

# **FINANCIAL STATEMENTS**

**QUARTER 02/2021**

**HO CHI MINH CITY SECURITIES  
CORPORATION**



## STATEMENT OF FINANCIAL POSITION

| Code       | ITEMS   | Note | As at                     |                           |
|------------|---|------|---------------------------|---------------------------|
|            |   |      | 30.06.2021<br>VND         | 31.12.2020<br>VND         |
|            | <b>ASSETS</b>   |      |                           |                           |
| <b>100</b> | <b>CURRENT ASSETS</b>                                 |      | <b>15,361,126,293,403</b> | <b>12,307,866,988,088</b> |
| <b>110</b> | <b>Financial assets</b>                               |      | <b>15,327,373,721,115</b> | <b>12,118,339,034,626</b> |
| 111        | Cash and cash equivalents                             | 3.1  | 2,127,763,487,703         | 206,860,864,747           |
| 111.1      | Cash  |      | 2,127,763,487,703         | 206,860,864,747           |
|            | Financial assets at fair value through profit or loss |      |                           |                           |
| 112        | (FVTPL)   | 3.2  | 1,999,679,826,806         | 3,061,224,600,123         |
| 114        | Loans   | 3.3  | 9,169,445,263,141         | 8,623,841,531,603         |
|            | Provisions for impairment loss of financial assets    |      |                           |                           |
| 116        | and collaterals                                       | 3.4  | (37,783,317,946)          | (37,783,317,946)          |
| 118        | Prepayments to suppliers                              |      | 13,721,354,074            | 7,913,519,184             |
| 119        | Service related receivable                            | 3.5  | 1,987,268,656,380         | 193,223,521,787           |
| 122        | Other receivables                                     | 3.5  | 69,078,925,159            | 64,858,789,330            |
| 129        | Provision for doubtful debts                          | 3.4  | (1,800,474,202)           | (1,800,474,202)           |
| <b>130</b> | <b>Other current assets</b>                           |      | <b>33,752,572,288</b>     | <b>189,527,953,462</b>    |
| 131        | Advances  |      | 585,499,480               | 131,200,582               |
| 133        | Short-term prepaid expenses                           |      | 13,929,280,858            | 8,702,822,930             |
| 134        | Short-term security deposits                          |      | 1,223,864,000             | 1,005,314,000             |
| 137        | Other current assets                                  |      | 18,013,927,950            | 179,688,615,950           |
| 137.1      | Deposits for derivatives trading activities           |      | 18,013,927,950            | 179,688,615,950           |
| <b>200</b> | <b>NON-CURRENT ASSETS</b>                             |      | <b>179,912,229,613</b>    | <b>180,960,564,999</b>    |
| <b>220</b> | <b>Fixed assets</b>                                   |      | <b>35,526,256,495</b>     | <b>46,878,656,183</b>     |
| 221        | Tangible fixed assets                                 | 3.6  | 21,116,364,643            | 26,872,243,833            |
| 222        | Historical cost                                       |      | 105,386,459,333           | 104,576,989,289           |
| 223a       | Accumulated depreciation                              |      | (84,270,094,690)          | (77,704,745,456)          |
| 227        | Intangible fixed assets                               | 3.6  | 14,409,891,852            | 20,006,412,350            |
| 228        | Historical cost                                       |      | 84,013,261,084            | 83,670,927,010            |
| 229a       | Accumulated amortisation                              |      | (69,603,369,232)          | (63,664,514,660)          |
| <b>240</b> | <b>Construction in progress</b>                       | 3.6  | <b>4,903,922,195</b>      | <b>342,334,073</b>        |
| <b>250</b> | <b>Other non-current assets</b>                       |      | <b>139,482,050,923</b>    | <b>133,739,574,743</b>    |
| 251        | Long-term security deposits                           |      | 10,078,244,285            | 8,365,511,870             |
| 252        | Long-term prepaid expenses                            | 3.7  | 98,043,806,638            | 94,014,062,873            |
| 253        | Deferred income tax assets                            |      | 1,360,000,000             | 1,360,000,000             |
| 254        | Deposits in the Settlement Supporting Fund            | 3.8  | 20,000,000,000            | 20,000,000,000            |
| 255        | Other long-term assets                                | 3.9  | 10,000,000,000            | 10,000,000,000            |
| 255.1      | Deposits in the Derivatives trading clearing fund     |      | 10,000,000,000            | 10,000,000,000            |
| <b>270</b> | <b>TOTAL ASSETS</b>                                   |      | <b>15,541,038,523,016</b> | <b>12,488,827,553,087</b> |

STATEMENT OF FINANCIAL POSITION  
(continued)

| Code       | ITEMS   | Note | As at                     |                           |
|------------|---|------|---------------------------|---------------------------|
|            |   |      | 30.06.2021<br>VND         | 31.12.2020<br>VND         |
| <b>300</b> | <b>LIABILITIES</b>                                  |      | <b>10,735,629,844,538</b> | <b>8,048,473,021,702</b>  |
| <b>310</b> | <b>Current liabilities</b>                          |      | <b>10,735,629,844,538</b> | <b>8,048,473,021,702</b>  |
| 311        | Short-term borrowings and finance lease liabilities |      | 8,968,370,271,500         | 6,716,571,061,080         |
| 312        | <i>Short-term borrowings</i>                        | 3.10 | 8,968,370,271,500         | 6,716,571,061,080         |
| 318        | Trading obligations                                 | 3.11 | 1,478,309,342,664         | 935,296,094,913           |
| 320        | Short-term trade payables                           |      | 2,769,811,029             | 5,104,995,817             |
| 322        | Taxes and other payables to the State               | 3.12 | 129,249,679,928           | 67,013,629,923            |
| 324        | Accrued employees' welfares                         |      | 5,388,849,900             | 4,769,951,100             |
| 325        | Short-term accrued expenses                         | 3.13 | 71,982,256,859            | 83,776,529,704            |
| 329        | Other short-term payables                           | 3.14 | 53,601,597,319            | 209,921,021,432           |
| 331        | Bonus and welfare funds                             |      | 25,958,035,339            | 26,019,737,733            |
| <b>400</b> | <b>OWNERS' EQUITY</b>                               |      | <b>4,805,408,678,478</b>  | <b>4,440,354,531,385</b>  |
| <b>410</b> | <b>Owners' equity</b>                               | 3.15 | <b>4,805,408,678,478</b>  | <b>4,440,354,531,385</b>  |
| 411        | Owners' capital                                     |      | 3,405,291,244,992         | 3,405,291,244,992         |
| 411.1      | Share capital                                       |      | 3,058,822,630,000         | 3,058,822,630,000         |
| 411.1a     | <i>Ordinary shares with voting rights</i>           |      | 3,058,822,630,000         | 3,058,822,630,000         |
| 411.2      | Share premiums                                      |      | 358,946,064,000           | 358,946,064,000           |
| 411.5      | Treasury shares                                     |      | (12,477,449,008)          | (12,477,449,008)          |
| 414        | Supplementary capital reserve                       |      | 220,343,724,160           | 177,907,588,627           |
| 415        | Financial and operational risk reserve              |      | 220,343,724,160           | 177,907,588,627           |
| 416        | Other equity reserves                               |      | 3,961,374,994             | 3,961,374,994             |
| 417        | Undistributed earnings                              | 3.16 | 955,468,610,172           | 675,286,734,145           |
| 417.1      | <i>Realised profits after tax</i>                   |      | 1,008,625,915,599         | 647,641,022,448           |
| 417.2      | <i>Unrealised profits</i>                           |      | (53,157,305,427)          | 27,645,711,697            |
| <b>440</b> | <b>TOTAL RESOURCES</b>                              |      | <b>15,541,038,523,016</b> | <b>12,488,827,553,087</b> |


## OFF STATEMENT OF FINANCIAL POSITION ITEMS

| Code     | ITEMS   | Note | As at                    |                    |
|----------|---|------|--------------------------|--------------------|
|          |   |      | 30.06.2021               | 31.12.2020         |
| <b>A</b> | <b>ASSETS OF THE COMPANY AND ASSETS UNDER ENTRUSTMENT</b>             |      |                          |                    |
|          |   |      | <i>Amount (VND)</i>      |                    |
| 004      | Bad debts written off   | 4.1  | 345,059,000              | 345,059,000        |
|          |   |      | <i>Original currency</i> |                    |
| 005      | Foreign currencies  | 4.2  |                          |                    |
|          | United States Dollar  |      | 3,456.70                 | 1,880.68           |
|          | Japanese Yen  |      | 241,915                  | 241,915            |
|          | Singapore Dollar  |      | 844                      | 844                |
|          | British Pound   |      | 4,660.58                 | 7,146.28           |
|          | New Taiwan Dollar   |      | 3,200                    | 3,200              |
|          | Canadian Dollar   |      | 100                      | 100                |
|          | Malaysian Ringgit   |      | 750                      | 750                |
|          |   |      | <i>Quantity</i>          |                    |
| 006      | Number of shares in issue (shares)                                    | 4.3  | 305,041,845              | 305,041,845        |
| 007      | Number of treasury shares (shares)                                    |      | 840,418                  | 840,418            |
|          |   |      | <i>Par value (VND)</i>   |                    |
| 008      | Securities listed/registered at Vietnam Securities Depository ("VSD") |      | 806,060,790,000          | 993,631,923,000    |
| 009      | Securities in custody of VSD and not yet traded                       |      | 17,239,880,000           | 23,150,020,000     |
| 010      | Securities purchased and awaiting settlement                          |      | 27,795,480,000           | 51,825,101,000     |
| 012      | Securities not in custody of VSD                                      |      | -                        | 3,340,840,000      |
|          |   |      | <i>Quantity</i>          |                    |
| 014      | Covered warrants authorised but not yet issued                        | 4.4  | 2,767,200                | 41,100,990         |
| <b>B</b> | <b>ASSETS OF AND LIABILITIES TO CUSTOMERS</b>                         |      |                          |                    |
|          |   |      | <i>Par value (VND)</i>   |                    |
| 021      | Securities listed/registered at VSD                                   |      | 28,629,774,359,425       | 29,055,917,558,453 |
| 021.1    | Freely traded securities  |      | 26,267,370,430,000       | 26,490,060,452,700 |
| 021.2    | Restricted securities   |      | 146,323,340,000          | 222,878,360,000    |
| 021.3    | Pledged securities  |      | 892,858,630,000          | 1,072,686,420,000  |
| 021.4    | Suspended securities  |      | 100,105,240,000          | 175,105,240,000    |
| 021.5    | Securities awaiting settlement  |      | 858,383,840,000          | 768,765,870,100    |
| 021.7    | Customers' deposits for derivatives trading                           |      | 364,732,879,425          | 326,421,215,653    |

OFF STATEMENT OF FINANCIAL POSITION ITEMS  
(continued)

| Code  | ITEMS   | Note | As at             |                   |
|---|---|------|-------------------|-------------------|
|   |   |      | 30.06.2021<br>VND | 31.12.2020<br>VND |
| <b>B ASSETS OF AND LIABILITIES TO CUSTOMERS (continued)</b> |   |      |                   |                   |
| <i>Par value (VND)</i>                                      |   |      |                   |                   |
| 022   | Securities in custody of VSD and not yet traded   |      | 99,602,730,000    | 226,132,240,000   |
| 022.1   | Securities in custody of VSD and not yet traded – freely traded securities                      |      | 78,835,390,000    | 212,693,340,000   |
| 022.2   | Securities in custody of VSD and not yet traded – suspended securities                          |      | 20,767,340,000    | 13,438,900,000    |
| 023   | Securities purchased and awaiting settlement  |      | 565,312,255,000   | 685,071,278,200   |
| 024b  | Securities not in custody of VSD of investors   |      | 5,500,000,000     | 5,500,000,000     |
| 026   | Customers' deposits   |      | 2,789,548,988,150 | 2,426,782,571,627 |
| 027   | Customers' deposits for securities trading  |      | 2,424,816,108,725 | 2,100,361,355,974 |
| 027.1   | Customers' deposits at VSD  |      | 364,732,879,425   | 326,421,215,653   |
| 031   | Payables to customers relating to their deposits at the Company for securities trading          |      | 2,424,816,108,725 | 2,100,361,355,974 |
| 031.1   | Payables to domestic customers relating to their deposits at the Company for securities trading |      | 2,350,155,720,225 | 2,089,526,776,741 |
| 031.2   | Payables to foreign customers relating to their deposits at the Company for securities trading  |      | 74,660,388,500    | 10,834,579,233    |

Prepared by



Le Thi Thuy Duong

Chief Financial Officer cum  
Chief Accountant


Lam Huu Ho

20 July 2021

Chief Executive Officer



Trinh Hoai Giang

**HO CHI MINH CITY SECURITIES CORPORATION**  
FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

Form B02a – CTCK

**STATEMENT OF INCOME**

| Code | ITEMS   | Note | 2nd Quarter              |                        | Year to date             |                        |
|------|---|------|--------------------------|------------------------|--------------------------|------------------------|
|      |   |      | 2021<br>VND              | 2020<br>VND            | 2021<br>VND              | 2020<br>VND            |
|      | <b>OPERATING INCOME</b>   |      |                          |                        |                          |                        |
| 01   | Income from FVTPL financial assets  |      | 445,847,766,673          | 177,594,426,186        | 1,073,752,729,303        | 397,090,932,359        |
| 01.1 | <i>Realised gains on disposal of FVTPL financial assets</i>   | 5.1  | 385,032,200,755          | 150,175,271,327        | 1,010,173,685,216        | 312,410,353,446        |
| 01.2 | <i>Increase in revaluation gains of FVTPL financial assets</i>  | 5.2a | 16,876,238,446           | 13,365,320,704         | (50,206,687,921)         | 7,876,186,371          |
| 01.3 | <i>Dividends and interest income from FVTPL financial assets</i>  |      | 53,791,328,600           | 39,198,558,210         | 112,256,026,296          | 82,877,512,874         |
| 01.4 | <i>Decrease in covered warrants liabilities due to revaluations</i>   |      | (9,852,001,128)          | (25,144,724,055)       | 1,529,705,712            | (6,073,120,332)        |
| 03   | Interest income from loans and receivables  |      | 271,060,865,963          | 105,507,962,636        | 493,125,424,170          | 221,833,052,132        |
| 06   | Brokerage fee income  |      | 360,715,869,099          | 150,532,797,733        | 655,242,209,477          | 257,814,434,706        |
| 09   | Custody service income  |      | 2,051,660,525            | 1,764,744,675          | 4,098,423,201            | 3,663,763,321          |
| 10   | Financial consultancy service income  |      | 1,740,189,012            | 2,360,955,513          | 17,378,069,994           | 3,747,498,824          |
| 11   | Other operating income  |      | 224,516,396              | 1,072,039,284          | 993,498,388              | 1,526,935,523          |
| 20   | <b>TOTAL OPERATING INCOME</b>   |      | <b>1,081,640,867,668</b> | <b>438,832,926,027</b> | <b>2,244,590,354,533</b> | <b>885,676,616,865</b> |
|      | <b>OPERATING EXPENSES</b>   |      |                          |                        |                          |                        |
| 21   | Losses from FVTPL financial assets  |      | 314,670,033,517          | 64,484,159,888         | 741,330,483,440          | 208,035,368,212        |
| 21.1 | <i>Realised losses on disposal of FVTPL financial assets</i>  | 5.1  | 254,288,522,549          | 75,929,059,902         | 709,204,448,525          | 235,091,602,883        |
| 21.2 | <i>Decrease in revaluation losses of FVTPL financial assets</i>   | 5.2a | 441,756,822              | (11,444,900,014)       | (15,587,895,392)         | (27,056,234,671)       |
| 21.3 | <i>Increase in covered warrants liabilities due to revaluations</i>   |      | 59,939,754,146           | -                      | 47,713,930,307           | -                      |
| 24   | Provisions for financial assets, losses on bad debts, impairment losses of financial assets and interest expenses associated with loans |      | 150,089,245,044          | 26,467,648,699         | 256,520,141,915          | 60,762,662,969         |
| 26   | Proprietary trading activities  | 5.3  | 12,594,547,952           | 9,766,758,127          | 26,495,668,196           | 17,702,207,043         |
| 27   | Brokerage fee expenses  | 5.3  | 185,313,454,714          | 97,334,521,346         | 340,952,423,026          | 179,401,547,737        |
| 30   | Custody service expenses  | 5.3  | 2,134,269,393            | 1,844,194,521          | 4,266,140,989            | 3,821,490,168          |
| 31   | Financial consultancy service expenses  | 5.3  | 4,054,040,422            | 3,663,308,179          | 8,071,418,255            | 7,608,527,616          |
| 32   | Other operating expenses  | 5.3  | 797,366,188              | 809,762,993            | 1,896,872,800            | 1,597,036,965          |
| 40   | <b>TOTAL OPERATING EXPENSES</b>   |      | <b>669,652,957,230</b>   | <b>204,370,353,753</b> | <b>1,379,533,148,621</b> | <b>478,928,840,710</b> |

**HO CHI MINH CITY SECURITIES CORPORATION**  
 FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

Form B02a – CTCK

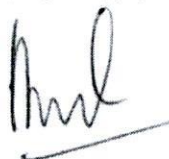
**STATEMENT OF INCOME**  
 (continued)

| Code | ITEMS  | Note | 2nd Quarter            |                        | Year to date           |                        |
|------|--|------|------------------------|------------------------|------------------------|------------------------|
|      |  |      | 2021<br>VND            | 2020<br>VND            | 2021<br>VND            | 2020<br>VND            |
|      | <b>FINANCIAL INCOME</b>                                  |      |                        |                        |                        |                        |
| 42   | Dividend income and interest income from demand deposits |      | 192,095,779            | 112,299,862            | 1,750,622,606          | 1,406,342,587          |
| 50   | <b>TOTAL FINANCIAL INCOME</b>                            |      | <b>192,095,779</b>     | <b>112,299,862</b>     | <b>1,750,622,606</b>   | <b>1,406,342,587</b>   |
| 62   | <b>GENERAL AND ADMINISTRATIVE EXPENSES</b>               | 5.4  | <b>60,177,204,256</b>  | <b>46,862,505,156</b>  | <b>113,104,784,233</b> | <b>94,346,276,979</b>  |
| 70   | <b>OPERATING RESULT</b>                                  |      | <b>352,002,801,961</b> | <b>187,712,366,980</b> | <b>753,703,044,285</b> | <b>313,807,841,763</b> |
|      | <b>OTHER INCOME AND EXPENSES</b>                         |      |                        |                        |                        |                        |
| 71   | Other income   |      | 16,311,000             | 42,617,424             | 16,311,000             | 54,708,333             |
| 80   | <b>NET OTHER INCOME</b>                                  |      | <b>16,311,000</b>      | <b>42,617,424</b>      | <b>16,311,000</b>      | <b>54,708,333</b>      |
| 90   | <b>NET ACCOUNTING PROFIT BEFORE TAX</b>                  |      | <b>352,019,112,961</b> | <b>187,754,984,404</b> | <b>753,719,355,285</b> | <b>313,862,550,096</b> |
| 91   | Realised profit  |      | 405,376,386,611        | 188,089,487,741        | 834,522,372,409        | 285,003,249,386        |
| 92   | Unrealised (losses)/profit                               |      | (53,357,273,650)       | (334,503,337)          | (80,803,017,124)       | 28,859,300,710         |

STATEMENT OF INCOME  
 (continued)

| Code  | ITEMS                       | Note | 2nd Quarter     |                 | Year to date    |                 |
|-------|-----------------------------|------|-----------------|-----------------|-----------------|-----------------|
|       |                             |      | 2021<br>VND     | 2020<br>VND     | 2021<br>VND     | 2020<br>VND     |
| 100   | BUSINESS INCOME TAX (“BIT”) |      | 68,835,210,370  | 37,633,145,164  | 148,730,285,010 | 62,761,937,544  |
| 100.1 | BIT – current               |      | 68,835,210,370  | 37,352,761,180  | 148,730,285,010 | 62,481,553,560  |
| 100.  | BIT – deferred              |      | -               | 280,383,984     | -               | 280,383,984     |
| 200   | NET PROFIT AFTER TAX        |      | 283,183,902,591 | 150,121,839,240 | 604,989,070,275 | 251,100,612,552 |

Prepared by



Le Thi Thuy Duong

Chief Financial Officer cum  
 Chief Accountant



Lam Huu Ho

20 July 2021

Chief Executive Officer



Trinh Hoai Giang



**HO CHI MINH CITY SECURITIES CORPORATION**  
FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

Form B03(b)a – CTCK

**STATEMENT OF CASH FLOWS**  
(Indirect method)

| Code | ITEMS   | Year to date             |                         |
|------|---|--------------------------|-------------------------|
|      |   | 2021<br>VND              | 2020<br>VND             |
|      | <b>Cash flows from operating activities</b>   |                          |                         |
| 01   | <b>Net profit before tax</b>  | <b>753,719,355,285</b>   | <b>313,862,550,096</b>  |
| 02   | <b>Adjustments for:</b>   | <b>203,959,596,511</b>   | <b>46,699,289,542</b>   |
| 03   | Depreciation and amortisation   | 13,360,244,046           | 14,331,012,029          |
| 04   | Reversal of provisions  | -                        | -                       |
| 06   | Interest expenses   | 256,520,141,915          | 60,762,662,969          |
| 07   | Profits from investing activities   | -                        | (54,708,333)            |
| 08   | Accrued interest income   | (65,920,789,450)         | (28,339,677,123)        |
| 10   | <b>Increase in non-cash expenses</b>  | <b>32,126,034,915</b>    | <b>(27,056,234,671)</b> |
| 11   | Increase/(decrease) in revaluation losses of FVTPL financial assets, revaluation losses of covered warrants                     | 32,126,034,915           | (27,056,234,671)        |
| 18   | <b>Decrease in non-cash income</b>  | <b>48,676,982,209</b>    | <b>(1,803,066,039)</b>  |
| 19   | Decrease/(increase) in revaluation gains of FVTPL financial assets, decrease in revalued amount of covered warrants liabilities | 48,676,982,209           | (1,803,066,039)         |
| 30   | <b>Operating profit before changes in working capital</b>   | <b>(996,874,541,107)</b> | <b>470,726,583,738</b>  |
| 31   | Decrease in FVTPL financial assets  | 1,026,925,980,788        | 685,416,268,056         |
| 33   | (Increase)/decrease in loans  | (545,603,731,538)        | 449,779,339,058         |
| 37   | Increase in service-related receivables   | (1,794,045,134,593)      | (194,703,593,518)       |
| 39   | Decrease in other receivables   | 61,246,354,723           | 40,850,343,458          |
| 41   | Decrease in accrued expenses (excluding interest expenses)  | (27,742,664,400)         | (29,246,066,838)        |
| 42   | Increase in prepaid expenses  | (9,256,201,693)          | (639,873,618)           |
| 43   | BIT paid  | (115,277,228,940)        | (48,955,348,810)        |
| 44   | Interest paid   | (240,594,750,360)        | (58,148,133,243)        |
| 45   | (Decrease)/increase in trade payables   | (8,143,019,678)          | 2,320,430,003           |
| 46   | Increase in employee welfare payables   | 618,898,800              | 1,207,467,017           |
| 47   | Increase in tax and other payables to the State (excluding BIT paid)  | 28,782,993,935           | 4,446,017,559           |
| 50   | Decrease/(increase) in other short-term payables, covered warrants payable  | 466,470,556,264          | (383,212,616,386)       |

**STATEMENT OF CASH FLOWS**  
**(Indirect method)**  
**(continued)**

| Code       | ITEMS  | Year to date             |                          |
|------------|--|--------------------------|--------------------------|
|            |  | 2021<br>VND              | 2020<br>VND              |
| 51         | Other receipts from operating activities                     | 161,674,688,000          | 1,781,351,000            |
| 52         | Other payments for operating activities                      | (1,931,282,415)          | (169,000,000)            |
| <b>60</b>  | <b>Net cash outflows for operating activities</b>            | <b>41,607,427,813</b>    | <b>802,429,122,666</b>   |
|            | <b>Cash flows from investing activities</b>                  |                          |                          |
| 61         | Cash paid for purchases of fixed assets                      | (6,569,432,480)          | (7,737,136,875)          |
| 62         | Proceeds from disposals of fixed assets                      | -                        | 498,300,000              |
| <b>70</b>  | <b>Net cash outflows for investing activities</b>            | <b>(6,569,432,480)</b>   | <b>(7,238,836,875)</b>   |
|            | <b>Cash flows from financing activities</b>                  |                          |                          |
| 72         | Payments for share repurchases                               | -                        | (3,660,650,000)          |
| 73         | Proceeds from borrowings                                     | 43,868,394,147,321       | 8,919,483,907,165        |
| 74.3       | Repayments of principals of borrowings                       | (41,616,594,936,901)     | (9,376,836,142,420)      |
| 76         | Payment of dividend  | (365,934,582,797)        | (151,452,643,750)        |
| <b>80</b>  | <b>Net cash inflows/(outflows) from financing activities</b> | <b>1,885,864,627,623</b> | <b>(612,465,529,005)</b> |
| <b>90</b>  | <b>Net increase in cash and cash equivalents</b>             | <b>1,920,902,622,956</b> | <b>182,724,756,786</b>   |
| <b>101</b> | <b>Cash and cash equivalents at beginning of year</b>        | <b>206,860,864,747</b>   | <b>906,543,226,372</b>   |
| 101.1      | Cash   | 206,860,864,747          | 906,543,226,372          |
| <b>103</b> | <b>Cash and cash equivalents at end of year</b>              | <b>2,127,763,487,703</b> | <b>1,089,267,983,158</b> |
| 103.1      | Cash   | 2,127,763,487,703        | 1,089,267,983,158        |

**HO CHI MINH CITY SECURITIES CORPORATION**  
FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

Form B03(b)a – CTCK

**STATEMENT OF CASH FLOWS**  
(Indirect method)  
(continued)

**CASH FLOWS OF BROKERAGE AND ENTRUSTMENT ACTIVITIES**

| Code      | ITEMS   | Year to date             |                          |
|-----------|---|--------------------------|--------------------------|
|           |   | 2021<br>VND              | 2020<br>VND              |
|           | <b>Cash flows of brokerage and entrustment activities</b>                         |                          |                          |
| 01        | Brokerage trading proceeds  | 130,241,205,045,013      | 37,277,496,448,216       |
| 02        | Brokerage trading payments  | (131,822,965,482,018)    | (39,350,239,525,801)     |
| 07        | Receipts for settlement of customers' transactions                                | 1,910,313,612,957        | 2,796,114,342,111        |
| 11        | Payments for custody fees of customers  | (4,098,423,201)          | (3,663,763,321)          |
| <b>20</b> | <b>Increase in customers' deposits</b>  | <b>324,454,752,751</b>   | <b>719,707,501,205</b>   |
| <b>30</b> | <b>Customers' deposits at beginning of year</b>                                   | <b>2,100,361,355,974</b> | <b>741,438,718,235</b>   |
| 31        | Cash at bank  | 2,100,361,355,974        | 741,438,718,235          |
| 32        | <i>Customers' deposits for securities trading under monitoring of the Company</i> | 2,100,361,355,974        | 741,438,718,235          |
| <b>40</b> | <b>Customers' deposits at end of year</b>   | <b>2,424,816,108,725</b> | <b>1,461,146,219,440</b> |
| 41        | Cash at bank  | 2,424,816,108,725        | 1,461,146,219,440        |
| 42        | <i>Customers' deposits for securities trading under monitoring of the Company</i> | 2,424,816,108,725        | 1,461,146,219,440        |

Prepared by



Le Thi Thuy Duong

Chief Financial Officer cum  
Chief Accountant



Lam Huu Ho

20 July 2021

Chief Executive Officer

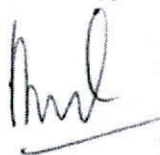



Trinh Hoai Giang

STATEMENT OF CHANGES IN EQUITY

| Items  | As at                    |                          | For the period ended<br>30 June 2020 |                        | For the period ended<br>30 June 2021 |                        | As at                    |                          |
|--|--------------------------|--------------------------|--------------------------------------|------------------------|--------------------------------------|------------------------|--------------------------|--------------------------|
|  | 1.1.2020                 | 1.1.2021                 | Increase                             | Decrease               | Increase                             | Decrease               | 30.06.2020               | 30.06.2021               |
|  | VND                      | VND                      | VND                                  | VND                    | VND                                  | VND                    | VND                      | VND                      |
| 1. Owners' capital                           | 3,411,931,836,992        | 3,405,291,244,992        | (5,857,040,000)                      | -                      | -                                    | -                      | 3,406,074,796,992        | 3,405,291,244,992        |
| 1.1 Ordinary shares with<br>voting rights    | 3,058,822,630,000        | 3,058,822,630,000        | -                                    | -                      | -                                    | -                      | 3,058,822,630,000        | 3,058,822,630,000        |
| 1.2 Share premium                            | 358,946,064,000          | 358,946,064,000          | -                                    | -                      | -                                    | -                      | 358,946,064,000          | 358,946,064,000          |
| 1.3 Treasury shares                          | (5,836,857,008)          | (12,477,449,008)         | (5,857,040,000)                      | -                      | -                                    | -                      | (11,693,897,008)         | (12,477,449,008)         |
| 2. Supplementary capital<br>reserve          | 151,385,003,919          | 177,907,588,627          | -                                    | -                      | 42,436,135,533                       | -                      | 151,385,003,919          | 220,343,724,160          |
| 3. Financial risk and<br>operation reserve   | 151,385,003,919          | 177,907,588,627          | -                                    | -                      | 42,436,135,533                       | -                      | 151,385,003,919          | 220,343,724,160          |
| 4. Other equity funds                        | 3,961,374,994            | 3,961,374,994            | -                                    | -                      | -                                    | -                      | 3,961,374,994            | 3,961,374,994            |
| 6. Undistributed earnings                    | 585,479,819,315          | 675,286,734,145          | 251,100,612,552                      | 235,078,687,419        | 604,989,070,275                      | 324,807,194,248        | 601,501,744,448          | 955,468,610,172          |
| 6.1 Realised profit after tax                | 614,251,440,752          | 647,641,022,448          | 222,241,311,842                      | 235,078,687,419        | 685,792,087,399                      | 324,807,194,248        | 601,414,065,175          | 1,008,625,915,599        |
| 6.2 Unrealised (losses)/profits<br>after tax | (28,771,621,437)         | 27,645,711,697           | 28,859,300,710                       | -                      | (80,803,017,124)                     | -                      | 87,679,273               | (53,157,305,427)         |
| <b>Total</b>                                 | <b>4,304,143,039,139</b> | <b>4,440,354,531,385</b> | <b>245,243,572,552</b>               | <b>235,078,687,419</b> | <b>689,861,341,341</b>               | <b>324,807,194,248</b> | <b>4,314,307,924,272</b> | <b>4,805,408,678,478</b> |

Prepared by



Le Thi Thuy Duong

Chief Financial Officer cum  
Chief Accountant



Lam Huu Ho



20 July 2021

Chief Executive Officer



Trinh Hoai Giang

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**1 GENERAL INFORMATION**

***Establishment and listing***

Ho Chi Minh City Securities Corporation (“the Company”) is a joint stock company incorporated in Vietnam under Business registration certificate No. 4103001573 issued by the Department of Planning and Investment of Ho Chi Minh City on 23 April 2003 and the Establishment and operation licence No. 11/UBCK-GPHĐKD issued by the State Securities Commission (“SSC”) on 29 April 2003. The Establishment and operation licence was amended several times and the latest amendment No. 13/GPĐC-UBCK was issued on 16 March 2020.

***Headquarter and contact information***

The Company is headquartered at 5<sup>th</sup> – 6<sup>th</sup> Floor, AB Tower, 76 Le Lai Street, Ben Thanh Ward, District 1, Ho Chi Minh City, Vietnam.

Contact information:

Email: [info@hsc.com.vn](mailto:info@hsc.com.vn)

Telephone: (+84 28) 3823 3299

***Company charter***

The Company’s Charter was latest updated on 22 April 2021.

***Operations***

The principal activities of the Company are brokerage services, securities trading, securities investment, consultancy services, corporate finance consultancy services, underwriting and securities custodian services.

***Charter capital***

The Company’s charter capital according to its latest establishment and operation licence is VND 3,058,822,630,000.

***Investment objectives and investment restrictions***

Being a listed broker firm in the Vietnamese securities market, the Company aims to contribute to development of the securities market and deliver benefits to customers, investors and its shareholders. The Company’s investment portfolio and its investment restrictions shall be in compliance with the investment objectives and strategies as stipulated in its charter and applicable securities rules.

***Network of operation***

As at 30 June 2021, the Company had 4 branches and representative offices in Vietnam.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**1 GENERAL INFORMATION (continued)****The corporation's operational features during the Quarter 2 affected financial statements**

The profit after tax for Q2/2021 was 89% higher than the same period of last year because of the following reasons:

- a. The revenue for Q2/2021 increased by 192% compared to Q2/2020 (excluded from effect on revenue and expense of proprietary trading activities as mentioned below), in which:
  - Revenue from brokerage services for Q2/2021 climbed 140%, as a result of 302% increasing in market trading value compared to that of the same period of 2020;
  - Revenue from margin lending activities for Q2/2021 rose 157%, because the effective market condition, the demand of margin lending increased;
  - Revenue of proprietary trading activities (the difference between the profit from financial assets recognised through profit/loss in section 1.1 and the loss from financial assets recognised through profit/loss in section 2.1 of the Income Statement) went up 16% because market condition was effective for investment.
- b. The operating expense for Q2/2021 (excluded from affect mentioned in code 2.1) increased 154% compared to the same period of last year because of the following reasons:
  - Bank interest expenses was quadruple as high as Q2/2020 because HSC increased short-term loan to raise working capital;
  - Brokerage services expenses grew 96% which was corresponded with increasing of revenue from brokerage services.
- c. The administrative expenses for Q2/2021 jumped to 28% compared to Q2/2020 because there was restructured between back-office departments corresponded with operation of the Company.

**The corporation's operational features during the six-month period affected financial statements:**

The profit after tax for the six-month period was higher 141% than the same period of last year because of the following reasons:

- a. The revenue for 1H/2021 increased sharply by 174% compared to 1H/2020 (excluded from effect on revenue and expense of proprietary trading activities as mentioned below):
  - Revenue from brokerage services for 1H/2021 increased enormously by 154%, as a result of 305% increasing in market trading value compared to that of the same period of 2020, and HSC's market share slightly decreased in 1H/ 2021;

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**1 GENERAL INFORMATION (continued)**

**The corporation's operational features during the six-month period affected financial statements (continued)**

- Revenue from margin lending activities (mentioned in gain from loans and receivables) for 1H/2021 climbed substantially 122% because the effective market condition, the demand of margin lending increased;
  - Revenue of proprietary trading activities (the difference between the profit from financial assets recognised through profit/loss in section 1.1 and the loss from financial assets recognised through profit/loss in section 2.1 of the Income Statement) grew significantly by 76% compared to 1H/2020 because market condition was effective for investment.
- b. The operating expense and the administrative expenses for 1H/2021 increased 136% compared to the same period of last year:
- Bank interest expenses was triple as high as 1H/2020 because HSC increased short-term loan to raise working capital;
  - Brokerage services expenses grew quickly 93% which was corresponded with increasing of revenue from brokerage services.
- c. The administrative expenses for 1H/2021 were 20% higher than 1H/2020 because of restructuring of the employees among back-office departments which corresponded with operation of the Company.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation of interim financial statements**

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on preparation and presentation of financial statements applicable to securities companies operating in Vietnam. The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets at fair value through profit or loss (FVTPL) based on market value (or fair value in case market value is undetermined).

**2.2 Form of records applied**

The Company uses the accounting software tailored in general journal to record its transactions.

**2.3 Form of records applied**

The Company's fiscal year is from 1 January to 31 December.

These financial statements are prepared for the period from 1 January 2021 to 30 June 2021.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.4 Currency**

The financial statements are measured and presented in Vietnamese Dong (“VND”).

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognised in profit or loss of the statement of income.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are respectively translated at the buying and selling exchange rates at the reporting date of the commercial bank where the Company regularly trades. Foreign currencies deposited in bank at the reporting date are translated at the buying exchange rate of the commercial bank where the Company opens the foreign currency accounts. Foreign exchange differences arising from these translations are recognised as income or expenses in the statement of income.

**2.5 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at bank, cash in transit and other short-term investments with an original maturity of 3 months or less which are subject to an insignificant risk of conversion into cash.

Cash of investors for securities trading activities and cash of issuers are accounted off statement of financial positio.

**2.6 Financial assets****(a) Classification and measurement****(i) Financial assets measured at fair value through profit or loss (FVTPL)**

Financial assets at fair value through profit or loss are financial assets held for trading or designated by the Board of Management at initial recognition at fair value through profit or loss.

A financial asset is classified as held for trading if meeting one of the following conditions:

- It is purchased or created for resale/repurchase in short term; or
- At initial recognition, it constitutes a part of an identified portfolio of financial instruments which are traded for short-term profits; or
- It is a derivative (except those defined as financial guarantees or effective hedges).



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.6 Financial assets (continued)****(a) Classification and measurement (continued)***(i) Financial assets measured at fair value through profit or loss (FVTPL)*

At initial recognition, the Board of Management designates a financial asset at fair value through profit or loss if such designation promotes the fairness of its presentation due to one of the following reasons:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency (also called as “accounting mismatch”) that would otherwise arise due to different bases; or
- It gives rise to a group of financial assets whose performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy and internally disseminated to the Company’s key management (as defined in Vietnamese Accounting Standard on Related parties disclosure) such as Board of Directors, Board of Management and major shareholders.

Financial assets at fair value through profit or loss are initially recorded at cost exclusive of transaction costs. Transaction costs related to purchases of FVTPL financial assets are expensed off immediately.

Financial assets at fair value through profit or loss are subsequently measured at market value or fair value (in case market value is indeterminable). Those shares, including derivatives to be settled in shares, that not traded on active market or those whose fair value is not reliably determined are accounted at cost.

All gains or losses from change in fair value of FVTPL financial assets are recognised in profit or loss of the statement of comprehensive income.

*(ii) Held-to-maturity financial assets (“HTM”)*

HTM financial assets are non-derivative financial assets with the followings characteristics:

- Payments are fixed or determinable;
- Maturity is fixed;
- The Company has positive intention and ability to hold to maturity.

The following assets are excluded from HTM financial assets:

- Non-derivatives classified as FVTPL financial assets at initial recognition;

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.6 Financial assets (continued)****(a) Classification and measurement (continued)****(ii) Held-to-maturity financial assets (“HTM”) (continued)**

- Non-derivatives classified as available-for-sale (“AFS”) financial assets; and
- Non-derivatives qualifying conditions to be classified as loans and receivables.

HTM financial assets are initially recorded at cost inclusive of directly attributable purchase costs, subsequently measured at amortised cost using effective interest method (“EIR”).

Effective interest method is a method used in calculating the amortised cost of an HTM financial asset or a group of HTM financial assets and in the allocation and recognition of the interest revenue or interest expense in profit or loss over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the financial instrument's expected life, or a shorter period where appropriate, to the net present value of a financial asset or a financial liability.

Amortised cost of HTM financial assets is determined at historical cost less principal received plus (or less) accumulated amortisation using effective interest rate method between historical cost and maturity value, less impairment loss (if any).

As at reporting date, HTM investments are provided for impairment loss when there is any objective evidence of impairment or uncollectibility as a result of one or more events that occurred subsequent to the initial recognition and affected estimated future cash flows of HTM investments. Objective evidence of impairment may include:

- Significant financial difficulty of the issuer or the obligor;
- A breach of contract, such as default or delinquency in interest or principal payments;
- The lender, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- It becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including:

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.6 Financial assets (continued)****(a) Classification and measurement (continued)***(ii) Held-to-maturity financial assets ("HTM") (continued)*

- Adverse changes in the payment status of borrowers in the group; or
- National or local economic conditions that correlate with defaults on the assets in the group.

Provision for impairment of HTM financial assets is determined at the difference of the estimated recoverable amount and the carrying value of HTM financial assets at the reporting date. Provision/(reversal of provision) for such impairment is debited/credited to expenses in profit or loss of the statement of comprehensive income.

HTM financial assets are classified as current and non-current assets in the statement of financial position based on their remaining maturity as at the reporting date.

*(iii) Loans*

Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

In the reporting year, the Company had the following types of loans:

- Margin loans: the amounts lent to customers for their purchases of listed securities in accordance with Decision 87/QD-UBCK issued by the State Securities Commission on 25 January 2017. According to this regulation, the initial margin (ratio of net equity to market value of security to be purchased on margin as at trading date) is set by the Company but shall be not lower than 50%. The margin loans are collateralised by securities eligible for margin lending
- Trading advances: the amounts advanced to customers at the trading date. These amounts are repaid within two (2) trading days.

Loans are initially recorded at cost and subsequently measured at amortised cost using the EIR method.

Amortised cost of loans is determined at historical cost less principal received plus (or less) accumulated amortisation using the EIR between historical cost and maturity value, less impairment loss (if any).

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.6 Financial assets (continued)****(a) Classification and measurement (continued)***(iii) Loans (continued)*

As at reporting date, loans are provided for impairment loss when there is any objective evidence of impairment. Provision for impairment of loans is determined at the difference of market value of collateral and the carrying value of loans at the reporting date. Provision/(reversal of provision) for such impairment is debited/credited to expenses in profit or loss of the statement of comprehensive income.

*(iv) Available-for-sale financial assets ("AFS")*

AFS financial assets are non-derivative financial assets that are not classified as FVTPL, HTM, loans nor receivables.

AFS financial assets are initially recorded at cost inclusive of directly attributable purchase cost.

At the reporting date, AFS financial assets are measured at fair value. Those shares not traded on active market or those whose fair value is not reliably determined are accounted at cost.

All gains or losses from revaluation of AFS financial assets are accounted for directly in equity (other comprehensive income) through the statement of changes in equity, exclusive of impairment losses. Such recognition is applied until the asset is de-recognised.

At derecognition, accumulated gains or losses in equity are recognised in profit or loss of the statement of comprehensive income as a reclassification. Gains using effective interest method is recognised in profit or loss of the statement of comprehensive income in accordance with Standard on Revenue recognition.

As at reporting date, AFS financial assets are provided for impairment loss when there is any objective evidence of impairment.

Objective evidence of impairment for debt instruments may include those identified as for HTM financial instruments.

Objective evidence of impairment for equity instruments may include:

- Significant changes which adversely affect the issuer's operations as a result of their impacts on the technological, market, economic or legal environment, and indicates that the cost of the equity instrument may not be recovered;
- A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.6 Financial assets (continued)****(a) Classification and measurement (continued)***(iv) Available-for-sale financial assets (“AFS”) (continued)*

Provision for impairment is determined at the difference of the estimated recoverable amount and the carrying value of AFS financial assets at the reporting date.

Impairment loss of AFS financial asset is recorded directly to previously recognised revaluation gain in equity (if any), when there is objective evidence that the AFS financial asset is impaired, accumulated revaluation loss in equity is reclassified to profit or loss of the statement of comprehensive income despite that asset is yet derecognised.

**(b) Reclassification***(i) Reclassification of non-FVTPL financial assets upon disposal*

Non-FVTPL financial assets are reclassified to FVTPL financial assets before disposal. Accumulated revaluation of AFS financial assets in equity will be recorded on the statement of comprehensive income as a reclassification.

*(ii) Reclassification due to change in intention/ability to hold the financial assets*

Reclassification of financial assets due to change in intention/ability to hold the assets is permitted, provided that:

- Non-derivative FVTPL financial assets that are not required to be classified as FVTPL at initial recognition may be reclassified as loans and receivables in limited circumstances or cash and cash equivalents if meeting certain criteria for reclassification.
- Gains and losses from revaluation of FVTPL financial assets arising before the reclassification are not reversed.
- If the change in intention/ability to hold a financial asset results in it being inappropriately reclassified as an HTM asset, that asset must be reclassified into AFS group and remeasured at fair value. Difference between its carrying value and its fair value is recognised in the statement of income – Changes in fair value of reclassified assets.

**(c) Recognition/derecognition**

Purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the financial assets. Financial assets are derecognised when the right to receive cash flows from the financial assets has expired or the Company has transferred substantially all risks and rewards of ownership.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.6 Financial assets (continued)****(c) Recognition/derecognition (continued)**

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**(d) Initial recognition**

Financial assets carried at fair value through profit or loss are initially recognised at cost exclusive of transaction costs. Other financial assets are initially recorded at historical cost.

Bonus issues and stock dividends are initially recognised as financial assets at zero value.

**(e) Determination of market value/fair value**

The Company follows the prevailing regulations in determining the market value/fair value, in particular:

*(i) Shares listed on stock exchanges, shares of the public companies registered for trading on the Unlisted Public Company Market (UPCoM)*

These shares are revalued at the closing price of the latest trading date prior to the valuation date.

*(ii) Unlisted securities registered/unregistered to Vietnam Securities Depository ("VSD")*

The fair values of these shares based on the average of transacted prices announced by the three (03) independent quoting entities at the latest trading date within one (01) month prior to the reporting date. Management and executives of the Company must not be related to management and executives of the quoting entities in accordance with Securities Law.

*(iii) Certificates of open-ended funds/ exchanged traded fund ETF*

These certificates are revalued at net asset value per fund unit as at the fund's last reporting date prior to the valuation date of the Company.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.6 Financial assets (continued)****(e) Determination of market value/fair value (continued)***(iv) Delisted shares/ shares suspended from 6 days or longer*

The fair values of these shares are determined at its book value as at latest reporting date.

Unless otherwise stated above, securities are measured at fair value based on review of financial position and book value of the issuers as at valuation date.

**(f) Provision for impairment of loans**

Provision for impairment of loans is made when there are indicators of decline in the recoverability of the margin loans and trading advances. Provision is determined at the difference of market value of collateral assets and carrying value of margin loans and trading advances at reporting date.

**(g) Provision for impairment of receivables**

Receivables are subject impairment assessment based on the overdue status of the receivables or the estimated loss arising from undue debts of which the indebted economic entities fall bankrupt or are undergoing dissolution procedures; debtors are missing, deceased or under legal claims.

The Company has provided for overdue receivables in accordance with Circular 48/2019/TT-BTC issued by Ministry of Finance on 8 August 2019 ("Circular 48/2019/TT-BTC"). Accordingly, the provision rates for overdue receivables are as follows:

|                                   | <b>Provision rate</b> |
|-----------------------------------|-----------------------|
| <b>Overdue period</b>             |                       |
| From 6 months to less than 1 year | 30%                   |
| From 1 year to less than 2 years  | 50%                   |
| From 2 years to less than 3 years | 70%                   |
| Over 3 years                      | 100%                  |

Provision/(reversal of provision) for impairment is debited/credited to expenses in the statement of income.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.6 Financial assets (continued)****(h) Recognition of gain/(loss)***Purchasing transaction costs*

Transaction costs related to purchases of FVTPL financial assets are expensed off, while transaction costs related to purchases of other financial assets are capitalised.

*Selling transaction costs*

Selling transaction costs are expensed off in the reporting period.

*Gain/(loss) on disposals*

Gain/(loss) on disposals of financial assets are accounted as income/(expenses) in profit or loss of statement of income. Costs of shares and fund certificates are determined using weighted average method up to the end of trading dates, while costs of bonds and derivatives are determined using specific identification method.

*Provision/(reversal of provision) for impairment in value of financial assets*

Provision/(reversal of provision) for impairment in value of financial assets is debited/credited to expenses in the statement of income.

**2.7 Repurchase and reverse repurchase agreements**

Securities sold under agreements to repurchase at a specified future date (“repos”) are not derecognised from the interim statement of financial position. The corresponding proceed is recognised in the statement of financial position as a liability. The difference between the selling price and the repurchase price is recognised as interest expense and is accrued over the life of the agreement using the straight-line method.

Conversely, securities purchased under agreements to resell at a specified future date (“reverse repos”) are not recognised in the statement of financial position. The corresponding cash paid is recognised in the statement of financial position as an asset. The difference between the purchase price and resale price is recognised as interest income and is allocated over the life of the agreement using the straight-line method.

For overdue commitments, the Company considers to make provision based on the aging of commitments or expected losses in accordance with Circular 48/2019/TT-BTC.



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.8 Fixed assets***Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation/amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets.

*Depreciation and amortisation*

Fixed assets are depreciated/amortised using the straight-line method to write off the cost of the assets over their estimated useful lives, specifically as below:

|                   |             |
|-------------------|-------------|
| Motor vehicles    | 6 years     |
| Office equipment  | 3 – 5 years |
| Computer software | 3 – 4 years |

*Disposals*

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are recognised as income or expense in the statement of income.

**2.9 Leased assets**

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

**2.10 Prepaid expenses**

Prepaid expenses include prepayments for goods and services, tools and equipment not qualified to be accounted as fixed assets under current regulations. Prepaid expenses are initially recorded at cost and allocated to expenses over their estimated useful lives.

The following items are classified as prepaid expenses and allocated to expenses over two (2) to forty (40) years in the statement of income:

- Office renovations;
- Office rentals; and
- Office supplies

**2.11 Security deposits**

Short-term/long-term security deposits are recognised when the Company completes its payments in accordance with the contractual terms and classified as other current/non-current assets.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.12 Liabilities*****a. Recognition/Derecognition***

Liabilities are recognised when the Company has an obligation as a result of receipts of assets, commits or becomes a party to the contractual provisions. Liabilities are derecognised when such obligations are fully discharged. Liabilities are recognised on an accruals basis and on prudent concept.

***b. Classification***

Classifications of liabilities are based on their nature as follows:

- Borrowings
- Bonds
- Trading obligations including balances with Clearing House and Securities Depository
- Trade payables arising from purchases of goods or services
- Other payables not arising from purchases of goods and services.

Liabilities are classified as current and non-current liabilities in the interim statement of financial position based on their remaining period from the reporting date to their maturity dates.

**2.13 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is presented in the interim statement of financial position when there is a legally enforceable right to offset the recognised amounts and the Company has an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

**2.14 Income tax paid on behalf of customers**

According to the prevailing taxation regulations in Vietnam, the Company is required to withhold foreign contractor tax of 0.1% on trading proceeds of foreign corporate customers and pay on their behalf. For individual customers (both residents and non-residents), the Company is required to withhold personal income tax of 0.1% on the trading proceeds. The Company will declare and make tax payment on behalf of these customers. For customers being local organisations, the Company is not responsible for withholding tax as these customers have responsibility for their own tax payment and declaration.

**2.15 Borrowing costs**

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised in the statement of income when incurred.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.16 Accrued expenses**

Accrued expenses include liabilities for goods and services received in the reporting year but not yet paid due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting year.

**2.17 Provisions**

Provisions are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligations. The increase in the provision due to passage of time is recognised as an interest expense.

**2.18 Equity****(a) Share capital**

Share capital represents the shareholders' contributed capital. Share capital is recorded at par value.

Share premium is the difference between the par value and the issuing price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Treasury shares are shares issued by the Company and purchased back by itself but not yet cancelled and may be re-issued in the period permitted by prevailing regulations on securities. Treasury shares are recorded at cost and deducted to equity. The Company does not account for gains/(losses) from purchase/sale, issuance/cancellation of its equity instruments.

**(b) Undistributed profits**

Undistributed profits represents cumulative undistributed post-tax profits as at reporting date including cumulative realised profits and cumulative unrealised profits.

Unrealised profit of the period is total difference between gain or loss arising from revaluation of financial assets at FVTPL or other financial assets charged into the statement of income.

Realised profit during the period is the net difference between total revenue, income and total expenses in the statement of income of the Company, except for gain or loss arising from revaluation of financial assets recognised in unrealised profit.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.18 Equity (continued)****(c) Financial and operational risk reserve and supplementary capital reserve**

According to Circular 146/2014/TT-BTC, the securities companies and fund management companies are required to make annual appropriation to the financial and operational risk reserve and supplementary capital reserve at 5% of the post-tax profit for each reserve in each of its profitable years until the accumulated balance of each reserve reaches 10% of the charter capital.

Financial and operational risk reserve is made to compensate the residual losses and damages arising in operation beyond the indemnification received from the parties causing damages and insurance companies and the utilisation of indemnity funds and the relevant provisions made

**(d) Other equity funds**

Other equity funds are made in accordance with resolutions of Annual General Meeting of shareholders.

**2.19 Revenue and income recognition****(a) Revenue from provision of services to investors**

Revenue from provision of services to investors consists of securities brokerage fees, securities underwriting fees and investment consultancy fees, securities custody services and entrustment services.

Revenue from the provision of services is recognised in the interim statement of income when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from the provision of services is only recognised when all four following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The percentage of completion of the transaction at the reporting date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

**(b) Income from securities trading and investments in other entities**

Income from securities trading and investments in other entities consists of income from proprietary trading activities and dividend income.

Income from proprietary trading activities is measured as difference between selling price and costs of securities disposed. Costs of shares and fund certificates are determined using weighted average method up to the end of trading dates, while costs of bonds and derivatives are determined using specific identification method.

Dividend income is recognised in the interim statement of income when the Company's right to receive dividend is established, except for scrip dividends which the Company adds their quantity in securities portfolio and does not recognise income.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.18 Revenue and income recognition (continued)****(c) Income from capital activities**

Income from capital activities consists of interest income from deposits at bank, income from margin loans, trading advances and financial support agreements. Income is recognised on an accrual basis unless collectability is in doubt.

**(d) Revenue from securities repurchase and reverse repurchase agreements**

Revenue from securities repurchase and reverse repurchase agreements is recognised over the life of the agreement using the straight-line method.

**(a) Other income**

Other income arises from other activities and is recognised on an accruals basis.

**2.20 Expenses****(a) Recognition**

Expenses are recognised on an accruals basis, matching with revenue and on prudence concept.

**(b) Classification**

Expenses are classified by function as follows:

- Operating expenses
- Financial expenses
- General and administration expenses
- Other expenses

**2.21 Current and deferred income tax**

Income taxes include all income taxes which are based on taxable profits including profits generated from operations and trading activities in other countries that the Vietnam has not signed any double tax relief agreement. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the quarter taxable profit and the current tax rates. Current and deferred tax should be recognised as income or an expense and included in profit or loss for the quarter, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.21 Current and deferred income tax (continued)**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

**2.22 Dividend distribution**

Dividend of the Company is recognised as a liability in the Company's financial statements when the dividend is declared in accordance with the Company's charter and prevailing applicable regulations.

**2.23 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

**2.24 Segment reporting**

A segment is a component which can be separated by the Company engaged in providing products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Company's business segment.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Company's financial statements in order to help users of financial statements to understand and evaluate the situation the operations of the Company in a comprehensive way.

**2.25 Nil balances**

Items or balances required by Circular 210/2014/TT-BTC and Circular 334/2016/TT-BTC that are not presented in these financial statements indicate nil balances.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**3 NOTES TO THE STATEMENT OF FINANCIAL POSITION****3.1 Cash and cash equivalents**

|  | <b>As at</b>                    |                               |
|--|---------------------------------|-------------------------------|
|  | <b>30.06.2021</b>               | <b>31.12.2020</b>             |
|  | <b>VND</b>                      | <b>VND</b>                    |
| Cash on hand                                     | 278,675,533                     | 320,240,493                   |
| Cash at bank                                     | 2,092,984,812,170               | 61,440,624,254                |
| Security deposit for covered warrants issued (i) | 34,500,000,000                  | 145,100,000,000               |
| <b>Total</b>                                     | <b><u>2,127,763,487,703</u></b> | <b><u>206,860,864,747</u></b> |

- (i) This represents security deposit at custodian banks in relation to covered warrants issued by the Company.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continue)

## 3.2 Financial assets at fair value through profit or loss (FVTPL)

|   | As at 30.06.2021       |                                    | As at 31.12.2020         |                                    |
|---|------------------------|------------------------------------|--------------------------|------------------------------------|
|   | Cost<br>VND            | Market value/<br>fair value<br>VND | Cost<br>VND              | Market value/<br>fair value<br>VND |
| <b>Listed shares, Unlisted and unregistered shares and shares traded on UPCoM</b> | <b>554,924,540,889</b> | <b>550,153,707,699</b>             | <b>1,104,127,046,749</b> | <b>1,110,233,116,848</b>           |
| Hoa Phat Group Joint Stock Company (HPG)  | 89,919,774,108         | 88,999,313,000                     | 119,310,637,205          | 125,368,053,450                    |
| Vietnam Prosperity Joint-Stock Commercial Bank (VPB)                              | 74,205,476,139         | 74,933,677,300                     | 74,221,141,403           | 76,570,065,000                     |
| Technology and Commercial Joint Stock Bank (TCB)                                  | 43,580,088,849         | 43,827,586,100                     | 102,194,797,438          | 111,300,903,000                    |
| FPT Corporation (FPT)   | 34,149,553,750         | 34,472,592,000                     | 48,497,394,249           | 49,802,742,600                     |
| Novaland Investment Group Corporation (NVL)                                       | 28,477,444,050         | 30,303,482,000                     | 26,543,503,340           | 26,351,556,000                     |
| Vietnam Dairy Products Joint Stock Company (VNM)                                  | 26,169,821,391         | 26,178,393,600                     | 87,541,184,324           | 86,846,368,400                     |
| Mobile World Investment Corporation (MWG)   | 23,703,176,006         | 24,567,000,000                     | 45,468,463,360           | 46,400,487,200                     |
| Vingroup Joint Stock Company (VIC)  | 21,120,530,320         | 21,335,986,000                     | 78,786,826,736           | 80,225,972,000                     |
| Vinhomes Joint Stock Company (VHM)  | 18,084,325,377         | 18,677,748,000                     | 44,628,705,740           | 45,927,014,500                     |
| Saigon Thuong Tin Commercial Joint Stock Bank (STB)                               | 14,790,377,008         | 14,905,351,800                     | 34,250,662,139           | 34,684,326,300                     |
| Vietnam Joint Stock Commercial Bank for Industry and Trade (CTG)                  | 14,228,921,853         | 14,077,118,600                     | 33,973,356,294           | 34,146,663,300                     |
| Masan Group Corporation (MSN)   | 12,320,639,291         | 12,716,644,200                     | 42,913,733,142           | 45,632,370,000                     |
| Joint Stock Commercial Bank for Foreign Trade of Vietnam (VCB)                    | 12,299,577,434         | 12,952,293,600                     | 50,043,038,361           | 50,237,091,300                     |
| Ho Chi Minh City Development Joint Stock Commercial Bank (HDB)                    | 11,201,362,685         | 11,319,246,000                     | 35,627,547,389           | 36,252,178,350                     |
| Military Commercial Joint - Stock Bank (MBB)                                      | 25,647,900,080         | 26,254,190,550                     | 49,322,643,032           | 49,897,281,000                     |
| Others  | 105,025,572,548        | 94,633,084,949                     | 230,803,412,597          | 210,590,044,448                    |
| <b>Underlying assets designated as hedges for covered warrants</b>                | <b>499,109,044,273</b> | <b>531,453,190,100</b>             | <b>932,259,927,594</b>   | <b>1,004,072,574,000</b>           |
| Hoa Phat Group Joint Stock Company (HPG)  | 171,930,834,015        | 174,598,390,000                    | 194,995,190,750          | 217,894,525,800                    |
| Technology and Commercial Joint Stock Bank (TCB)                                  | 117,427,650,292        | 130,447,256,000                    | 76,509,154,400           | 94,767,120,000                     |
| Vietnam Prosperity Joint-Stock Commercial Bank (VPB)                              | 72,390,995,750         | 74,743,508,000                     | 79,986,737,804           | 87,016,800,000                     |
| Saigon Thuong Tin Commercial Joint Stock Bank (STB)                               | 67,784,338,773         | 76,342,410,000                     | 40,248,561,855           | 40,883,635,000                     |
| Vinhomes Joint Stock Company (VHM)  | 46,677,562,353         | 52,330,640,000                     | 71,317,148,712           | 74,990,260,000                     |
| Refrigeration Electrical Engineering Corporation (VRE)                            | 22,880,591,239         | 22,970,172,500                     | 55,512,523,269           | 61,901,018,000                     |
| Others  | 17,071,851             | 20,813,600                         | 413,690,610,804          | 426,619,215,200                    |



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continue)

## 3.2 Financial assets at fair value through profit or loss (FVTPL) (continue)

|                                  | As at 30.06.2021                |                                    | As at 31.12.2020                |                                    |
|----------------------------------|---------------------------------|------------------------------------|---------------------------------|------------------------------------|
|                                  | Cost<br>VND                     | Market value/<br>fair value<br>VND | Cost<br>VND                     | Market value/<br>fair value<br>VND |
| <b>Bonds</b>                     | <b>858,069,000,000</b>          | <b>892,123,151,955</b>             | <b>913,742,600,000</b>          | <b>932,804,513,518</b>             |
| Corporate Bonds - BID11908       | 499,689,600,000                 | 520,835,234,386                    | 499,747,900,000                 | 503,636,349,414                    |
| Corporate Bonds - BVJC201901     | 357,379,400,000                 | 370,244,081,953                    | 412,994,700,000                 | 428,149,123,008                    |
| Vietnam Bank for Social Policies | 1,000,000,000                   | 1,043,835,616                      | 1,000,000,000                   | 1,019,041,096                      |
| <b>ETF certificates</b>          | <b>24,889,169,437</b>           | <b>25,949,777,052</b>              | <b>13,788,161,044</b>           | <b>14,114,395,757</b>              |
| VFMVN30 ETF                      | 19,452,319,363                  | 19,677,650,720                     | 10,527,910,282                  | 10,824,248,480                     |
| VFMDIAMOND ETF                   | 4,406,504,990                   | 4,474,126,332                      | 2,229,905,678                   | 2,259,802,193                      |
| E1VFN30 certificates             | 1,030,345,084                   | 1,798,000,000                      | 1,030,345,084                   | 1,030,345,084                      |
| <b>Total</b>                     | <b><u>1,936,991,754,599</u></b> | <b><u>1,999,679,826,806</u></b>    | <b><u>2,963,917,735,387</u></b> | <b><u>3,061,224,600,123</u></b>    |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continue)

## 3.2 Financial assets at fair value through profit or loss (FVTPL) (continue)

As at 30 June 2021

|   | Cost<br>VND              | Comparison to market price<br>or fair value |                         | Market price/<br>fair value<br>VND |
|---|--------------------------|---|-------------------------|------------------------------------|
|   |                          | Increase<br>VND                             | Decrease<br>VND         |                                    |
| Listed shares, Unlisted and unregistered shares and<br>shares traded on UPCoM | 554,924,540,889          | 7,915,234,576                               | (12,686,067,765)        | 550,153,707,699                    |
| Underlying assets designated as hedges for covered<br>warrants                | 499,109,044,273          | 32,344,145,827                              | -                       | 531,453,190,100                    |
| Listed and Unlisted Bonds   | 858,069,000,000          | 34,054,151,955                              | -                       | 892,123,151,955                    |
| Certificates  | 24,889,169,437           | 1,060,607,615                               | -                       | 25,949,777,052                     |
| <b>Total</b>  | <b>1,936,991,754,599</b> | <b>75,374,139,973</b>                       | <b>(12,686,067,765)</b> | <b>1,999,679,826,806</b>           |

As at 31 December 2020

|   | Cost<br>VND              | Comparison to market price<br>or fair value |                         | Market price/<br>fair value<br>VND |
|---|--------------------------|---|-------------------------|------------------------------------|
|   |                          | Increase<br>VND                             | Decrease<br>VND         |                                    |
| Listed shares, Unlisted and unregistered shares and<br>shares traded on UPCoM | 1,104,127,046,749        | 33,832,036,432                              | (27,725,966,333)        | 1,110,233,116,848                  |
| Underlying assets designated as hedges for covered<br>warrants                | 932,259,927,594          | 72,360,643,228                              | (547,996,822)           | 1,004,072,574,000                  |
| Listed and Unlisted Bonds   | 913,742,600,000          | 19,061,913,518                              | -                       | 932,804,513,518                    |
| Certificates  | 13,788,161,044           | 326,234,713                                 | -                       | 14,114,395,757                     |
| <b>Total</b>  | <b>2,963,917,735,387</b> | <b>125,580,827,891</b>                      | <b>(28,273,963,155)</b> | <b>3,061,224,600,123</b>           |

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)****3.3 Loans**

Details of loans at amortised cost exclusive of provisions for impairments are as follows:

|                                   |     | <b>As at</b>                    |                                 |
|-----------------------------------|-----|---------------------------------|---------------------------------|
|                                   |     | <b>30.06.2021</b>               | <b>31.12.2020</b>               |
|                                   |     | <b>VND</b>                      | <b>VND</b>                      |
| Loans for securities transactions | (i) | 9,169,445,263,141               | 8,623,841,531,603               |
| <b>Total</b>                      |     | <b><u>9,169,445,263,141</u></b> | <b><u>8,623,841,531,603</u></b> |

**(i) Margin loans**

Margin loans represent the amounts lent to customers for their purchases of listed securities in accordance with Decision 87/2017/QĐ-UBCK issued by the State Securities Commission on 25 January 2017.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 3 NOTES TO THE INTERIM STATEMENT OF FINANCIAL POSITION (continued)

## 3.4 Provision for loans and doubtful debts

|  | Doubtful amount           |                           | Provision                 |                 |                 |                           |
|--|---------------------------|---------------------------|---------------------------|-----------------|-----------------|---------------------------|
|  | Opening<br>balance<br>VND | Closing<br>balance<br>VND | Opening<br>balance<br>VND | Provided<br>VND | Reversed<br>VND | Closing<br>balance<br>VND |
| Overdue margin loans                         | 37,783,317,946            | 37,783,317,946            | 37,783,317,946            | -               | -               | 37,783,317,946            |
| Consultancy service fees<br>receivable       | 1,145,650,000             | 1,145,650,000             | 1,145,650,000             | -               | -               | 1,145,650,000             |
| Other receivables from securities<br>trading | 654,824,202               | 654,824,202               | 654,824,202               | -               | -               | 654,824,202               |
| <b>Total</b>                                 | <b>39,583,792,148</b>     | <b>39,583,792,148</b>     | <b>39,583,792,148</b>     | <b>-</b>        | <b>-</b>        | <b>39,583,792,148</b>     |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

## 3.5 Receivables

|  | As at                           |                               |
|--|---------------------------------|-------------------------------|
|  | 30.06.2021<br>VND               | 31.12.2020<br>VND             |
| <b>Receivables from services provided by the Company</b> |                                 |                               |
| Receivable from VSD                                      | -                               | 169,299,572,920               |
| Receivable from securities purchasing (i)                | 1,982,753,232,014               | 17,000,000,000                |
| Consultancy service fees receivable                      | 1,343,650,000                   | 1,222,650,000                 |
| Other receivables from trading activities                | 3,171,774,366                   | 5,701,298,867                 |
|  | <hr/>                           | <hr/>                         |
| <b>Total</b>   | <b><u>1,987,268,656,380</u></b> | <b><u>193,223,521,787</u></b> |
| <b>Other receivables</b>                                 |                                 |                               |
| Bank interest receivables                                | 65,920,789,450                  | 63,402,331,232                |
| Others   | 3,158,135,709                   | 1,456,458,098                 |
|  | <hr/>                           | <hr/>                         |
| <b>Total</b>   | <b><u>69,078,925,159</u></b>    | <b><u>64,858,789,330</u></b>  |

(i) This is receivable from institutional investors in relation to their purchases of securities.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

## 3.6 Fixed assets

(a) *Tangible fixed assets*

|                                 | Transportation<br>vehicles<br>VND | Office<br>equipment<br>VND    | Total<br>VND                  |
|---------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| <b>Historical cost</b>          |                                   |                               |                               |
| As at 01.01.2021                | 4,410,223,640                     | 100,166,765,649               | 104,576,989,289               |
| New purchases                   | -                                 | 1,665,510,284                 | 1,665,510,284                 |
| Disposals                       | (856,040,240)                     | -                             | (856,040,240)                 |
| As at 30.06.2021                | <b><u>3,554,183,400</u></b>       | <b><u>101,832,275,933</u></b> | <b><u>105,386,459,333</u></b> |
| <b>Accumulated depreciation</b> |                                   |                               |                               |
| As at 01.01.2021                | 2,793,750,676                     | 74,910,994,780                | 77,704,745,456                |
| Charge for the period           | 200,776,667                       | 7,220,612,807                 | 7,421,389,474                 |
| Disposals                       | (856,040,240)                     | -                             | (856,040,240)                 |
| As at 30.06.2021                | <b><u>2,138,487,103</u></b>       | <b><u>82,131,607,587</u></b>  | <b><u>84,270,094,690</u></b>  |
| <b>Net book value</b>           |                                   |                               |                               |
| As at 01.01.2021                | <b><u>1,616,472,964</u></b>       | <b><u>25,255,770,869</u></b>  | <b><u>26,872,243,833</u></b>  |
| As at 30.06.2021                | <b><u>1,415,696,297</u></b>       | <b><u>19,700,668,346</u></b>  | <b><u>21,116,364,643</u></b>  |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

## 3.6 Fixed assets (continued)

## (b) Intangible fixed assets

|                                 | Computer<br>software<br>VND  |
|---------------------------------|------------------------------|
| <b>Historical cost</b>          |                              |
| As at 01.01.2021                | 83,670,927,010               |
| New purchases                   | <u>342,334,074</u>           |
| As at 30.06.2021                | <b><u>84,013,261,084</u></b> |
| <b>Accumulated depreciation</b> |                              |
| As at 01.01.2021                | 63,664,514,660               |
| Charge for the period           | <u>5,938,854,572</u>         |
| As at 30.06.2021                | <b><u>69,603,369,232</u></b> |
| <b>Net book value</b>           |                              |
| As at 01.01.2021                | <u>20,006,412,350</u>        |
| As at 30.06.2021                | <b><u>14,409,891,852</u></b> |

## (c) Construction in progress

Construction in progress comprises the following:

|                               | As at                |                    |
|-------------------------------|----------------------|--------------------|
|                               | 30.06.2021           | 31.12.2020         |
|                               | VND                  | VND                |
| Purchases of trading software | <u>4,903,922,195</u> | <u>342,334,073</u> |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)****3.7 Long-term prepaid expenses**

|                   | As at                        |                              |
|-------------------|------------------------------|------------------------------|
|                   | 30.06.2021<br>VND            | 31.12.2020<br>VND            |
| Office rental     | 82,621,614,601               | 84,037,985,137               |
| Office renovation | 14,194,075,766               | 9,390,231,427                |
| Consulting fee    | 1,133,674,060                | 474,504,000                  |
| IT costs          | 94,442,211                   | 111,342,309                  |
| <b>Total</b>      | <b><u>98,043,806,638</u></b> | <b><u>94,014,062,873</u></b> |

**3.8 Deposits in the Settlement Supporting Fund**

According to Decision No.45/QD-VSD dated 22 May 2014 issued by the Vietnam Securities Depository, the Company is required to deposit an initial amount of VND120 million at the Vietnam Securities Depository and an additional annual contribution equivalent to 0.01% of the total value of brokered securities in the previous year up to the maximum limit of VND2.5 billion in any one year. The maximum amount of contribution is VND20 billion.

As at 30 June 2021 and as at 31 December 2020, the Company fully contributed the maximum amount.

**3.9 Deposits in the Derivatives trading Settlement Fund**

According to Policy of management and use of Derivatives trading Settlement Fund attached to Decision No.97/QD-VSD dated 23 March 2017 of the Vietnam Securities Depository, the minimum amount of initial contribution applicable to direct clearing members is VND10 billion.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

## 3.10 Short-term borrowings

The movements of short-term borrowings during the period are as follows:

|                                  | Interest<br>% per<br>annum | Opening balance<br>VND   | Disbursement<br>VND       | Repayment<br>VND            | Closing balance<br>VND   |
|----------------------------------|----------------------------|--------------------------|---------------------------|-----------------------------|--------------------------|
| <b>Short-term borrowings (i)</b> |                            |                          |                           |                             |                          |
| Bank borrowings                  | 3.0 – 7.4                  | 6,555,630,000,000        | 30,152,000,000,000        | (28,239,800,000,000)        | 8,467,830,000,000        |
| Bank overdrafts                  | 5.1 – 7.3                  | 160,941,061,080          | 13,716,394,147,321        | (13,376,794,936,901)        | 500,540,271,500          |
| <b>Total</b>                     |                            | <b>6,716,571,061,080</b> | <b>43,868,394,147,321</b> | <b>(41,616,594,936,901)</b> | <b>8,968,370,271,500</b> |

- (i) Borrowings have maturities from 1 to 3 months and are used for working capital.  
The Company had no borrowings from related parties as at 30 June 2021.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

## 3.11 Trading obligations

|  | As at                           |                               |
|--|---------------------------------|-------------------------------|
|  | 30.06.2021<br>VND               | 31.12.2020<br>VND             |
| Payables to investors for purchasing stocks          | 498,589,113,735                 | 174,815,723,707               |
| Payables to investors for purchasing corporate bonds | 372,270,325,382                 | 422,227,641,347               |
| Trading settlement balances with the Stock Exchanges | 356,780,197,202                 | -                             |
| Covered warrant payables                             | 214,294,671,000                 | 311,922,070,959               |
| Payables to Stock Exchanges and VSD                  | 34,513,377,971                  | 16,794,928,434                |
| Variation margin payment to VSD                      | -                               | 8,555,000,000                 |
| Others   | 1,861,657,374                   | 980,730,466                   |
| <b>Total</b>   | <b><u>1,478,309,342,664</u></b> | <b><u>935,296,094,913</u></b> |

## 3.12 Tax and other payables to the State budget

|  | As at                         |                              |
|--|-------------------------------|------------------------------|
|  | 30.06.2021<br>VND             | 31.12.2020<br>VND            |
| Business income tax – current  | 68,835,210,370                | 35,382,154,300               |
| Personal income tax withheld and paid on behalf of investors             | 40,895,509,107                | 21,270,427,173               |
| Corporate income tax withheld and paid on behalf of foreign institutions | 11,446,606,178                | 4,830,303,088                |
| Personal income tax withheld and paid on behalf of employees             | 7,979,740,155                 | 4,248,290,370                |
| Value added tax  | 92,614,118                    | 48,750,780                   |
| Foreign contractor tax   | -                             | 1,233,704,212                |
| <b>Total</b>   | <b><u>129,249,679,928</u></b> | <b><u>67,013,629,923</u></b> |

## 3.13 Short-term accrued expenses

|                                   | As at                        |                              |
|-----------------------------------|------------------------------|------------------------------|
|                                   | 30.06.2021<br>VND            | 31.12.2020<br>VND            |
| Interest expenses                 | 37,957,558,182               | 22,032,166,627               |
| Allowance for working performance | 21,000,000,000               | 50,000,000,000               |
| Others                            | 13,024,698,677               | 11,744,363,077               |
| <b>Total</b>                      | <b><u>71,982,256,859</u></b> | <b><u>83,776,529,704</u></b> |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

**3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)****3.14 Other short-term liabilities**

|  | As at                        |                               |
|--|------------------------------|-------------------------------|
|  | 30.06.2021<br>VND            | 31.12.2020<br>VND             |
| Receipts from investors for their subscriptions of shares from issuers | 29,807,991,500               | 6,364,500,000                 |
| Dividends payable to shareholders                                      | 3,458,831,720                | 155,942,531,017               |
| Dividends paid on behalf   | 3,411,758,929                | 3,413,307,130                 |
| Business development expenses payables                                 | -                            | 31,088,313,897                |
| Other payables   | 16,923,015,170               | 13,112,369,388                |
| <b>Total</b>   | <b><u>53,601,597,319</u></b> | <b><u>209,921,021,432</u></b> |

**3.15 Share capital****a. Number of shares**

|                                    | Tại ngày           |                    |
|------------------------------------|--------------------|--------------------|
|                                    | 30.06.2021<br>VND  | 31.12.2020<br>VND  |
| Number of shares registered        | 305,882,263        | 305,882,263        |
| Number of shares issued            | 305,882,263        | 305,882,263        |
| Number of shares repurchased       | (840,418)          | (840,418)          |
| Number of existing shares in issue | <u>305,041,845</u> | <u>305,041,845</u> |

As at 30 June 2021 and as at 31 December 2020, all of the Company's shares are ordinary shares. Each ordinary share has a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

## 3.15 Share capital (continued)

## b. Movement of share capital

|                      | Ordinary<br>shares |
|----------------------|--------------------|
| As at 1 January 2021 | 305,041,845        |
| New shares issued    | -                  |
| As at 30 June 2021   | <u>305,041,845</u> |

## 3.16 Undistributed earnings

|                           | As at                         |                               |
|---------------------------|-------------------------------|-------------------------------|
|                           | 30.06.2021                    | 31.12.2020                    |
|                           | VND                           | VND                           |
| Realised post-tax profits | 1,008,625,915,599             | 647,641,022,448               |
| Unrealised profits        | (53,157,305,427)              | 27,645,711,697                |
| <b>Total</b>              | <u><b>955,468,610,172</b></u> | <u><b>675,286,734,145</b></u> |

## 4 NOTES TO OFF STATEMENT OF FINANCIAL POSITION ITEMS

## 4.1 Bad debts written off

|                   | As at              |                    |
|-------------------|--------------------|--------------------|
|                   | 30.06.2021         | 31.12.2020         |
|                   | VND                | VND                |
| Other receivables | 345,059,000        | 345,059,000        |
|                   | <u>345,059,000</u> | <u>345,059,000</u> |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 4 NOTES TO OFF STATEMENT OF FINANCIAL POSITION ITEMS (continued)

## 4.2 Foreign currencies

Included in cash and cash equivalents are balances held in foreign currencies as follows:

|                   | As at      |            |
|-------------------|------------|------------|
|                   | 30.06.2021 | 31.12.2020 |
| US Dollar         | 3,456.70   | 1,880.68   |
| Japanese Yen      | 241,915    | 241,915    |
| Singapore Dollar  | 844        | 844        |
| British Pound     | 4,660.58   | 7,146.28   |
| Taiwanese Dollar  | 3,200      | 3,200      |
| Canadian Dollar   | 100        | 100        |
| Malaysian Ringgit | 750        | 750        |

## 4.3 Number of shares in issue

|  | As at              |                    |
|--|--------------------|--------------------|
|  | 30.06.2021         | 31.12.2020         |
| Quantity issued for 1 year or more (share) | 305,041,845        | 305,041,845        |
| <b>Total</b>                               | <b>305,041,845</b> | <b>305,041,845</b> |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 4 NOTES TO OFF STATEMENT OF FINANCIAL POSITION ITEMS (continued)

## 4.4 Covered warrant

| Ticker symbol | Underlying security                                  | Maturity date | As at 30.06.2021<br>Covered warrant             |   |   |                                   |
|---------------|--|---------------|---|---|---|-----------------------------------|
|               |  |               | Number of covered warrants authorised for issue | Number of cancellation of covered warrants registration | Number of additional issuance of covered warrants | Number of covered warrants issued |
| CHPG2105      | Hoa Phat Group Joint Stock Company (HPG)             | 09.08.2021    | 5,000,000                                       | -   | 4,999,900   | 100                               |
| CSTB2103      | Saigon Thuong Tin Commercial Joint Stock Bank (STB)  | 09.08.2021    | 5,000,000                                       | -   | 5,000,000   | -                                 |
| CTCB2103      | Technology and Commercial Joint Stock Bank (TCB)     | 09.08.2021    | 5,000,000                                       | -   | 5,000,000   | -                                 |
| CVHM2104      | Vinhomes Joint Stock Company (VHM)                   | 09.08.2021    | 5,000,000                                       | -   | 4,999,000   | 1,000                             |
| CVPB2103      | Vietnam Prosperity Joint-Stock Commercial Bank (VPB) | 09.08.2021    | 5,000,000                                       | -   | 2,234,500   | 2,765,500                         |
| CVRE2103      | Vincom Retail Joint Stock Company (VRE)              | 09.08.2021    | 5,000,000                                       | -   | 4,999,400   | 600                               |
|               |  |               | <b>30,000,000</b>                               | <b>-</b>  | <b>27,232,800</b>                                 | <b>2,767,200</b>                  |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 5 NOTES TO THE STATEMENT OF INCOME

## 5.1 Net realised gains on disposals of FVTPL financial assets

|  | 2nd Quarter            |                       | Year to date           |                       |
|--|------------------------|-----------------------|------------------------|-----------------------|
|  | 2021<br>VND            | 2020<br>VND           | 2021<br>VND            | 2020<br>VND           |
| Realised gains on disposals of FVTPL financial assets  | 385,032,200,755        | 150,175,271,327       | 1,010,173,685,216      | 312,410,353,446       |
| Realised losses on disposals of FVTPL financial assets | (254,288,522,549)      | (75,929,059,902)      | (709,204,448,525)      | (235,091,602,883)     |
| <b>Total</b>   | <b>130,743,678,206</b> | <b>74,246,211,425</b> | <b>300,969,236,691</b> | <b>77,318,750,563</b> |

## 5.2 Gains/(losses) from revaluation of FVTPL financial assets and covered warrant

## 5.2a Gains/(losses) from revaluation of FVTPL financial assets

|   | 2nd Quarter           |                       | Year to date            |                       |
|---|-----------------------|-----------------------|-------------------------|-----------------------|
|   | 2021<br>VND           | 2020<br>VND           | 2021<br>VND             | 2020<br>VND           |
| Gains from revaluation of FVTPL financial assets  | 16,876,238,446        | 13,365,320,704        | (50,206,687,921)        | 7,876,186,371         |
| Losses from revaluation of FVTPL financial assets | (441,756,822)         | 11,444,900,014        | 15,587,895,392          | 27,056,234,671        |
| <b>Total</b>                                      | <b>16,434,481,624</b> | <b>24,810,220,718</b> | <b>(34,618,792,529)</b> | <b>34,932,421,042</b> |

## 5.2b Gains/(losses) from revaluation of covered warrant

|  | 2nd Quarter             |                         | Year to date            |                        |
|--|-------------------------|-------------------------|-------------------------|------------------------|
|  | 2021<br>VND             | 2020<br>VND             | 2021<br>VND             | 2020<br>VND            |
| Decrease in covered warrants liabilities due to revaluations | (9,852,001,128)         | (25,144,724,055)        | 1,529,705,712           | (6,073,120,332)        |
| Increase in covered warrants liabilities due to revaluations | (59,939,754,146)        | -                       | (47,713,930,307)        | -                      |
| <b>Total</b>   | <b>(69,791,755,274)</b> | <b>(25,144,724,055)</b> | <b>(46,184,224,595)</b> | <b>(6,073,120,332)</b> |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 5 NOTES TO THE STATEMENT OF INCOME (continued)

## 5.2 Gains/(losses) from revaluation of FVTPL financial assets and covered warrant (continued)

a Details of gains/(losses) from revaluation of FVTPL financial assets by category are as follows:

|  | Cost<br>VND                     | Market value/<br>fair value<br>VND | Accumulated<br>revaluation<br>gains/(losses)<br>30.06.2021<br>VND | Accumulated<br>revaluation<br>gains/(losses)<br>31.12.2020<br>VND | Credited/<br>(charged) to<br>statement of<br>income<br>VND |
|--|---------------------------------|------------------------------------|---|---|--|
| Listed shares, Unlisted and<br>unregistered shares and shares<br>traded on UPCoM | 554,924,540,889                 | 550,153,707,699                    | (4,770,833,190)   | 6,106,070,099   | (10,876,903,289)   |
| Underlying assets designated as<br>hedges for covered warrants                   | 499,109,044,273                 | 531,453,190,100                    | 32,344,145,827  | 71,812,646,406  | (39,468,500,579)   |
| Listed bonds   | 858,069,000,000                 | 892,123,151,955                    | 34,054,151,955  | 19,061,913,518  | 14,992,238,437   |
| Certificates   | 24,889,169,437                  | 25,949,777,052                     | 1,060,607,615   | 326,234,713   | 734,372,902  |
| <b>Total</b>   | <b><u>1,936,991,754,599</u></b> | <b><u>1,999,679,826,806</u></b>    | <b><u>62,688,072,207</u></b>                                      | <b><u>97,306,864,736</u></b>                                      | <b><u>(34,618,792,529)</u></b>                             |

b Details of gains/(losses) from revaluation of covered warrants are as follows:

|                  | Cost<br>VND                  | Market value/<br>fair value<br>VND | Accumulated<br>revaluation<br>gains/(losses)<br>30.06.2021<br>VND | Accumulated<br>revaluation<br>gains/(losses)<br>31.12.2020<br>VND | Credited/<br>(charged) to<br>statement of<br>income<br>VND |
|------------------|------------------------------|------------------------------------|---|---|--|
| Covered warrants | 98,449,293,366               | 214,294,671,000                    | (115,845,377,634)   | (69,661,153,039)  | (46,184,224,595)   |
| <b>Total</b>     | <b><u>98,449,293,366</u></b> | <b><u>214,294,671,000</u></b>      | <b><u>(115,845,377,634)</u></b>                                   | <b><u>(69,661,153,039)</u></b>                                    | <b><u>(46,184,224,595)</u></b>                             |



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 5 NOTES TO THE STATEMENT OF INCOME (continued)

## 5.3 Operating expenses not related to financial assets

|   | 2nd Quarter                   |                               | Year to date                  |                               |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|   | 2021<br>VND                   | 2020<br>VND                   | 2021<br>VND                   | 2020<br>VND                   |
| <b>Proprietary trading activities</b>         | <b>12,594,547,952</b>         | <b>9,766,758,127</b>          | <b>26,495,668,196</b>         | <b>17,702,207,043</b>         |
| Staff costs                                   | 1,996,473,726                 | 1,556,267,947                 | 2,745,431,352                 | 2,415,545,393                 |
| Brokerage fee                                 | 4,686,530,030                 | 1,849,646,211                 | 11,464,371,864                | 4,469,824,502                 |
| Depreciation and amortisation                 | 260,574,126                   | 383,419,673                   | 639,050,118                   | 766,839,346                   |
| Outsourcing expenses                          | 4,274,877,542                 | 3,695,760,492                 | 5,405,180,593                 | 4,350,214,113                 |
| Allocation expenses                           | 1,376,092,528                 | 2,281,663,804                 | 6,241,634,269                 | 5,699,783,689                 |
| <b>Brokerage fee expenses</b>                 | <b>185,313,454,714</b>        | <b>97,334,521,346</b>         | <b>340,952,423,026</b>        | <b>179,401,547,737</b>        |
| Staff costs                                   | 85,788,976,715                | 42,635,140,232                | 153,549,245,081               | 75,038,018,257                |
| Brokerage fee                                 | 74,258,074,920                | 30,783,510,503                | 136,527,715,217               | 54,234,780,646                |
| Depreciation and amortisation                 | 3,503,680,349                 | 2,979,940,203                 | 7,311,019,227                 | 5,937,457,107                 |
| Outsourcing expenses                          | 11,111,132,007                | 10,923,914,204                | 21,248,260,754                | 22,150,630,232                |
| Office rental expenses                        | 5,756,496,892                 | 7,067,735,501                 | 10,300,247,787                | 14,267,885,717                |
| Allocation expenses                           | 4,895,093,831                 | 2,944,280,703                 | 12,015,934,960                | 7,772,775,778                 |
| <b>Custody service expenses</b>               | <b>2,134,269,393</b>          | <b>1,844,194,521</b>          | <b>4,266,140,989</b>          | <b>3,821,490,168</b>          |
| <b>Financial consultancy service expenses</b> | <b>4,054,040,422</b>          | <b>3,663,308,179</b>          | <b>8,071,418,255</b>          | <b>7,608,527,616</b>          |
| Staff costs                                   | 3,604,383,405                 | 3,276,222,958                 | 6,933,991,941                 | 6,485,427,029                 |
| Outsourcing expenses                          | 449,657,017                   | 387,085,221                   | 1,137,426,314                 | 1,123,100,587                 |
| <b>Other operating expenses</b>               | <b>797,366,188</b>            | <b>809,762,993</b>            | <b>1,896,872,800</b>          | <b>1,597,036,965</b>          |
| <b>Total</b>                                  | <b><u>204,893,678,669</u></b> | <b><u>113,418,545,166</u></b> | <b><u>381,682,523,266</u></b> | <b><u>210,130,809,529</u></b> |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 5 THÔNG TIN BỔ SUNG BÁO CÁO KẾT QUẢ HOẠT ĐỘNG (tiếp theo)

## 5.4 General and administration expenses

|                               | 2nd Quarter                  |                              | Year to date                  |                              |
|-------------------------------|------------------------------|------------------------------|-------------------------------|------------------------------|
|                               | 2021<br>VND                  | 2020<br>VND                  | 2021<br>VND                   | 2020<br>VND                  |
| Staff costs                   | 32,483,966,415               | 31,311,348,458               | 67,364,487,128                | 60,286,232,458               |
| Office rental expenses        | 3,869,710,196                | 2,487,651,875                | 8,100,362,223                 | 4,965,895,462                |
| Outsourcing expenses          | 8,054,929,437                | 6,680,171,585                | 16,686,112,903                | 16,357,319,156               |
| Depreciation and amortisation | 2,153,908,060                | 3,498,892,737                | 4,328,413,634                 | 6,853,992,110                |
| Tax and other fees            | 28,189,146                   | 99,423,882                   | 75,581,069                    | 187,079,751                  |
| Office tools and supplies     | 512,496,604                  | 562,017,169                  | 821,200,325                   | 966,618,296                  |
| Other administrative expenses | 13,074,004,398               | 2,222,999,450                | 15,728,626,951                | 4,729,139,746                |
| <b>Total</b>                  | <b><u>60,177,204,256</u></b> | <b><u>46,862,505,156</u></b> | <b><u>113,104,784,233</u></b> | <b><u>94,346,276,979</u></b> |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 6 RELATED PARTIES DISCLOSURES

Identified related parties and relationships are presented below:

| <u>Related party</u>  | <u>Relationship</u>  |
|---|--|
| Dragon Capital Markets Limited (DC)                           | Strategic shareholder, holding 29,96% of charter capital.<br>The Company's Chairman is a member of the Board of Directors of Dragon Capital Vietnam Investment Fund Management Joint Stock Company (DCVFM).<br>The Company's Vice Chairman is a member of the Board of Directors of Dragon Capital Vietnam Investment Fund Management Joint Stock Company (DCVFM).<br>The Company's member of the Board of Directors is the Head of Dragon Capital Management (HK) Representative Office.<br>The Company's Vice Chairman and member of the Board of Directors is representative for DC's shares. |
| Ho Chi Minh Finance and Investment State-owned Company (HFIC) | Strategic shareholder, holding 23,86% of charter capital.<br>Two members of the Board of Directors are Deputy General Director and Head of Legal at HFIC.  |
| Board of Directors and Board of Management                    | Key management   |

During the period, the following significant transactions were carried out with related parties:

| <u>Related party</u>  | <u>Transactions</u>             | <u>Current period<br/>VND</u> |
|---|---------------------------------|-------------------------------|
| Dragon Capital Markets Limited (DC)                           | Dividends payable               | 109,980,667,200               |
| Ho Chi Minh Finance and Investment State-owned Company (HFIC) | Dividends payable               | 87,570,216,000                |
|   | Deposits for securities trading | 25,145,733                    |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 6 RELATED PARTIES DISCLOSURES (continued)

## Related party transactions in Q2/2021

| <i>Related party</i>               | <i>Transactions</i>                          | <i>Current period<br/>VND</i> |
|------------------------------------|--|-------------------------------|
| Compensation of key management (*) | Gross salaries and other benefits in Q2/2021 | 3,512,307,693                 |

(\*) Details of compensation of certain key management are as follows:

**Remuneration to the Board of Directors**

|   |                  |             |
|---|------------------|-------------|
| Mr Johan Nyvene<br>(from 22 April 2021)   | Chairperson      | 552,307,692 |
| Mr. Do Hung Viet<br>(until 22 April 2021) | Chairperson      | 80,000,000  |
| Mr. Le Anh Minh                           | Vice Chairperson | 176,666,667 |
| Mr. Le Hoang Anh                          | Member           | 110,000,000 |
| Mr. Nguyen Hong Van                       | Member           | 76,666,667  |
| Mr. Tran Tuan Tu                          | Member           | 110,000,000 |
| Ms. Nguyen Thi Hoang Lan                  | Member           | 160,000,000 |
| Mr. Andrew Colin Vallis                   | Member           | 160,000,000 |

**1,425,641,026****Remuneration to the Board of Supervision**

|                          |                  |             |
|--------------------------|------------------|-------------|
| Mr. Pham Nghiem Xuan Bac | Chief Supervisor | 123,333,333 |
| Ms. Dang Nguyet Minh     | Member           | 106,666,667 |
| Ms. Nguyen Thi Thu Thanh | Member           | 56,666,667  |

**286,666,667****Gross salary of the Chief Executive Officer**

|                      |                 |               |
|----------------------|-----------------|---------------|
| Mr. Trinh Hoai Giang | Chief Executive | 1,800,000,000 |
|----------------------|-----------------|---------------|

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 7 SEGMENT INFORMATION

**Geographical segments**

The principal activities of the Company are carried within Vietnam territory. Risks and returns of the Company are not materially affected by distinctions between geographical areas. On this ground, the Board of Management determines that the Company has only one geographical segment.

**Business activity segments**

Information of segment income and expenses based on the activities of the Company are as follows:

|  | For the period ended 30 June 2021 |                        |                        |                      |                               |
|--|-----------------------------------|------------------------|------------------------|----------------------|-------------------------------|
|  | Brokerage and services VND        | Trading VND            | Lending VND            | Consultancy VND      | Total VND                     |
| Revenue and income (*)   | 660,334,131,066                   | 1,073,752,729,303      | 493,125,424,170        | 17,378,069,994       | <b>2,244,590,354,533</b>      |
| Expenses   | (347,115,436,815)                 | (767,826,151,636)      | (256,520,141,915)      | (8,071,418,255)      | <b>(1,379,533,148,621)</b>    |
| <i>In which:</i>   |                                   |                        |                        |                      |                               |
| <i>Direct cash expenses</i>  | (327,556,170,216)                 | (728,847,196,617)      | (256,520,141,915)      | (8,026,023,811)      | <b>(1,320,949,532,559)</b>    |
| <i>Total amount of significant non-cash expenses, other than depreciation, amortisation and allocation of prepaid expenses</i> | -                                 | (32,126,034,915)       | -                      | -                    | <b>(32,126,034,915)</b>       |
| <i>Total depreciation and amortisation of fixed assets</i>   | (7,311,019,227)                   | (639,050,118)          | -                      | (45,394,444)         | <b>(7,995,463,789)</b>        |
| <i>Allocation of long-term and short-term prepaid expenses</i>   | (12,248,247,372)                  | (6,213,869,986)        | -                      | -                    | <b>(18,462,117,358)</b>       |
| Segment result   | <u>313,218,694,251</u>            | <u>305,926,577,667</u> | <u>236,605,282,255</u> | <u>9,306,651,739</u> | <b><u>865,057,205,912</u></b> |
| Net financial income   |                                   |                        |                        |                      | <b>1,750,622,606</b>          |
| Net other income   |                                   |                        |                        |                      | <b>16,311,000</b>             |
| General and administration expenses  |                                   |                        |                        |                      | <b>(113,104,784,233)</b>      |
| Operating result   |                                   |                        |                        |                      | <b>753,719,355,285</b>        |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 7 SEGMENT INFORMATION (continued)

*Business activity segments (continued)*

|  | For the period ended 30 June 2020 |                        |                        |                        |                               |
|--|-----------------------------------|------------------------|------------------------|------------------------|-------------------------------|
|  | Brokerage and services VND        | Trading VND            | Lending VND            | Consultancy VND        | Total VND                     |
| Revenue and income (*)   | 263,005,133,550                   | 397,090,932,359        | 221,833,052,132        | 3,747,498,824          | <b>885,676,616,865</b>        |
| Expenses   | (184,820,074,870)                 | (225,737,575,255)      | (60,762,662,969)       | (7,608,527,616)        | <b>(478,928,840,710)</b>      |
| <i>In which:</i>   |                                   |                        |                        |                        |                               |
| <i>Direct cash expenses</i>  | (162,050,583,453)                 | (239,684,024,205)      | (60,762,662,969)       | (7,567,350,950)        | <b>(470,064,621,577)</b>      |
| <i>Total amount of significant non-cash expenses, other than depreciation, amortisation and allocation of prepaid expenses</i> | -                                 | 27,056,234,671         | -                      | -                      | <b>27,056,234,671</b>         |
| <i>Total depreciation and amortisation of fixed assets</i>   | (5,937,457,107)                   | (766,839,346)          | -                      | (41,176,666)           | <b>(6,745,473,119)</b>        |
| <i>Allocation of long-term and short-term prepaid expenses</i>   | (16,832,034,310)                  | (12,342,946,375)       | -                      | -                      | <b>(29,174,980,685)</b>       |
| Segment result   | <u>78,185,058,680</u>             | <u>171,353,357,104</u> | <u>161,070,389,163</u> | <u>(3,861,028,792)</u> | <u><b>406,747,776,155</b></u> |
| Net financial income   |                                   |                        |                        |                        | <b>1,406,342,587</b>          |
| Net other income   |                                   |                        |                        |                        | <b>54,708,333</b>             |
| General and administration expenses  |                                   |                        |                        |                        | <b>(94,346,276,979)</b>       |
| Operating result   |                                   |                        |                        |                        | <b>313,862,550,096</b>        |

(\*) All of revenues are from services rendered to external customers, and all of income is generated from transactions with external partners.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 7 SEGMENT INFORMATION (continued)

*Business activity segments (continued)*

Information of segment assets and liabilities based on the activities of the Company are as follows:

|                         | As at 30 June 2021               |                          |                           |                      |                        |                           |
|-------------------------|----------------------------------|--------------------------|---------------------------|----------------------|------------------------|---------------------------|
|                         | Brokerage<br>and services<br>VND | Trading<br>VND           | Lending<br>VND            | Consultancy<br>VND   | Unallocated<br>VND     | Total<br>VND              |
| Segment assets          | 2,129,219,171,547                | 2,018,458,966,867        | 11,329,707,402,594        | 3,493,765,917        | -                      | 15,480,879,306,925        |
| Unallocated assets      | -                                | -                        | -                         | -                    | 60,159,216,091         | 60,159,216,091            |
| Total assets            | <u>2,129,219,171,547</u>         | <u>2,018,458,966,867</u> | <u>11,329,707,402,594</u> | <u>3,493,765,917</u> | <u>60,159,216,091</u>  | <u>15,541,038,523,016</u> |
| Segment liabilities     | 1,482,066,237,062                | -                        | 9,006,327,829,682         | -                    | -                      | 10,488,394,066,744        |
| Unallocated liabilities | -                                | -                        | -                         | -                    | 247,235,777,794        | 247,235,777,794           |
| Total liabilities       | <u>1,482,066,237,062</u>         | <u>-</u>                 | <u>9,006,327,829,682</u>  | <u>-</u>             | <u>247,235,777,794</u> | <u>10,735,629,844,538</u> |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

## 7 SEGMENT INFORMATION (continued)

*Business activity segments (continued)*

|                         | As at 31 December 2020           |                          |                          |                      |                        |                           |
|-------------------------|----------------------------------|--------------------------|--------------------------|----------------------|------------------------|---------------------------|
|                         | Brokerage<br>and services<br>VND | Trading<br>VND           | Lending<br>VND           | Consultancy<br>VND   | Unallocated<br>VND     | Total<br>VND              |
| Segment assets          | 330,925,036,669                  | 3,241,659,928,389        | 8,860,312,830,607        | 2,945,599,248        | -                      | 12,435,843,394,913        |
| Unallocated assets      | -                                | -                        | -                        | -                    | 52,984,158,174         | 52,984,158,174            |
| Total assets            | <u>330,925,036,669</u>           | <u>3,241,659,928,389</u> | <u>8,860,312,830,607</u> | <u>2,945,599,248</u> | <u>52,984,158,174</u>  | <u>12,488,827,553,087</u> |
| Segment liabilities     | 941,731,165,549                  | -                        | 6,738,603,227,707        | -                    | -                      | 7,680,334,393,256         |
| Unallocated liabilities | -                                | -                        | -                        | -                    | 368,138,628,446        | 368,138,628,446           |
| Total liabilities       | <u>941,731,165,549</u>           | <u>-</u>                 | <u>6,738,603,227,707</u> | <u>-</u>             | <u>368,138,628,446</u> | <u>8,048,473,021,702</u>  |



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2021 TO 30 JUNE 2021

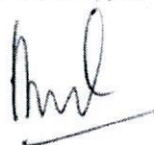
## 8 COMPARATIVE FIGURES

## STATEMENT OF INCOME

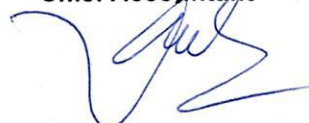
| Code | ITEMS   | Q2/2020             |                                      |                  |
|------|---|---------------------|--------------------------------------|------------------|
|      |   | Previously reported | Restatement/<br>reclassification (*) | Restated         |
|      | <b>OPERATING INCOME</b>   |                     |                                      |                  |
| 01   | Income from FVTPL financial assets  | 186,668,894,709     | (9,074,468,523)                      | 177,594,426,186  |
| 01.1 | Realised gains on disposal of FVTPL financial assets  | 159,249,739,850     | (9,074,468,523)                      | 150,175,271,327  |
| 01.2 | Increase in revaluation gains of FVTPL financial assets   | 9,203,901,346       | 4,161,419,358                        | 13,365,320,704   |
| 01.3 | Dividends and interest income from FVTPL financial assets   | 43,397,981,368      | (4,199,423,158)                      | 39,198,558,210   |
| 01.4 | Decrease in covered warrants liabilities due to revaluations  | (25,182,727,855)    | 38,003,800                           | (25,144,724,055) |
| 03   | Interest income from loans and receivables  | 103,193,120,651     | 2,314,841,985                        | 105,507,962,636  |
| 06   | Brokerage fee income  | 143,773,171,195     | 6,759,626,538                        | 150,532,797,733  |
|      | <b>OPERATING EXPENSES</b>   |                     |                                      |                  |
| 21   | Losses from FVTPL financial assets  | 64,483,499,888      | 660,000                              | 64,484,159,888   |
| 24   | Provisions for financial assets, losses on bad debts, impairment losses of financial assets and interest expenses associated with loans | 26,467,648,698      | 1                                    | 26,467,648,699   |
| 26   | Proprietary trading activities  | 9,938,062,408       | (171,304,281)                        | 9,766,758,127    |
| 27   | Brokerage fee expenses  | 97,161,388,586      | 173,132,760                          | 97,334,521,346   |
| 31   | Financial consultancy service expenses  | 811,591,473         | (1,828,480)                          | 809,762,993      |
| 91   | Realised profit   | 192,288,910,899     | (4,199,423,158)                      | 188,089,487,741  |
| 92   | Unrealised profit   | (4,533,926,495)     | 4,199,423,158                        | (334,503,337)    |

(\*) Reclassify interest from loans and receivables, brokerage fee income to correct line on the report. Reclassify operating expenses to correct line on the report.

Prepared by



Le Thi Thuy Duong

Chief Financial Officer cum  
Chief Accountant


Lam Huu Ho



20 July 2021

Chief Executive Officer



Trinh Hoai Giang

