTPL income placed 3<sup>rd</sup> place with 19.2% while HTM investments generated 12.4% of total revenue SSI in 3Q21.

### Brokerage income stayed rosy

The brokerage was lucrative with a VND667bn revenue (+277% YoY, +7% QoQ) in 3Q21. We estimated that the commission rate was 0.1865% (-0.2%p QoQ), amid the peer are running numerous promotion campaigns to lure new joiners (F0). The brokerage-related expenses grew slower (+150% YoY, -0.3% QoQ), resulting in the gross margin for brokerage increasing significantly to 44.7% in 3Q21.

**Table 1. SSI's Brokerage business**

(VND bn)

	3Q20	4Q20	1Q21	2Q21	3Q21	QoQ	YoY
Revenue	177	307	437	623	667	7.0	277.2
Expenses	147	203	257	370	369	(0.3)	150.7
Trading value of shares through SSI	90,812	162,792	236,441	330,088	357,652	8.4	293.8
Market share on HSX (%)	11.82	11.65	11.89	10.97	11.58	5.6	(2.0)
Gross margin ratio (%)	16.88	34.05	41.07	40.67	44.75	10.0	165.2
Brokerage rate (bpts)	19.48	18.88	18.46	18.88	18.65	(1.2)	(4.2)

Source: Company data, Korea Investment & Securities

### Margin loan has more room to grow

SSI continues to expand the margin lending balance which reached to VND18.1tn as of end-3Q21, +295% YoY, +16.5% QoQ. Currently, SSI provides the largest margin loan to the market and widens the gap with 2nd place by 32%. Although SSI is running ahead in margin loan balance, their margin ratio was only 150%. Given the margin loan restriction of 200% equity capital, SSI offers a competitive edge. With current owners' equity of VND12tn, SSI could provide an additional VND6,000tn margin loan (+30% vs. 3Q21 balance). SSI's lending rate is seen downward in 3Q20-2Q21 but upturned in 3Q21. Lending rate pegged 8.5% (+2%p QoQ) in 3Q21. The lending rate was harmed by competitive pressure from other providers in 1H21. However, big competitors including Mirae Asset (MASC), Vndirect (VND VN Equity), and HSC (HCM VN Equity) recorded their 200% loan quota of equity capital in 1H21 while SSI was comfortable in increasing margin lending.

**Table 2. SSI's margin lending activities**

(VND bn)

	3Q20	4Q20	1Q21	2Q21	3Q21	% QoQ	YoY
Loan balance	4,711	9,226	11,123	16,159	18,293	13.2	288.3
Margin loan	4,588	9,012	10,878	15,539	18,108	16.5	294.6
Advance selling from customer	121	213	245	613	185	(69.8)	53.4
Margin loan/Equity (%)	48.3	91.3	95.0	136.3	149.9	10.0	210.3
Revenue	117.3	154.0	245.6	338.0	431.6	27.7	268.0
Lending rate TTM (%)	11.8	9.6	8.6	8.3	8.5	2.9	(27.8)

Source: Company data, Korea Investment & Securities

### Steady Hold-to-maturity (HTM) income streams

After significantly decreasing HTM balance by 50% QoQ in 3Q20, SSI backs to invest more in deposit certificates at beginning of 2021. As of end-Sep 2021, HTM balance was VND7,838bn. Income from these HTM portfolio pegged VND216bn (+13% YoY, +37% QoQ) in 3Q21 and VND545bn (-22% YoY) in 9M21. This is attributed to an average low HTM balance from 1Q21 and diminishing deposit rates.

**Table 2. SSI's HTM investments**

(VND bn)

	3Q20	4Q20	1Q21	2Q21	3Q21	QoQ	YoY
HTM balance	5,354	5,592	7,447	7,815	7,838	0.3	46.4
HTM income	191	150	171	158	216	37.2	13.1
HTM income rate TTM (%)	11.1	11.6	11.6	10.2	9.7	(5.3)	(12.6)

Source: Company data, Korea Investment & Securities

### IB revenue picked up

In 3Q21, IB revenue sharply jumped to VND38bn (+183% QoQ, +95% YoY) while IB expenses decreased 15.5% QoQ. We could not track the number of deals underwritten by SSI to address the rosy IB revenue growth. However, the bond underwriting has been solid with a VND443.1tn, 18.6% YoY in 9M21, fueled by the demand for the early issuance of real estate corporate bonds before the coupon rates go up. Furthermore, the rights issue underwriting was also healthy with a VND101.2tn in 9M21.

**Table 3. SSI's IB revenue**

(VND bn)

	3Q20	4Q20	1Q21	2Q21	3Q21	% QoQ	YoY
Revenue	19.5	17.4	15.3	13.4	38.0	183.2	95.1
Expenses	11.3	25.2	15.7	15.2	12.9	(15.5)	13.7
Gross profit	8.2	(7.8)	(0.3)	(1.8)	25.1		208.0

Source: Company data, Korea Investment & Securities

### Less impressive from FVTPL performance

As FVTPL comprises many items, we look at the gross profit of each kind of FVTPL class as well as realized profit and unrealized profit. Realized profit comes from the gain and disposal of FVTPL, including listed and unlisted shares, listed and unlisted bonds, derivatives, dividends, and interest received from holding financial assets. Unrealized profit is the revaluation of mentioned financial assets, updated to the end of the reporting period.

In terms of realized profit, dividends, and interest from FVTPL financial assets still brought the most profit for the FVTPL portfolio with VND107.4bn in 3Q21. SSI's book value balance of listed shares and deposit certificates decreased 3.3% QoQ in 2Q21, which drove the income from dividend and interest lower. Next, profit from unlisted bonds still witnessed impressive figures with VND60bn (-9.6% QoQ, +7.4% YoY). After realizing profit in 1H21, the profit from listed shares decreased sharply to VND14.7bn (-79.2% QoQ, -136.5% YoY).

The first noticeable point was that SSI recorded profit from issuing covered warrants in 3Q21, following the two heavy losses in 1Q21 and 2Q21. The correction stage of the VN30 Index in July and Aug was the biggest reason

helping SSI earn positive earnings in CWs. Another notice is for derivatives trading when SSI booked a huge VND 2.6bn loss from derivatives. It dragged the realized profit down to VND115.5bn (-58.1% QoQ, -17.5% YoY).

**Table 4. SSI's FVTPL realized profit**

(VND bn)

	3Q20	4Q20	1Q21	2Q21	3Q21	% qoq	YoY
<b>Gain from disposal FVTPL</b>	<b>117.6</b>	<b>263.1</b>	<b>394.8</b>	<b>359.7</b>	<b>155.0</b>	<b>(56.9)</b>	<b>31.8</b>
Listed shares	28.8	125.3	294.2	274.4	79.7	(70.9)	177.2
<i>Covered Warrants</i>	5.9	5.7	12.7	6.1	39.7	550.8	577.0
Unlisted shares & fund certificates	0.0	45.6	0.3	0.1	0.1	2.5	n/a
Listed bonds	0.6	1.6	3.1	2.2	0.6	(71.6)	(2.8)
Unlisted bonds	59.6	60.4	39.6	66.0	64.9	(1.7)	8.9
Derivatives	28.6	30.3	57.6	17.0	9.7	(43.2)	(66.2)
<b>Loss from disposal FVTPL</b>	<b>87.0</b>	<b>120.8</b>	<b>288.3</b>	<b>217.5</b>	<b>143.7</b>	<b>(33.9)</b>	<b>65.2</b>
Listed shares	69.2	66.5	178.7	203.6	65.0	(68.1)	(6.1)
<i>Covered Warrants</i>	8.4	51.0	120.5	165.3	12.4	(92.5)	47.3
Unlisted shares	0.0	0.0	0.0	0.0	0.0	n/a	n/a
Listed bonds	0.8	0.6	0.3	0.7	0.8	12.1	9.3
Unlisted bonds	4.4	20.5	5.2	0.5	5.6	1,053.6	28.0
Derivatives	12.6	33.2	104.0	12.7	72.3	471.1	471.4
<b>Realized Profit</b>	<b>140.0</b>	<b>286.7</b>	<b>227.5</b>	<b>276.0</b>	<b>115.5</b>	<b>(58.1)</b>	<b>(17.5)</b>
Listed shares	(40.4)	58.8	115.4	70.8	14.7	(79.2)	(136.5)
<i>Covered Warrants</i>	(2.5)	(45.3)	(107.8)	(159.2)	27.3	n/a	n/a
Unlisted shares	0.0	45.6	0.3	0.1	0.1	2.5	n/a
Listed bonds	(0.1)	0.9	2.8	1.4	(0.2)	n/a	n/a
Unlisted bonds	55.2	39.9	34.3	65.5	59.2	(9.6)	7.4
Derivatives	16.0	(2.9)	(46.5)	4.4	(62.6)	n/a	n/a
Dividend, interest from FVTPL financial assets	110.1	145.2	122.4	134.9	104.7	(22.3)	(4.9)
Dividend from AFS	0.0	0.4	0.0	0.0	0.6	n/a	n/a
Transaction cost	(0.7)	(1.2)	(1.5)	(1.1)	(1.1)	n/a	n/a

Source: Company data, Korea Investment &amp; Securities

In terms of unrealized profit, we saw slight changes in almost all of the FVTPL assets, except the for revaluation of CWs and listed shares in use of hedging for CWs. With the bounce-back of the VN30 index from end-Aug, the companies adjusted VND32.1bn loss of CWs and VND25.6bn profit for listed shares used as hedging assets for CWs.

**Table 5. SSI's FVTPL revaluation**

(VND bn)

	3Q20	4Q20	1Q21	2Q21	3Q21
<b>Revaluation at end of the period</b>	<b>(69.1)</b>	<b>9.2</b>	<b>(1.4)</b>	<b>11.7</b>	<b>6.9</b>
Listed shares	(39.4)	36.3	34.4	32.4	34.2
Listed shares for CWs	3.7	27.1	34.8	(0.9)	24.6
Unlisted shares & Fund certificates	(11.7)	(19.6)	(19.7)	(19.8)	(19.8)
AFS	(20.1)	(5.7)	(4.7)	(4.7)	(4.7)
Covered warrant	(1.7)	(29.0)	(46.2)	4.8	(27.3)
<b>Net adjustment</b>	<b>(33.9)</b>	<b>78.3</b>	<b>(10.5)</b>	<b>13.1</b>	<b>(4.8)</b>
Listed shares	72.2	75.7	(1.9)	(2.1)	1.8
Listed shares for CWs	4.7	23.3	7.8	(35.8)	25.6
Unlisted shares & Fund certificates	0.8	(7.9)	(0.2)	(0.0)	(0.1)
AFS	(64.1)	14.5	0.9	0.0	0.0
Covered warrant	(3.7)	(27.3)	(17.2)	51.0	(32.1)

Source: Company data, Korea Investment &amp; Securities

### All-time highest profit quarter for SSI

The previous quarter, 2Q21, was the nearest highest profit quarter and quickly replaced with by a new record in 3Q21. EBT was VND 848bn (+15.7% QoQ, +101.6% YoY) while EAT booked VND 683bn (+15.5% QoQ, +98.6% YoY). 15% difference in earnings QoQ is mostly contributed by a surprising booking of VND111.8bn in other income. Currently, the detail for this income is not declared.

### Valuation looks fair as growth has been priced in

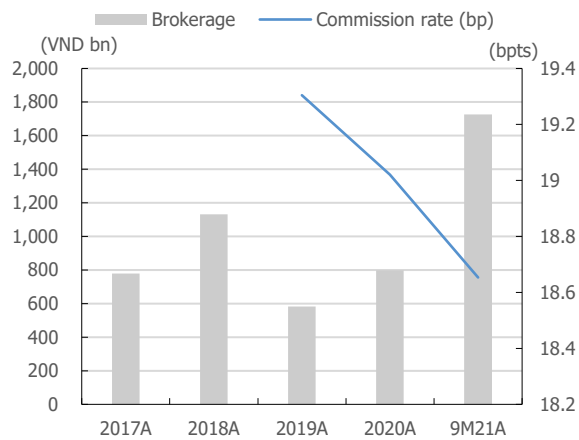
We have not done the forward-looking valuation of SSI. SSI is trading at 23.9x TTM PE and 3.7x PB, higher than the local peer median at 19.8x and 3.5x respectively. Given the SSI's lower profitability with ROE of 18.6% and ROA of 5.1% than the industry of 23.4% and 9.8%, we think the current valuation is not cheap. However, the market sentiment is overwhelmingly skewed in favour of broking companies in light of the fact that recent daily average trading value earned up to USD2bn in late Nov. SSI is among the most beneficiaries thanks to its 2<sup>nd</sup> place in HSX's brokerage market share and the largest loan supplier. Brokerage and margin lending are the main horses that have driven the profit growth of SSI. The two businesses made up over 60% of revenue in 9M21. The market is expecting SSI could achieve a VND3,000bn, beating the guidance of VND1,870bn in 2021F.

The downside risks for SSI that should be taken into account are 1) loss from issued CWs, 2) derivatives trading and 3) market condition.

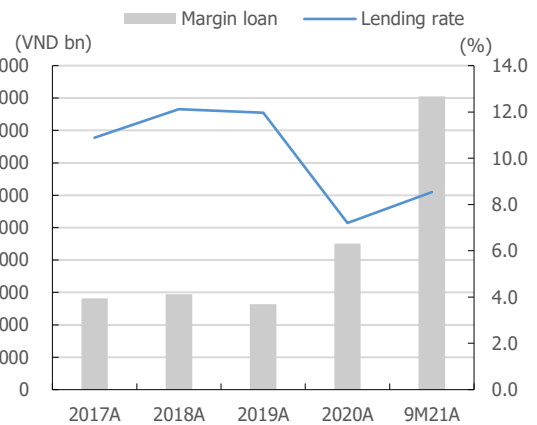
**Table 6. Quarterly earnings**

(VND bn)

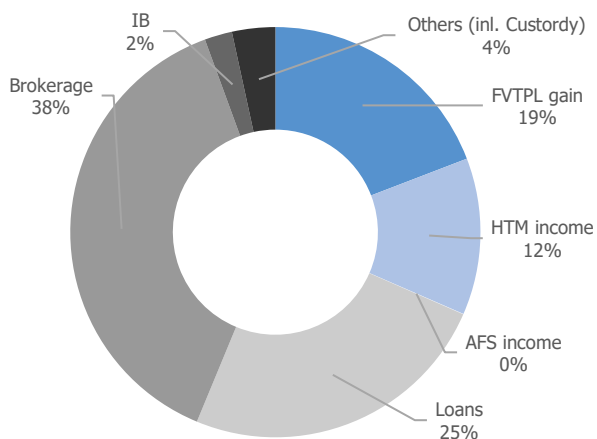
	3Q20	3Q21	YoY	9M20	9M21	YoY
<b>Operating income</b>	<b>919.6</b>	<b>1,748.1</b>	<b>90.1</b>	<b>3,192.1</b>	<b>5,019.9</b>	<b>57.3</b>
FVTPL gain	327.3	335.1	2.4	1,257.8	1,529.8	21.6
HTM income	191.1	216.1	13.1	700.1	545.1	(22.1)
AFS income	68.4	0.6	(99.2)	232.4	0.6	(99.8)
Loans and receivables	117.3	431.6	268.0	371.1	1,015.2	173.5
Brokerage	176.9	667.1	277.2	490.0	1,727.0	252.4
IB	19.5	38.0	95.1	80.5	66.8	(17.0)
Others (incl. custody services)	19.0	59.6	213.4	60.1	135.5	125.3
<b>Operating expenses</b>	<b>321.2</b>	<b>643.4</b>	<b>100.3</b>	<b>1,430.3</b>	<b>2,084.5</b>	<b>45.7</b>
FVTPL loss	113.2	225.0	98.7	831.7	914.6	10.0
AFS loss and revaluation	0.0	0.0	n/a	0.0	0.9	n/a
Prop trading expenses	5.2	6.1	17.3	16.4	20.4	23.8
Provision and interest expenses	5.5	(13.3)	n/a	5.5	(22.9)	n/a
Brokerage expenses	147.0	368.6	150.7	423.1	995.6	135.3
IB expenses	11.3	12.9	13.7	41.3	43.8	6.1
Others (incl. custody services)	38.9	44.2	13.5	112.3	132.1	17.7
<b>Gross Profit</b>	<b>598.4</b>	<b>1,104.7</b>	<b>84.6</b>	<b>1,761.8</b>	<b>2,935.3</b>	<b>66.6</b>
<b>Financial activities</b>	<b>(128.1)</b>	<b>(298.7)</b>	<b>133.2</b>	<b>(551.2)</b>	<b>(750.7)</b>	<b>36.2</b>
Revenue	66.2	19.5	(70.5)	166.0	50.8	(69.4)
Expenses	194.2	318.2	63.8	717.1	801.4	11.8
SG&A expenses	51.2	69.5	35.7	134.7	186.4	38.4
<b>Operating profit</b>	<b>419.1</b>	<b>736.6</b>	<b>75.7</b>	<b>1,076.0</b>	<b>1,998.3</b>	<b>85.7</b>
Other income	1.8	111.8	6,291.1	4.4	113.7	2,495.8
<b>Earnings before tax</b>	<b>420.9</b>	<b>848.4</b>	<b>101.6</b>	<b>1,080.4</b>	<b>2,112.0</b>	<b>95.5</b>
<b>Earning after tax</b>	<b>343.6</b>	<b>682.6</b>	<b>98.6</b>	<b>875.0</b>	<b>1,697.1</b>	<b>94.0</b>

**Figure 1. Brokerage revenue and commission rate**

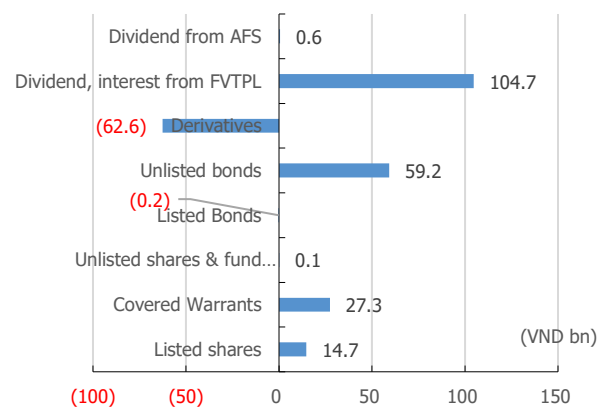
Source: Company data, Korea Investment &amp; Securities

**Figure 2. Margin loan balance and lending rate**

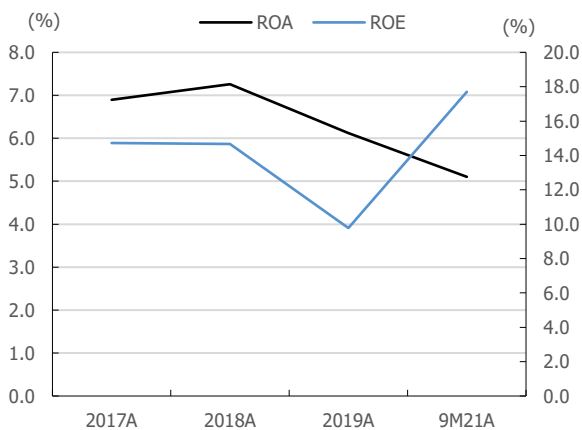
Source: Company data, Korea Investment &amp; Securities

**Figure 3. Revenue mix 3Q21**

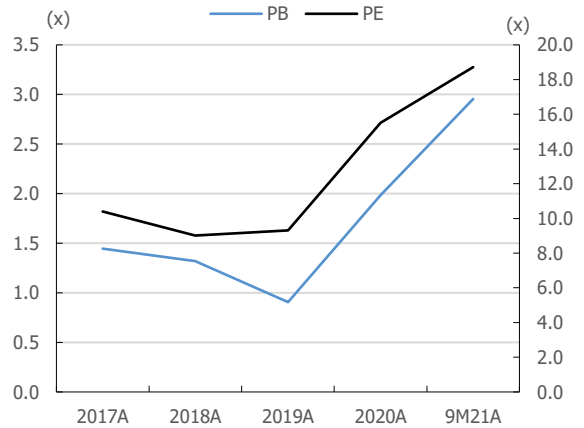
Source: Company data, Korea Investment &amp; Securities

**Figure 4. FVTPL relized profit 3Q21**

Source: Company data, Korea Investment &amp; Securities

**Figure 5. ROA & ROE**

Source: Company data, Korea Investment &amp; Securities

**Figure 6. P/E & P/B**

Source: Company data, Korea Investment &amp; Securities

**■ Company overview**

Founded in 1999, Saigon Securities Incorporated is one of the first companies providing brokerage services and investment advisory Services in Vietnam. Currently, SSI Securities is the largest broker dealer firm and developing into an investment bank by aggressively expanding into corporate bond market and asset management. SSI owns SSIAM as an arm for their asset management business.



**Balance sheet**

(VND bn)

	2017A	2018A	2019A	2020A	9M21*
Total assets	18,764	23,826	27,044	35,770	47,604
Cash and Cash equivalent	346	613	1,041	363	290
Loans	5,764	5,967	5,359	9,226	18,293
FVTPL (incl. provision)	1,408	2,010	4,274	13,204	13,626
HTM	7,882	12,326	10,722	5,592	7,838
AFS	1,535	1,265	760	186	266
Accounts receivable (incl. provision)	157	57	100	318	924
Other current assets	136	32	35	151	80
Investments in associates	813	764	794	785	809
Long-term securities investment	130	302	3,445	5,465	4,983
Other long-term assets	593	489	514	480	495
Total liabilities	10,148	14,670	17,643	25,897	35,526
Borrowings	8,504	11,193	15,550	23,351	34,213
Bonds	769	1,323	1,106	1,147	0
Other liabilities	225	132	128	73	65
Owners' Equity	8,616	9,156	9,401	9,873	12,078
Common shares	5,001	5,101	5,101	6,029	8,756
Capital surplus	29	29	29	29	797
Conversion options on convertible bonds	0	114	114	114	0
Treasury shares	(2)	(9)	(19)	(35)	(21)
Charter reserve	355	412	477	522	61
Financial reserve funds	271	328	393	438	496
Capital adjustment	671	319	300	35	30
Undistributed earnings	2,213	2,795	2,941	2,677	1,897
Minority interests	78	67	65	63	62

**Key financial data**

	2017A	2018A	2019A	2020A	9M21A
<b>Operating base</b>					
No. of employees	n/a	n/a	966	909	1,187
Stock trading value (VND tn)	n/a	n/a	302	419	924
Margin loan balance (VND bn)	5,633	5,888	5,286	9,012	18,108
<b>Financial Ratios (%)</b>					
Margin loan/Equity ratio	65.4	64.3	56.2	91.3	149.9
Leverage ratio	117.8	160.2	187.7	262.3	294.1
Gross profit margin	60.8	55.0	63.8	56.4	58.7
Net profit margin	39.5	40.1	35.5	28.0	28.8
<b>Growth (%)</b>					
Total assets	41.9	27.0	13.5	32.3	33.1
Owners' equity	20.5	6.3	2.7	5.0	22.3
Net revenue	30.7	26.7	(11.9)	35.0	15.0
Net profit	32.7	12.2	(30.4)	38.5	35.1

**Income statement**

(VND bn)

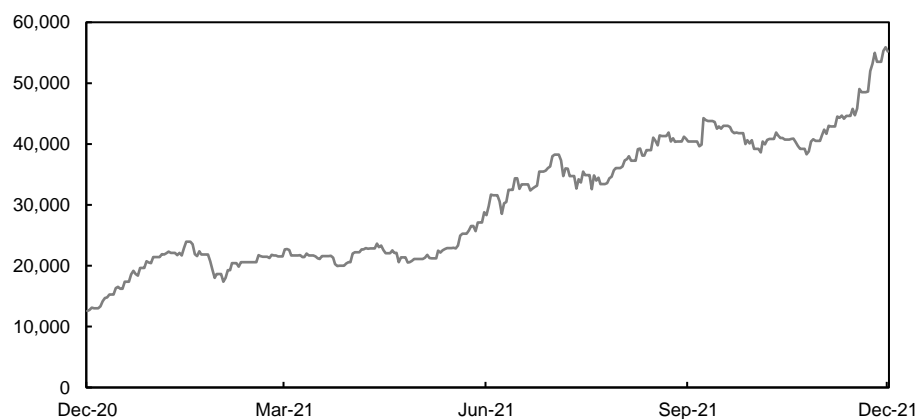
	2017A	2018A	2019A	2020A	9M21*
Operating income	2,898	3,673	3,235	4,367	5,020
FVTPL gain	668	647	699	1,779	1,530
HTM income	451	716	991	850	545
AFS income	259	210	83	233	1
Loans and receivables	520	711	678	525	1,015
Brokerage	780	1,131	582	797	1,727
IB	136	155	100	98	67
Others (incl. custody services)	84	104	102	84	135
Operating expenses	1,137	1,651	1,171	1,902	2,085
FVTPL loss	486	622	383	1,003	915
AFS loss and revaluation	1	1	0	13	1
Prop trading expenses	7	8	11	24	20
Provision and interest expenses	(51)	40	12	0	(23)
Brokerage expenses	516	773	555	626	996
IB expenses	81	74	54	66	44
Others (incl. custody services)	97	134	156	169	132
Gross Profit	1,761	2,022	2,064	2,465	2,935
Financial activities	(174)	(200)	(281)	(772)	(751)
Revenue	95	145	266	67	51
Expenses	269	345	547	839	801
SG&A expenses	168	174	193	184	186
Operating profit	1,392	1,567	1,099	1,552	1,998
Other income	13	56	7	5	114
Earnings before tax	1,405	1,623	1,106	1,558	2,112
Earning after tax	1,161	1,303	907	1,256	1,697

**Valuation**

	2017A	2018A	2019A	2020A	9M21A
<b>Per share (VND)</b>					
BPS	9,727	10,165	10,465	10,818	13,761
EPS	1,350	1,487	1,018	1,383	2,172
DPS	569	569	569	661	661
<b>Valuation (x)</b>					
PB	1.4	1.3	0.9	2.0	3.0
PE	10.4	9.0	9.3	15.5	18.7
Dividend yield (%)	4.1	4.2	6.0	3.1	1.6
Payout ratio (%)	46.2	42.0	55.9	51.0	33.8
<b>Profitability (%)</b>					
ROE	14.7	14.7	9.8	13.0	17.7
ROA	6.9	7.3	6.1	3.6	5.1
Commission rate (bp)	n/a	n/a	19.3	19.0	18.7
Lending ratio	10.9	12.1	12.0	7.2	8.5

**Changes to recommendation and target price**

Company (code)	Date	Recommendation	Target price	% vs. avg. price	% vs. high (low)
SSI Securities (SSI)			Not rated		



■ **Guide to KIS Vietnam Securities Corp. stock ratings based on 12-month forward performance**

- BUY: Expected total return will be 15% or more
- Hold: Expected total return will be between -5% and 15%
- Sell: Expected total return will be -5% or less
- KIS Vietnam Securities Corp. does not offer target prices for stocks with Hold or Sell ratings.

■ **Guide to KIS Vietnam Securities Corp. sector ratings for the next 12 months**

- Overweight: Recommend increasing the sector's weighting in the portfolio compared to its respective weighting in the VNIndex based on market capitalization.
- Neutral: Recommend maintaining the sector's weighting in the portfolio in line with its respective weighting in the VNIndex based on market capitalization.
- Underweight: Recommend reducing the sector's weighting in the portfolio compared to its respective weighting in the VNIndex based on market capitalization.

■ **Analyst Certification**

I/We, as the research analyst/analysts who prepared this report, do hereby certify that the views expressed in this research report accurately reflect my/our personal views about the subject securities and issuers discussed in this report. I/We do hereby also certify that no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this research report.

■ **Important compliance notice**

As of the end of the month immediately preceding the date of publication of the research report or the public appearance (or the end of the second most recent month if the publication date is less than 10 calendar days after the end of the most recent month), KIS Vietnam Securities Corp. or its affiliates does not own 1% or more of any class of common equity securities of the companies mentioned in this report.

There is no actual, material conflict of interest of the research analyst or KIS Vietnam Securities Corp. or its affiliates known at the time of publication of the research report or at the time of the public appearance.

KIS Vietnam Securities Corp. or its affiliates has not managed or co-managed a public offering of securities for the companies mentioned in this report in the past 12 months;

KIS Vietnam Securities Corp. or its affiliates has not received compensation for investment banking services from the companies mentioned in this report in the past 12 months; KIS Vietnam Securities Corp. or its affiliates does not expect to receive or intend to seek compensation for investment banking services from the companies mentioned in this report in the next 3 months.

KIS Vietnam Securities Corp. or its affiliates was not making a market in securities of the companies mentioned in this report at the time that the research report was published.

KIS Vietnam Securities Corp. does not own over 1% of shares of the companies mentioned in this report as of 2 Dec 2021.

KIS Vietnam Securities Corp. has not provided this report to various third parties.

Neither the analyst/analysts who prepared this report nor their associates own any shares of the company/companies mentioned in this report as of 2 Dec 2021.

KIS Vietnam Securities Corp. has issued CW with underlying stocks of SSI Securities (SSI) and is the liquidity provider.

Prepared by: Tri Duong

## Global Disclaimer

### ■ General

This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of KIS Vietnam Securities Corp., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of KIS Vietnam Securities Corp..

This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. KIS Vietnam Securities Corp. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. KIS Vietnam Securities Corp., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or KIS Vietnam Securities Corp. The final investment decision is based on the client's judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.

### ■ Country-specific disclaimer

**United States:** This report is distributed in the U.S. by Korea Investment & Securities America, Inc., a member of FINRA/SIPC, and is only intended for major U.S. institutional investors as defined in Rule 15a-6(a)(2) under the U.S. Securities Exchange Act of 1934. All U.S. persons that receive this document by their acceptance thereof represent and warrant that they are a major U.S. institutional investor and have not received this report under any express or implied understanding that they will direct commission income to Korea Investment & Securities, Co., Ltd. or its affiliates. Pursuant to Rule 15a-6(a)(3), any U.S. recipient of this document wishing to effect a transaction in any securities discussed herein should contact and place orders with Korea Investment & Securities America, Inc., which accepts responsibility for the contents of this report in the U.S. The securities described in this report may not have been registered under the U.S. Securities Act of 1933, as amended, and, in such case, may not be offered or sold in the U.S. or to U.S. person absent registration or an applicable exemption from the registration requirement.

**United Kingdom:** This report is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). To the extent that this report does constitute such an invitation or inducement, it is directed only at (i) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) of the United Kingdom (the "Financial Promotion Order"); (ii) persons who fall within Articles 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order; and (iii) any other persons to whom this report can, for the purposes of section 21 of FSMA, otherwise lawfully be made (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons must not act or rely on this report.

**Hong Kong:** This research report and marketing materials may be distributed in Hong Kong to institutional clients by Korea Investment & Securities Asia Limited (KISA), a Hong Kong representative subsidiary of Korea Investment & Securities Co., Ltd., and may not otherwise be distributed to any other party. KISA provides equity sales service to institutional clients in Hong Kong for Korean securities under its sole discretion, and is thus solely responsible for provision of the aforementioned equity selling activities in Hong Kong. All requests by and correspondence with Hong Kong investors involving securities discussed in this report and marketing materials must be effected through KISA, which is registered with The Securities & Futures Commission (SFC) of Hong Kong. Korea Investment & Securities Co., Ltd. is not a registered financial institution under Hong Kong's SFC.

**Singapore:** This report is provided pursuant to the financial advisory licensing exemption under Regulation 27(1)(e) of the Financial Advisers Regulation of Singapore and accordingly may only be provided to persons in Singapore who are "institutional investors" as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This report is intended only for the person to whom Korea Investment & Securities Co., Ltd. has provided this report and such person may not send, forward or transmit in any way this report or any copy of this report to any other person. Please contact Korea Investment & Securities Singapore Pte Ltd in respect of any matters arising from, or in connection with, the analysis or report (Contact Number: 65 6501 5600).

Copyright © 2021 KIS Vietnam Securities Corp.. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of KIS Vietnam Securities Corp..