

Ho Chi Minh City Securities Corporation

Report of Management
and audited financial statements

As at 31 December 2012



Ho Chi Minh City Securities Corporation

CONTENTS

	<i>Pages</i>
General information	1
Report of management	2
Independent auditors' report	3
Balance sheet	4 – 9
Income statement	10
Cash flow statement	11 – 12
Statement of changes in equity	13
Notes to the financial statements	14 - 45

Ho Chi Minh City Securities Corporation

GENERAL INFORMATION

THE COMPANY

Ho Chi Minh City Securities Corporation (“the Company”) is a joint stock company incorporated under the Law on Enterprises of Vietnam pursuant to Business Registration Certificate No. 4103001573 issued by the Ho Chi Minh City Department of Planning and Investment on 23 April 2003, Business License No. 11/UBCK-GPHDKD issued by the State Securities Commission on 29 April 2003, and other amended licences.

The principal activities of the Company are brokerage services, securities trading, underwriting for share issues, custodian services, finance and investment advisory services, and margin trading services.

The Company’s head office is located at Floor 5 and 6, AB Tower, 76 Le Lai Street, District 1, Ho Chi Minh City, and its branches and transaction offices are located in Ho Chi Minh City and Hanoi.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr. Do Hung Viet	Chairman	Appointed on 8 April 2011
Mr. Le Anh Minh	Vice Chairman	Reappointed on 8 April 2011
Mr. Nguyen Thanh Liem	Vice Chairman	Appointed on 8 April 2011
Mr. Pham Nghiem Xuan Bac	Member	Reappointed on 8 April 2011
Mr. Hoang Dinh Thang	Member	Reappointed on 8 April 2011
Mr. Johan Nyvene	Member	Reappointed on 8 April 2011
Mr. Trinh Hoai Giang	Member	Appointed on 8 April 2011

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Mr. Vo Van Chau	Supervisory Chief	Reappointed on 8 April 2011
Mr. Doan Van Hinh	Member	Reappointed on 8 April 2011
Ms. Nguyen Thi Thanh Van	Member	Resigned on 2 July 2012

MANAGEMENT

Members of the Management during the year and at the date of this report are:

Mr. Johan Nyvene	Chief Executive Officer	Appointed on 15 May 2007
Mr. Trinh Hoai Giang	Deputy Chief Executive Officer	Appointed on 15 May 2007
Mr. Le Cong Thien	Alternate Deputy Chief Executive Officer	Appointed on 4 April 2012
Mr. Johan Kruimer	Managing Director	Appointed on 26 July 2007
Mr. Fiachra Mac Cana	Managing Director	Appointed on 1 March 2008
Mr. Bach Quoc Vinh	Managing Director	Appointed on 1 February 2010
Mr. Trinh Thanh Can	Managing Director	Appointed on 12 July 2011
Mr. Edward Alexander Gordon	Managing Director	Appointed on 29 October 2012
Mr. Arnold V. Pangilinan	Managing Director	Appointed on 12 November 2012

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr. Johan Nyvene, the Chief Executive Officer.

AUDITORS

The auditors of the Company are Ernst & Young Vietnam Limited.

Ho Chi Minh City Securities Corporation

REPORT OF MANAGEMENT

Management of Ho Chi Minh City Securities Corporation (“the Company”) is pleased to present its report and the financial statements of the Company as at and for the year ended 31 December 2012.

MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

Management is responsible for the financial statements of each financial year which give a true and fair view of the state of affairs of the Company and of the Company’s results and cash flows for the year. In preparing those financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgments and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the accounting records comply with the registered accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying financial statements for the year ended 31 December 2012.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2012 and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and accounting policies applicable to securities companies as set out in Circular No. 95/2008/TT-BTC dated 24 October 2008 and Circular No. 162/2010/TT-BTC dated 20 October 2010 issued by the Ministry of Finance and comply with relevant statutory requirements.

For and on behalf of Management:



Mr. Johan Nyvene
Chief Executive Officer

Ho Chi Minh City, Vietnam

21 March 2013

Reference: 60790272/15503688

INDEPENDENT AUDITORS' REPORT

To: **The Shareholders of Ho Chi Minh City Securities Corporation**

We have audited the financial statements of Ho Chi Minh City Securities Corporation ("the Company") as set out on pages from 4 to 45 which comprise the balance sheet as at 31 December 2012, the income statement, the cash flow statement and the statement of changes in equity for the year then ended, and the notes thereto.

The preparation and presentation of these financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audit.

Basis of opinion

We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2012, and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and accounting policies applicable to securities companies as set out in Circular No. 95/2008/TT-BTC dated 24 October 2008 and Circular No. 162/2010/TT-BTC dated 20 October 2010 issued by the Ministry of Finance and comply with relevant statutory requirements.



Ernst & Young Vietnam Ltd.
Ernst & Young Vietnam Limited



Mai Viet Hung Tran
Deputy General Director
Certificate No. 0048/KTV



Le Thi Thanh Ha
Auditor
Certificate No. 1600/KTV

Ho Chi Minh City, Vietnam

21 March 2013

BALANCE SHEET
as at 31 December 2012

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		2,585,109,719,671	2,356,188,301,551
110	I. Cash and cash equivalents	4	1,794,202,976,893	673,986,246,531
111	1. Cash		1,794,202,976,893	673,986,246,531
112	2. Cash equivalents		-	-
120	II. Short-term financial investments	6.1	152,323,020,894	96,376,022,545
121	1. Short-term investments		203,325,585,176	149,036,992,866
129	2. Provision for short-term investments		(51,002,564,282)	(52,660,970,321)
130	III. Short-term receivables	7	634,679,079,188	1,580,920,549,820
131	1. Trade receivables		1,410,917,105	2,113,187,100
132	2. Advances to suppliers		353,848,252	1,842,733,528
133	3. Short-term internal receivables		-	-
135	4. Receivables from securities trading activities		552,121,896,930	646,507,726,523
138	5. Other receivables		104,097,165,353	948,936,737,564
139	6. Provision for doubtful debts		(23,304,748,452)	(18,479,834,895)
140	IV. Inventories		-	-
150	V. Other current assets		3,904,642,696	4,905,482,655
151	1. Short-term prepaid expenses	8	3,659,266,484	4,519,574,259
152	2. Value added tax deductible		-	-
154	3. Tax and other receivables from the State		-	-
157	4. Reverse repurchase agreement of Government bonds		-	-
158	5. Other current assets		245,376,212	385,908,396

BALANCE SHEET (continued)
as at 31 December 2012

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		613,825,595,743	272,019,581,286
210	I. Long-term receivables		-	-
211	1. Long-term trade receivables		-	-
212	2. Paid-in capital in wholly-owned subsidiaries		-	-
213	3. Long-term internal receivables		-	-
218	4. Other long-term receivables		-	-
219	5. Provision for doubtful long-term receivables		-	-
220	II. Fixed assets		11,911,394,466	15,792,823,557
221	1. Tangible fixed assets	9	9,858,897,465	12,208,871,467
222	- Cost		41,738,040,089	35,345,260,910
223	- Accumulated depreciation		(31,879,142,624)	(23,136,389,443)
224	2. Financial leases		-	-
225	- Cost		-	-
226	- Accumulated depreciation		-	-
227	3. Intangible fixed assets	10	2,052,497,001	3,583,952,090
228	- Cost		21,084,673,883	19,223,427,883
229	- Accumulated amortisation		(19,032,176,882)	(15,639,475,793)
230	4. Constructions in progress		-	-
240	III Investment properties		-	-
241	- Cost		-	-
242	- Accumulated amortisation		-	-
250	IV. Long-term investments		475,293,967,755	123,484,427,755
251	1. Investments in subsidiaries		-	-
252	2. Investments in associates, jointly controlled entities		-	-
253	3. Long-term securities		475,293,967,755	123,484,427,755
254	- Available-for-sale securities	6.2	475,293,967,755	123,484,427,755
255	- Held-to-maturity securities		-	-
258	4. Other long-term investments		-	-
259	5. Provision for long-term investments		-	-
260	V. Other long-term assets		126,620,233,522	132,742,329,974
261	1. Long-term prepaid expenses	11	113,511,817,548	122,701,592,237
262	2. Deferred tax assets		-	-
263	3. Advance to Settlement Assistance Fund	12	9,332,583,310	7,041,030,873
268	4. Other long-term assets	13	3,775,832,664	2,999,706,864
270	TOTAL ASSETS		3,198,935,315,414	2,628,207,882,837

BALANCE SHEET (continued)
as at 31 December 2012

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	A. LIABILITIES		1,036,421,290,135	599,240,181,832
310	I. Current liabilities		926,421,290,135	387,444,406,832
311	1. Short-term loans and borrowings		-	-
312	2. Trade payables		1,839,982,323	135,723,861
313	3. Advances from customers		-	-
314	4. Statutory obligations	14	12,434,392,518	11,479,966,802
315	5. Payables to employees		-	-
316	6. Accrued expenses	15	33,992,178,397	22,829,411,059
317	7. Short-term internal payable		-	-
320	8. Payables for securities trading	16	688,781,849,995	216,946,754,347
321	9. Dividend, principal and interest payables		4,534,730,890	3,458,781,310
322	10. Payables to securities issuers		-	-
323	11. Bonus and welfare fund		15,582,206,561	25,417,863,603
327	12. Repurchase agreement of Government bonds	17	163,195,578,241	-
328	13. Other payables	18	6,060,371,210	107,175,905,850
329	14. Short-term provision		-	-
330	II. Non-current liabilities		110,000,000,000	211,795,775,000
331	1. Long-term trade payables		-	-
332	2. Long-term internal payables		-	-
333	3. Other long-term liabilities		-	1,795,775,000
334	4. Long-term loans and debts	19	110,000,000,000	210,000,000,000
335	5. Deferred tax liabilities		-	-
336	6. Provision for severance allowances		-	-
337	7. Long-term provision		-	-
339	8. Provision for compensation of investors		-	-
400	B. OWNERS' EQUITY	20	2,162,514,025,279	2,028,967,701,005
410	I. Capital		2,162,514,025,279	2,028,967,701,005
411	1. Share capital		1,008,486,370,000	998,486,370,000
412	2. Share premium		560,834,915,000	560,834,915,000
413	3. Other capital belonging to owners' equity		-	-
414	4. Treasury shares		(5,165,052,464)	(4,648,924,200)
415	5. Asset revaluation reserve		-	-
416	6. Foreign exchange differences reserve		-	-
417	7. Investment and development fund		3,961,374,994	3,961,374,994
418	8. Financial reserve		116,409,099,437	91,771,047,055
419	9. Other funds belonging to owners' equity		-	-
420	10. Undistributed earnings		477,987,318,312	378,562,918,156
440	TOTAL LIABILITIES AND OWNERS' EQUITY		3,198,935,315,414	2,628,207,882,837

BALANCE SHEET (continued)
as at 31 December 2012

OFF BALANCE SHEET ITEMS

VND

Code	ITEMS	Ending balance	Beginning balance
001	1. Fixed assets under operating lease	-	-
002	2. Goods, valuable certificates held under trust	-	-
003	3. Assets held by the Company on consignment	-	-
004	4. Bad debts written-off	345,059,000	345,059,000
005	5. Foreign currencies	135,378,184	117, 631,056
006	6. Custody securities	8,042,430,840,000	7,694,602,910,000
	<i>Included:</i>		
007	6.1. <i>Trading securities</i>	7,208,242,770,000	6,684,728,410,000
008	6.1.1. Trading securities of custody investors	174,413,390,000	1,040,191,390,000
009	6.1.2. Trading securities of local investors	6,810,498,330,000	5,449,168,350,000
010	6.1.3. Trading securities of foreign investors	223,331,050,000	195,368,670,000
011	6.1.4. Trading securities of other investors	-	-
012	6.2. <i>Temporarily untradable securities</i>	61,455,570,000	115,876,460,000
013	6.2.1. Temporarily untradable securities of custody investors	510,370,000	1,582,900,000
014	6.2.2. Temporarily untradable securities of local investors	57,092,950,000	113,249,960,000
015	6.2.3. Temporarily untradable securities of foreign investors	3,852,250,000	1,043,600,000
016	6.2.4. Temporarily untradable securities of other investors	-	-
017	6.3. <i>Mortgaged securities</i>	387,731,900,000	766,803,100,000
018	6.3.1. Mortgaged securities of custody investors	-	-
019	6.3.2. Mortgaged securities of local investors	387,731,900,000	766,803,100,000
020	6.3.3. Mortgaged securities of foreign investors	-	-
021	6.3.4. Mortgaged securities of other investors	-	-
022	6.4. <i>Temporarily blocked securities</i>	-	-
023	6.4.1. Temporarily blocked securities of custody investors	-	-
024	6.4.2. Temporarily blocked securities of local investors	-	-
025	6.4.3. Temporarily blocked securities of foreign investors	-	-
026	6.4.4. Temporarily blocked securities of other investors	-	-
027	6.5. <i>Securities awaiting settlement</i>	382,581,400,000	106,243,080,000
028	6.5.1. Securities awaiting settlement of custody investors	4,188,900,000	4,434,000,000
029	6.5.2. Securities awaiting settlement of local investors	377,834,500,000	95,072,380,000
030	6.5.3. Securities awaiting settlement of foreign investors	558,000,000	6,736,700,000
031	6.5.4. Securities awaiting settlement of other investors	-	-

BALANCE SHEET (continued)
as at 31 December 2012

OFF BALANCE SHEET ITEMS (continued)

VND

Code	ITEMS	Ending balance	Beginning balance
032	6.6. Blocked securities waiting for releases	-	-
033	6.6.1. Blocked securities waiting for releases of custody investors	-	-
034	6.6.2. Blocked securities waiting for releases of domestic investors	-	-
035	6.6.3. Blocked securities waiting for releases of foreign investors	-	-
036	6.6.4. Blocked securities waiting for releases of other investors	-	-
037	6.7. Securities waiting for trading	2,419,200,000	20,951,860,000
038	6.7.1. Securities waiting for trading of custody investors	-	-
039	6.7.2. Securities waiting for trading of domestic investors	2,226,240,000	20,892,280,000
040	6.7.3. Securities waiting for trading of foreign investors	192,960,000	59,580,000
041	6.7.4. Securities waiting for trading of other investors	-	-
042	6.8. Securities mortgaged for a loan	-	-
043	6.8.1. Securities mortgaged for a loan of custody investors	-	-
044	6.8.2. Securities mortgaged for a loan of local investors	-	-
045	6.8.3. Securities mortgaged for a loan of foreign investors	-	-
046	6.8.4. Securities mortgaged for a loan of other investors	-	-
047	6.9. Securities related to error transactions	-	-
050	7. Custody securities of unlisted public companies	225,238,530,000	193,758,100,000
	<i>Included:</i>		
051	7.1. Trading securities	201,715,390,000	184,987,280,000
052	7.1.1. Trading securities of custody investors	2,934,790,000	73,932,410,000
053	7.1.2. Trading securities of local investors	196,498,330,000	109,660,770,000
054	7.1.3. Trading securities of foreign investors	2,282,270,000	1,394,100,000
055	7.1.4. Trading securities of other investors	-	-
056	7.2. Temporarily untradable securities	6,672,430,000	8,686,820,000
057	7.2.1. Temporarily untradable securities of custody investors	354,000,000	354,000,000
058	7.2.2. Temporarily untradable securities of local investors	6,318,430,000	8,332,820,000
059	7.2.3. Temporarily untradable securities of foreign investors	-	-
060	7.2.4. Temporarily untradable securities of other investors	-	-

BALANCE SHEET (continued)
as at 31 December 2012

OFF BALANCE SHEET ITEMS (continued)

VND

Code	ITEMS	Ending balance	Beginning balance
061	7.3. <i>Mortgaged securities</i>	-	-
062	7.3.1. Mortgaged securities of custody investors	-	-
063	7.3.2. Mortgaged securities of local investors	-	-
064	7.3.3. Mortgaged securities of foreign investors	-	-
065	7.3.4. Mortgaged securities of other investors	-	-
066	7.4. <i>Temporarily blocked securities</i>	-	-
067	7.4.1. Temporarily blocked securities of custody investors	-	-
068	7.4.2. Temporarily blocked securities of local investors	-	-
069	7.4.3. Temporarily blocked securities of foreign investors	-	-
070	7.4.4. Temporarily blocked securities of other investors	-	-
071	7.5. <i>Securities waiting for settlement</i>	106,410,000	34,000,000
072	7.5.1. Securities waiting for settlement of custody investors	-	-
073	7.5.2. Securities waiting for settlement of local investors	106,410,000	34,000,000
074	7.5.3. Securities waiting for settlement of foreign investors	-	-
075	7.5.4. Securities waiting for settlement of other investors	-	-
076	7.6. <i>Blocked securities waiting for releases</i>	16,744,300,000	50,000,000
077	7.6.1. Blocked securities waiting for releases of custody investors	-	-
078	7.6.2. Blocked securities waiting for releases of domestic investors	16,744,300,000	50,000,000
079	7.6.3. Blocked securities waiting for releases of foreign investors	-	-
080	7.6.4. Blocked securities waiting for releases of other investors	-	-
081	7.7. <i>Securities related to error transactions</i>	-	-
082	8. Non-custody securities held of investors	-	-
083	9. Non-custody securities held of securities companies	-	-
084	10. Securities held on trust for auction	-	-


Ms. Ho Thi Thu Thao
Preparer

Mr. Lam Huu Ho
Chief Financial Officer

Mr. Johan Nyvene
Chief Executive OfficerHo Chi Minh City, Vietnam
21 March 2013

INCOME STATEMENT
for the year ended 31 December 2012

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue		562,371,939,466	480,490,832,437
	<i>In which:</i>			
01.1	Revenue from brokerage services		145,027,366,043	90,904,405,174
01.2	Revenue from securities investments		29,807,426,837	30,345,199,021
01.3	Revenue from underwriting services		-	-
01.4	Revenue from securities issuance services		768,000,000	-
01.5	Revenue from finance advisory services		12,771,683,832	27,942,808,132
01.6	Revenue from custodian services		3,878,980,057	-
01.7	Revenue from trust auction services		-	73,663,518
01.8	Revenue from assets for lease		-	-
01.9	Other revenue	21	370,118,482,697	331,224,756,592
02	2. Deductions		-	-
10	3. Net revenues from operating activities		562,371,939,466	480,490,832,437
11	4. Operating expenses	22	(165,711,574,148)	(156,586,839,181)
20	5. Gross profit from operating activities		396,660,365,318	323,903,993,256
25	6. General and administrative expenses	23	(89,973,914,786)	(86,385,202,417)
30	7. Net profit from operating activities		306,686,450,532	237,518,790,839
31	8. Other income		301,701,823	102,261,831
32	9. Other expenses		(143,958,917)	(732,503,820)
40	10. Other profit/(loss)		157,742,906	(630,241,989)
50	11. Profit before tax		306,844,193,438	236,888,548,850
51	12. Current corporate income tax expense	24.1	(60,463,669,619)	(42,468,125,830)
52	13. Deferred income tax expense	24.2	-	-
60	14. Net profit after tax		246,380,523,819	194,420,423,020
70	15. Basic earnings per share	28	2,474	2,920



Ms. Ho Thi Thu Thao
Preparer



Mr. Lam Huu Ho
Chief Financial Officer




Mr. Johan Nyvene
Chief Executive Officer

Ho Chi Minh City, Vietnam

21 March 2013

CASH FLOW STATEMENT
for the year ended 31 December 2012

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Net profit before tax		306,844,193,438	236,888,548,850
	2. Adjustments for:			
02	- Depreciation, amortisation, and allocated prepaid expenses		48,685,825,446	49,852,849,642
03	- Provisions		1,378,982,518	(16,481,438,845)
04	- Unrealised foreign exchange (gains)/losses		-	-
05	- Profits from investing activities		(188,680,511,681)	(211,363,527,520)
06	- Interest expense		27,622,289,805	23,152,661,786
08	3. Operating profit before changes in working capital		195,850,779,526	82,049,093,913
09	- Decrease/(increase) in receivables		931,352,981,895	(667,233,652,617)
10	- (Increase)/decrease in short-term investments		(54,288,592,310)	96,990,559,182
11	- Increase/(decrease) in payables (other than interest, corporate income tax)		643,114,045,781	(666,265,955,851)
12	- (Increase)/decrease in prepaid expenses		(26,085,179,647)	(25,423,417,769)
13	- Interest paid		(15,877,355,635)	(15,462,908,753)
14	- Corporate income tax paid	24.1	(61,287,974,741)	(39,574,562,256)
15	- Other cash inflows from operating activities		-	1,213,589,363
16	- Other cash outflows from operating activities		(28,673,303,708)	(2,047,000,546)
20	Net cash flows from/(used in) operating activities		1,584,105,401,161	(1,235,754,255,334)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase and construction of fixed assets and other long-term assets		(8,669,134,244)	(4,636,982,436)
22	2. Proceeds from disposals of fixed assets and other long-term assets		57,690,909	102,261,831
23	3. Loans to other entities and payments for purchase of debt instruments of other entities		(351,629,000,000)	-
24	4. Collections from borrowers and proceeds from sale of debt instruments of other entities		-	-
25	5. Payments for investments in other entities		(180,540,000)	(102,887,591,371)
26	6. Proceeds from sale of investments in other entities		-	-
27	7. Interest and dividends received		196,394,843,515	211,139,711,297
30	Net cash outflows (used in)/from investing activities		(164,026,139,820)	103,717,399,321

CASH FLOW STATEMENT (continued)
for the year ended 31 December 2012

VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	1. Capital contribution and issuance of shares	20.2	10,000,000,000	398,489,510,000
32	2. Capital redemption		(1,758,264)	(21,566,840)
33	3. Drawdown of borrowings		-	825,000,000,000
34	4. Repayment of borrowings		(100,000,000,000)	(615,000,000,000)
35	5. Payment of finance lease liabilities		-	-
36	6. Dividends paid to equity holders	20.3	(209,860,772,715)	(41,929,669,415)
40	Net cash flows (used in)/from financing activities		(299,862,530,979)	566,538,273,745
50	Net increase/(decrease) in cash and cash equivalents		1,120,216,730,362	(565,498,582,268)
60	Cash and cash equivalents at the beginning of the year	4	673,986,246,531	1,239,484,828,799
61	Impact of exchange rate fluctuation		-	-
70	Cash and cash equivalents at the end of the year	4	1,794,202,976,893	673,986,246,531



Ms. Ho Thi Thu Thao
Preparer



Mr. Lam Huu Ho
Chief Financial Officer




Mr. Johan Nyvene
Chief Executive Officer

Ho Chi Minh City, Vietnam

21 March 2013

Ho Chi Minh City Securities Corporation

B05-CTCK

STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2012

VND

ITEMS	Notes	Beginning balance		Increase/decrease				Ending balance	
		Previous year	Current year	Previous year		Current year		Previous year	Current year
				Increase	Decrease	Increase	Decrease		
1. Share capital	20	599,996,860,000	998,486,370,000	-	-	10,000,000,000	-	998,486,370,000	1,008,486,370,000
2. Share premium	20	560,834,915,000	560,834,915,000	-	-	-	-	560,834,915,000	560,834,915,000
3. Other owners' capital		-	-	-	-	-	-	-	-
4. Treasury shares	20	(3,971,077,360)	(4,648,924,200)	(677,846,840)	-	(516,128,264)	-	(4,648,924,200)	(5,165,052,464)
5. Asset revaluation reserve		-	-	-	-	-	-	-	-
6. Foreign exchange differences reserve		-	-	-	-	-	-	-	-
7. Investment and development fund	20	3,961,374,994	3,961,374,994	-	-	-	-	3,961,374,994	3,961,374,994
8. Financial reserve	20	72,329,004,753	91,771,047,055	19,442,042,302	-	24,638,052,382	-	91,771,047,055	116,409,099,437
9. Other funds belonging to owners' equity		-	-	-	-	-	-	-	-
10. Undistributed earnings	20	356,020,232,399	378,562,918,156	194,420,423,020	(171,877,737,263)	246,380,523,819	(146,956,123,663)	378,562,918,156	477,987,318,312
TOTAL		1,589,171,309,786	2,028,967,701,005	611,674,128,482	(171,877,737,263)	280,502,447,937	(146,956,123,663)	2,028,967,701,005	2,162,514,025,279

Thao

Ms. Ho Thi Thu Thao
Preparer

Lam Huu Ho

Mr. Lam Huu Ho
Chief Financial Officer



Johan Nyvene

Mr. Johan Nyvene
Chief Executive Officer

Ho Chi Minh City, Vietnam

21 March 2013

NOTES TO THE FINANCIAL STATEMENTS
as at and for the year ended 31 December 2012

1. CORPORATE INFORMATION

Ho Chi Minh City Securities Corporation is a joint stock company incorporated under the Law on Enterprises of Vietnam pursuant to Business Registration Certificate No. 4103001573 issued by the Ho Chi Minh City Department of Planning and Investment on 23 April 2003, Business License No. 11/UBCK-GPHDKD issued by the State Securities Commission on 29 April 2003, and other amended licences.

The principal activities of the Company are brokerage services, securities trading, underwriting for share issues, custodian services, finance and investment advisory services, and margin trading services.

The Company's head office is located at Floor 5 and 6, AB Tower, 76 Le Lai Street, Ben Thanh, Ward, District 1, Ho Chi Minh City. At 31 December 2012, the Company had two branches located in Ho Chi Minh City and Hanoi, and transaction offices in Ho Chi Minh City and Hanoi.

The number of the Company's employees as at 31 December 2012 was 509 persons (31 December 2011: 552 persons).

2. BASIS OF PREPARATION

2.1 *Accounting Standards and System*

The financial statements of the Company, which are expressed in Vietnam dong ("dong" or "VND"), are prepared in accordance with the Vietnamese Accounting System, accounting policies applicable to securities companies according to Circular No. 95/2008/TT-BTC dated 24 October 2008, Circular No. 162/2010/TT-BTC dated 20 October 2010 issued by the Ministry of Finance and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 5).

The accompanying balance sheet, income statement, cash flow statement, statement of change in equity, and related notes, including their uses are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 *Registered accounting documentation system*

The Company's applied accounting documentation system is the General Journal system.

2.3 *Fiscal year*

The Company's fiscal year starts on 1 January and ends on 31 December.

2.4 *Accounting currency*

The Company maintains its accounting records in VND.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 *Change in accounting policies and disclosures*

The accounting policies adopted by the Company in preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the financial year ended 31 December 2011.

3.2 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash at banks, investors' deposits for securities trading and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.3 *Receivables*

Receivables are initially recorded at cost and subsequently presented at cost in the following periods.

Receivables are subject to review for impairment based on overdue periods of the receivables or estimated loss arising from undue receivables from economic entities which fall bankrupt or are undergoing dissolution procedures; or from debtors who are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased. Increases or decreases to the provision balance are recorded as "General and administrative expenses" in the income statement.

The Company has made provision for doubtful receivables in accordance with Circular No. 228/2009/TT-BTC dated 7 December 2009 issued by the Ministry of Finance. Accordingly, the provision rates for overdue receivables are as follows:

<u>Overdue period</u>	<u>Provision rate</u>
From six months to less than one year	30%
From one year to less than two years	50%
From two years to less than three years	70%
From three years and above	100%

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises of its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the income statement as incurred.

When tangible fixed assets are sold or retired, their costs and accumulated depreciation are removed from the balance sheet and any gain or loss resulting from their disposal is included in the income statement.

3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the income statement as incurred.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 *Intangible fixed assets* (continued)

When intangible fixed assets are sold or retired, their costs and accumulated amortisation are removed from the balance sheet and any gain or loss resulting from their disposal is included in the income statement.

3.6 *Depreciation and amortisation*

Depreciation and amortisation of tangible fixed assets and intangible assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Transportation vehicles	6 years
Office equipment	3 - 5 years
Computer software	3 - 4 years

3.7 *Operating lease*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

Rentals under operating leases are charged to the income statement on a straight-line basis over the term of the lease.

3.8 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the balance sheet and amortised over the period for which the amount are paid or the period in which economic benefit are generated in relation to these expenses.

The following types of expenses are recorded as long-term prepaid expense and are amortised to the income statement over two to forty years:

- ▶ Office renovation costs;
- ▶ Office rentals; and
- ▶ Office equipment costs.

3.9 *Investments in securities*

According to Circular No. 95/2008/TT-BTC issued by the Ministry of Finance on 24 October 2008, securities companies are allowed to recognise investments in securities at either cost or fair value. Accordingly, the Company has applied the cost method to recognise investments in securities.

3.9.1 *Short-term investments in securities*

They are securities which either have recovery period of within one year or held for trading purposes. These securities are initially recorded at cost, including purchased costs plus (+) transaction costs (if any) such as brokerage and transaction fee, information fee, taxes, levies and banking fees.

Accrued interest income is recognised as a deduction in carrying value of trading securities for the portion incurred before the purchasing date and as an investment income for the amount incurred since the purchasing date.

Trading securities are subject to review for impairment at each balance sheet date. Provision for impairment of trading securities is made when their carrying value is higher than market value. Provision for impairment loss is recognised in "Operating expenses" in the income statement.



NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 *Investments in securities* (continued)

3.9.2 *Long-term investments in securities*

Long-term investments in securities comprise of available-for-sale securities and held-to-maturity securities.

Held-to-maturity securities are non-derivative and have predetermined cash flows and fixed maturities and the Company has intention to hold these securities until the maturity date.

Securities shall not be classified in held-to-maturity category if during the current year or recent two years, a substantial volume of securities is sold or reclassified earlier than their maturities, unless these sales and reclassification are:

- ▶ Close to the maturity date;
- ▶ The Company recovered a majority of cost of securities according to repayment schedule or received earlier than the maturity date; or
- ▶ Subject to a non-controllable event of the Company and this event occurred one time only and unpredictably.

Available-for-sale securities are non-derivative which are not classified as neither held-to-maturity securities nor trading securities.

Long-term investments in securities are measured at cost. Provision for impairment is recognised in the income statement when there is sufficient objective evidence of the long-term diminution of the investments.

3.10 *Provision for impairment of short-term and long-term investment securities*

Provision for impairment of investment securities is made for individual stocks when the market values are lower than original costs. Provision amount for transferable securities is the difference between the original cost and market value of those securities at the balance sheet date in accordance with Circular No. 228/2009/TT-BTC issued by the Ministry of Finance on 7 December 2009. Any increase or decrease in balance of provision is recognised to operating expenses for the year.

The market prices of listed securities are determined based on the quoted prices on the stock markets (which are the average prices on the Hanoi Stock Exchange and the closing prices on the Ho Chi Minh City Stock Exchange) as at 31 December 2012.

The market values of unlisted shares which have been registered on the unlisted public companies market (UPCom) are the average prices of the trading market at the date of provision.

The market values of unlisted shares which have not been registered on the unlisted public companies market (UPCom) are the average public price quotations obtained from at least three reputable and large securities companies in the market.

Other securities that have no quoted prices are carried at cost.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 *Repurchase and reverse repurchase agreements*

Securities sold under agreements to repurchase at a specified future date ("repos") are not derecognised from the balance sheet. The corresponding cash received is recognised in the balance sheet as a "repurchase agreements" (if any), reflecting its economic substance as a loan to the Company. The difference between the sale price and 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") (if any) are not recognised in the balance sheet. The corresponding cash paid is recognised in the balance sheet as a "reverse repurchase agreements" (if any). The difference between the purchase price and resale price is treated as interest income and is accrued over the life of the agreement using the straight-line method.

For overdue commitments, the difference shall not be accrued and recognised in the statement of profits and losses when amount is actually received.

3.12 *Payables and accruals*

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

3.13 *Employee benefits*

3.13.1 *Post employment benefits*

Post employment benefits are paid to retired employees of the Company by the Social Insurance Agency which belongs to the Ministry of Labor and Social Affairs. The Company is required to contribute to these post employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 17% of an employee's basic salary on a monthly basis. The Company has no further obligation to fund the post employment benefits of its employees, other than the liability to pay the Social Insurance Agency on a monthly basis.

3.13.2 *Severance pay and retrenchment pay*

Severance pay: according to Article 42 of the Labour Code, amended on 2 April 2002, the Company is obliged to pay a severance pay to employee, with the equivalent of half a month's basic salary for each year of employment plus other remuneration (if any) as of 31 December 2008.

Retrenchment pay: according to Article 17 of the Labour Code, the Company is obliged to pay retrenchment pay for employees who lost their jobs due to restructuring or technological changes. In this case, the Company will be obliged to pay retrenchment pay for a total amount equivalent to one month's salary for each year of employment, but not less than two months' salary.

3.13.3 *Unemployment benefits*

According to Circular No. 04/2009/TT-BLDTBXH and Decree No. 127/2008/ND-CP, since 1 January 2009, the Company is required to pay unemployment insurance at the rate of 1% of salary of employees who participate in the unemployment program and deduct 1% from each employee's basic salary.

3.14 *Foreign currency transactions*

At the end of the year, monetary assets and liabilities denominated in foreign currencies are translated at inter-bank exchange rates ruling at the balance sheet date. Revenue or expenses in foreign currencies are converted into VND at exchange rates ruling at the transaction date. All foreign exchange differences arising from spot rates at transaction date and revaluation at balance sheet date are charged to the income statement.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Treasury shares (buy-back shares)

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Company's own equity instruments.

3.16 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from brokerage services

Where the contract outcome can be reliably measured, revenue is recognised by reference to the stage of completion. Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent of the expenses recognised which are recoverable.

Revenue from securities trading

Revenue from securities trading is recognised on the basis of the difference between cost-of-sale and selling price.

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 straight-line method.

Interest

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Dividend

Income is recognised when the Company's entitlement as an investor to receive the dividend is established, except for dividend received in shares which is monitored by number of shares only.

3.17 Cost of securities sold

The Company applies the moving weighted average method to calculate cost of equity securities sold and the specific identification method to calculate cost of debt securities sold.

3.18 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 *Taxation* (continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be used, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Previously unrecognised deferred income tax assets are re assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxable entity and the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.19 *Statutory reserves*

According to Circular No.11/2000/TT-BTC issued by the Ministry of Finance dated 1 February 2000, securities companies are required to make appropriation of profit after tax to the following reserves:

	<i>Percentage of profit after tax</i>	<i>Maximum level</i>
Charter capital supplementary reserve	5%	10% of share capital
Compulsory reserve	5%	10% of share capital

Other reserves are created in accordance with the Resolution of the Company's Annual General Meeting.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Appropriation of net profits

Net profit after tax is available for appropriation to investors after approval by the Annual General Meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

4. CASH AND CASH EQUIVALENTS

	<i>Ending balance</i>	<i>Beginning balance</i>
		<i>VND</i>
Cash on hand	261,090,054	284,612,036
Cash at banks	1,793,941,886,839	673,701,634,495
<i>In which:</i>		
- Cash of the Company	1,413,336,145,691	476,476,839,148
- Cash of investors	380,605,741,148	197,224,795,347
TOTAL	1,794,202,976,893	673,986,246,531

5. VALUE AND VOLUME OF TRADING RESULTS IN THE YEAR

	<i>Trading volume in the year (unit)</i>	<i>Trading value in the year (VND)</i>
a. Trading results of the Company	114,624,429	3,466,408,672,264
- Shares	91,110,899	1,259,355,232,264
- Bonds	23,513,530	2,207,053,440,000
b. Trading results of the investors	5,051,808,423	76,409,148,423,964
- Shares	4,948,848,601	66,250,826,959,964
- Bonds	102,959,822	10,158,321,464,000
TOTAL	5,166,432,852	79,875,557,096,228

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

6. FINANCIAL INVESTMENTS

	Quantity (Unit)	Cost	Compared to the market value		Total market value
			Increase	Decrease	
VND					
Short-term investments					
- Listed shares	7,257,191	81,394,005,674	3,065,359,527	(9,442,013,082)	75,017,352,119
- Unlisted shares	4,981,492	121,931,579,502	-	(41,560,551,200)	80,371,028,302
TOTAL	12,238,683	203,325,585,176	3,069,359,507	(51,002,564,282)	155,388,380,421
Long-term investments					
<i>Available-for-sale securities</i>					
- Fund certificates	10,084,740	103,068,131,371	5,847,060,629	-	108,915,192,000
- Government bonds	3,700,000	372,225,836,384	-	-	372,225,836,384
	13,784,740	475,293,967,755	5,847,060,629	-	481,141,028,384

Ho Chi Minh City Securities Corporation

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

6. FINANCIAL INVESTMENTS (continued)

6.1 Short-term investments

Breakdown of short-term investments of the Company is as follows:

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Short-term investments in securities	203,325,585,176	149,036,992,866
Provision for impairment of short-term investments	<u>(51,002,564,282)</u>	<u>(52,660,970,321)</u>
Net value of short-term investments	<u>152,323,020,894</u>	<u>96,376,022,545</u>

Movements of provision for impairment of short-term investments during the year follow.

	VND	
	<u>Current year</u>	<u>Prior year</u>
Beginning balance	52,660,970,321	69,132,574,666
Provision charged	5,096,723,532	13,865,868,471
Reversal of provision	<u>(6,755,129,571)</u>	<u>(30,337,472,816)</u>
Ending balance	<u>51,002,564,282</u>	<u>52,660,970,321</u>

6.2 Available-for-sale securities

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Government bonds	372,225,836,384	20,596,836,384
Fund certificates	<u>103,068,131,371</u>	<u>102,887,591,371</u>
TOTAL	<u>475,293,967,755</u>	<u>123,484,427,755</u>

Ho Chi Minh City Securities Corporation

B09-CTCK

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

6. FINANCIAL INVESTMENTS (continued)

6.3 Details of provision for short-term investments

VND

Items	Carrying value		Decrease compared with market value		Market value	
	Ending balance	Beginning balance	Ending balance	Beginning balance	Ending balance	Beginning balance
Shares	136,481,358,219	114,489,314,594	(46,846,930,921)	(47,614,606,321)	91,025,101,402	66,912,512,731
<i>Listed shares</i>						
Viettronics TanBinh Joint Stock Company (VTB)	36,353,405,717	10,152,113,394	(5,286,379,721)	(5,787,145,121)	32,457,700,100	4,402,772,731
VNDIRECT Securities Joint Stock Company (VND)	8,560,710,211	8,560,710,211	(5,167,597,711)	(5,620,012,711)	3,393,112,500	2,940,697,500
Hoa Phat Group Joint Stock Company (HPG)	7,307,123,419	682,145	-	(376,145)	7,614,394,800	306,000
Hoang Anh Gia Lai Joint Stock Company (HAG)	7,149,429,140	40,649	-	(23,149)	7,522,494,000	17,500
Saigon Securities Incorporation (SSI)	6,017,075,737	150,945	(55,907,737)	(72,945)	5,961,168,000	78,000
LICOGI 16 Joint Stock Company (LCG)	4,068,040,515	40,178	-	(12,778)	4,399,728,600	27,400
Other stocks	2,728,861,006	56,661	-	(23,061)	3,080,439,100	33,600
	522,165,689	1,590,432,605	(62,874,273)	(166,624,332)	486,363,100	1,461,612,731
<i>Unlisted shares</i>						
Lac Viet Joint Stock Company	100,127,952,502	104,337,201,200	(41,560,551,200)	(41,827,461,200)	58,567,401,302	62,509,740,000
Dong A Commercial Joint Stock Bank	30,750,000,000	30,750,000,000	(4,350,000,000)	(4,350,000,000)	26,400,000,000	26,400,000,000
Tan Binh Real Estate Joint Stock Company	16,967,999,502	16,464,248,200	(9,410,708,200)	(9,662,618,200)	7,557,291,302	6,801,630,000
Ca Mau Seafood Joint Stock Company	11,925,000,000	11,925,000,000	(3,825,000,000)	(3,825,000,000)	8,100,000,000	8,100,000,000
Minh Hai Jostoco	10,950,030,000	10,950,030,000	(6,562,530,000)	(6,562,530,000)	4,387,500,000	4,387,500,000
Special Aquatic Products Joint-Stock Company	8,000,000,000	8,000,000,000	(6,350,000,000)	(6,350,000,000)	1,650,000,000	1,650,000,000
Vietnam Ocean Shipping Agency Corporation	7,549,983,000	7,549,983,000	(3,229,983,000)	(3,229,983,000)	4,320,000,000	4,320,000,000
Can Tho Import-Export Seafood Joint Stock Company	6,000,000,000	6,000,000,000	(4,000,000,000)	(4,000,000,000)	2,000,000,000	2,000,000,000
Vinh Tuong Industrial Corporation	4,900,000,000	4,900,000,000	(3,313,800,000)	(3,313,800,000)	1,586,200,000	1,586,200,000
Viendong Assurance Corporation	2,562,940,000	2,562,940,000	(518,530,000)	(518,530,000)	2,044,410,000	2,044,410,000
	522,000,000	5,235,000,000	-	(15,000,000)	522,000,000	5,220,000,000
Fund certificates	15,155,357,361	10,186,858,000	(4,155,633,361)	(5,046,364,000)	10,999,724,000	5,140,494,000
Vietnam Active Fund (VFA)	15,155,357,361	10,186,858,000	(4,155,633,361)	(5,046,364,000)	10,999,724,000	5,140,494,000
TOTAL	151,636,715,580	124,676,172,594	(51,002,564,282)	(52,660,970,321)	102,024,825,402	72,053,006,731

Ho Chi Minh City Securities Corporation

B09-CTCK

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

7. SHORT-TERM RECEIVABLES

7.1 Short term receivables

Items	Beginning balance		Movement during the year			Ending balance			
	Total	Overdue	Doubtful	Increase	Decrease	Total	Overdue	Doubtful	Provision
1. Trade receivables	2,113,187,100	-	129,867,100	11,785,525,526	(12,487,795,521)	1,410,917,105	-	1,275,517,100	1,275,517,100
- Receivables from advisory services	1,983,320,000	-	-	11,770,347,326	(12,472,617,321)	1,281,050,005	-	1,145,650,000	1,145,650,000
- Receivables from securities investments	129,867,100	-	129,867,100	15,178,200	(15,178,200)	129,867,100	-	129,867,100	129,867,100
2. Advance to suppliers	1,842,733,528	-	-	2,493,272,267	(3,982,157,543)	353,848,252	-	-	-
3. Receivables from securities trading	646,507,726,523	-	15,443,859,795	17,629,988,489,873	(17,724,374,319,466)	552,121,896,930	-	15,443,859,795	15,443,859,795
- Receivables from foreign investors	385,476,516	-	-	40,546,531,862	(40,595,827,733)	336,180,645	-	-	-
- Receivables from advances to investors (*)	47,123,915,146	-	15,443,859,795	2,515,274,810,971	(2,521,466,146,805)	40,932,579,312	-	15,443,859,795	15,443,859,795
- Receivables from margin trading (**)	598,998,334,861	-	-	15,074,167,147,040	(15,162,312,344,928)	510,853,136,973	-	-	-
4. Other receivables	948,936,737,564	2,906,108,000	-	608,462,999,382	(1,453,302,571,593)	104,097,165,353	6,585,371,557	-	6,585,371,557
- Bond interest	18,007,944,240	-	-	34,864,113,235	(46,018,632,817)	6,853,424,658	-	-	-
- Interest of bank deposit	3,511,524,430	-	-	9,028,389,915	(5,645,893,076)	6,894,021,269	-	-	-
- Receivables from reverse repurchase agreements of bonds (***)	900,639,000,000	-	-	496,240,720,000	(1,321,879,720,000)	75,000,000,000	-	-	-
- Receivables from reverse repurchase agreements of shares	21,250,762,273	2,906,108,000	-	53,919,525,606	(60,455,670,828)	14,714,617,051	6,585,371,557	-	6,585,371,557
- Receivables from custody center	5,404,961,699	-	-	24,908,301	(5,429,870,000)	-	-	-	-
- Other short-term receivables	122,544,922	-	-	14,385,342,325	(13,872,784,872)	635,102,375	-	-	-
TOTAL	1,599,400,384,715	2,906,108,000	15,573,726,895	18,252,730,287,048	(19,194,146,844,123)	657,983,827,640	6,585,371,557	16,719,376,895	23,304,748,452

(*) This account includes doubtful debts of VND 15,443,859,795 relating to the purchase of shares of Bien Hoa Confectionery Joint Stock Company. These transactions occurred in 2008 and provision for doubtful debts was fully provided.

(**) These are the receivables under securities margin trading contracts which are secured by investors' securities portfolio or assets. Contract duration is from 90 to 180 days and interest rate ranges from 1.50% to 1.80% per month (2011: from 1.80% to 1.95% per month).

(***) This receivable pertains to the purchases of 1,000,000 BID10904 bonds from PetroVietnam Financial Joint Stock Corporation under the reverse repurchase agreement. The contract has term from 9 August 2012 to 19 February 2013 and bears interest at rate of 12% p.a.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

7. SHORT-TERM RECEIVABLES (continued)

7.2 Provision for doubtful receivables

	VND	
	<u>Current year</u>	<u>Previous year</u>
Beginning balance	18,479,834,895	18,834,728,395
Amount used of provision	-	(345,059,000)
Provision charged for the year	5,448,250,000	16,665,500
Reversal of provision for the year	(623,336,443)	(26,500,000)
Ending balance	<u>23,304,748,452</u>	<u>18,479,834,895</u>

8. SHORT-TERM PREPAID EXPENSES

	VND	
	<u>Current year</u>	<u>Previous year</u>
Beginning balance	4,519,574,259	3,447,856,603
Increase during the year	25,058,952,597	23,519,957,080
	29,578,526,856	26,967,813,683
Amortisation during the year	(25,919,260,372)	(22,448,239,424)
Ending balance	<u>3,659,266,484</u>	<u>4,519,574,259</u>

9. TANGIBLE FIXED ASSETS

	VND		
	<u>Transportation vehicles</u>	<u>Office equipments</u>	<u>Total</u>
Cost:			
Beginning balance	3,219,787,884	32,125,473,026	35,345,260,910
Newly purchased	-	6,807,888,244	6,807,888,244
Disposals	-	(415,109,065)	(415,109,065)
Ending balance	<u>3,219,787,884</u>	<u>38,518,252,205</u>	<u>41,738,040,089</u>
<i>In which:</i>			
<i>Fully depreciated</i>	13,640,000	13,341,018,277	13,354,658,277
Accumulated depreciation:			
Beginning balance	2,493,816,015	20,642,573,428	23,136,389,443
Charge for the year	534,357,977	8,623,504,269	9,157,862,246
Disposals	-	(415,109,065)	(415,109,065)
Ending balance	<u>3,028,173,992</u>	<u>28,850,968,632</u>	<u>31,879,142,624</u>
Net carrying amount:			
Beginning balance	<u>725,971,869</u>	<u>11,482,899,598</u>	<u>12,208,871,467</u>
Ending balance	<u>191,613,892</u>	<u>9,667,283,573</u>	<u>9,858,897,465</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

10. INTANGIBLE FIXED ASSETS

	VND
	<u>Computer software</u>
Cost:	
Beginning balance	19,223,427,883
Newly purchased	1,861,246,000
Ending balance	<u>21,084,673,883</u>
<i>In which:</i>	
Fully amortised	16,573,677,992
Accumulated amortisation:	
Beginning balance	15,639,475,793
Amortisation for the year	3,392,701,089
Ending balance	<u>19,032,176,882</u>
Net carrying amount:	
Beginning balance	<u>3,583,952,090</u>
Ending balance	<u>2,052,497,001</u>

11. LONG-TERM PREPAID EXPENSES

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Office rentals (*)	112,248,783,822	119,664,733,794
Office renovation costs	1,263,033,726	3,036,858,443
TOTAL	<u>113,511,817,548</u>	<u>122,701,592,237</u>

(*) This accounts mainly included the unamortised portion of the full prepayment for lease of 1,802 square meters in AB Tower for the period of 40 years amounting to VND 106,699,907,819.

Movements of the long-term prepaid expenses in the year were as follows:

	VND	
	<u>Current year</u>	<u>Previous year</u>
Beginning balance	122,701,592,237	132,596,758,965
Increase during the year	1,026,227,050	1,903,460,689
	<u>123,727,819,287</u>	<u>134,500,219,654</u>
Amortisation during the year	(10,216,001,739)	(11,798,627,417)
Ending balance	<u>113,511,817,548</u>	<u>122,701,592,237</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

12. ADVANCE TO SETTLEMENT ASSISTANCE FUND

Advance to Settlement Assistance Fund represent deposits at the Vietnam Securities Depository.

According to Decision No. 60/2004/QD-BTC dated 15 July 2004 and Decision No. 72/2005/QD-BTC dated 21 October 2005 issued by the Ministry of Finance and Decision No. 17/QD-TTLK dated 2 April 2008 issued by the Vietnam Securities Depository of State Securities Commission, the Company is required to deposit an initial amount of VND 120 million and make an annual additional contribution of 0.01% of total value trading of dealing and brokered securities in prior year.

Movements of advance to Settlement Assistance Fund during the year were as follows:

	<i>VND</i>
Initial contribution	120,000,000
Total interest received up to 2011	775,255,317
Total additional contribution up to 2011	<u>6,145,775,556</u>
Balance as at 31 December 2011	7,041,030,873
Additional contribution in 2012	1,880,048,134
Interest received in 2012	<u>411,504,303</u>
Balance as at 31 December 2012	<u>9,332,583,310</u>

13. OTHER LONG-TERM ASSETS

This represents long-term deposits for the leases of the Company's offices.

14. STATUTORY OBLIGATIONS

	<i>Ending balance</i>	<i>Beginning balance</i>
Corporate income tax (<i>Note 24.1</i>)	9,445,541,826	10,269,846,948
Foreign contractor withholding tax	1,017,392,335	27,893,333
Corporate income tax of investors	703,735,417	208,877,050
Personal income tax of the employees	638,412,430	412,064,572
Personal income tax of investors	584,867,256	544,475,005
Value added tax	<u>44,443,254</u>	<u>16,809,894</u>
TOTAL	<u>12,434,392,518</u>	<u>11,479,966,802</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

14. STATUTORY OBLIGATIONS (continued)

No.	Items	Beginning balance	Payable in the year	Paid in the year	Ending balance
1	Corporate income tax	10,269,846,948	60,463,669,619	(61,287,974,741)	9,445,541,826
2	Foreign contractor withholding tax	27,893,333	2,236,119,591	(1,246,620,589)	1,017,392,335
3	Corporate income tax of investors	208,877,050	7,485,005,678	(6,990,147,311)	703,735,417
4	Personal income tax of the employees	412,064,572	10,389,016,180	(10,162,668,322)	638,412,430
5	Personal income tax of investors	544,475,005	11,802,444,761	(11,762,052,510)	584,867,256
6	Value added tax	16,809,894	703,875,579	(676,242,219)	44,443,254
7	Business registered tax	-	9,500,000	(9,500,000)	-
		11,479,966,802	93,089,631,408	(92,135,205,692)	12,434,392,518

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

15. ACCRUED EXPENSES

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Accrued interest for issued bonds (Note 19 and Note 25)	18,249,143,388	7,689,753,033
Allowance for working performance payable to employees	12,000,000,000	12,000,000,000
Brokerage fee payables to Stock Exchange	1,660,132,846	865,049,402
Other accrued expenses	2,082,902,163	2,274,608,624
TOTAL	<u>33,992,178,397</u>	<u>22,829,411,059</u>

16. PAYABLES FOR SECURITIES TRADING

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Investors' deposits for securities trading	380,605,741,148	197,224,795,347
Payables to Vietnam Securities Depository for clearing and settlement of securities trading	141,868,166,551	16,695,959,000
Payables to State Treasury for bond transactions (*)	100,689,000,000	-
Payables for repurchase agreements of bonds (**)	65,618,942,296	-
Deposits from investors for trading of OTC stocks	-	3,026,000,000
TOTAL	<u>688,781,849,995</u>	<u>216,946,754,347</u>

(*) This represents payable to the State Treasury for 1,000,000 TD1214172 bonds issued by the State Treasury. The bonds have maturity date on 15 December 2014 and bear interest at rate of 9.5% p.a.

(**) This payable pertains to the sale of 1,000,000 BID10904 bonds to Military Joint Stock Bank with a repurchase commitment. The contract has term from 16 November 2012 to 16 January 2013 and bears interest at rate of 8.00% p.a.

17. REPURCHASE AGREEMENT OF GOVERNMENT BONDS

These are payables from repurchase agreement Government bonds with Vietnam Technological and Commercial JS Bank and Vietnam Prosperity Commercial JS Bank with interest rate from 6.08% p.a. to 6.88% p.a. and maturity dates in January of 2013.

18. OTHER PAYABLES

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Dividend payables to shareholders	3,820,481,079	103,028,407,894
Trade union fee	1,969,924,479	1,803,473,147
Unemployment insurance	57,753,919	97,346,397
Social insurance and health insurance	19,286,471	475,019,517
Other payables	192,925,262	1,771,658,895
TOTAL	<u>6,060,371,210</u>	<u>107,175,905,850</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

19. LONG TERM LOANS AND DEBTS

On 24 August 2011, the Company successfully issued VND 600,000,000,000 private placement bonds according to Resolution No. 09/2011/NQ-HDQT of the Board of Directors with the following information:

<i>Description</i>	<i>Volume (unit)</i>	<i>Face value (VND)</i>	<i>Total Value (VND)</i>	<i>Interest rate</i>	<i>Term</i>
Straight bonds	600	1,000,000,000	600,000,000,000	14% p.a.	5 years

Interest of straight bonds is paid annually. From the second month onwards, the bonds can be repurchased by the Company at any time until the maturity date. During the year 2011 and 2012, the Company bought back a total of VND 490,000,000,000 of these bonds.

As at 31 December 2012, the outstanding balance of the above mentioned issued bonds was VND 110,000,000,000 and the accrued interest payable was VND 18,249,143,388.

20. OWNERS' EQUITY

20.1 Share capital

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Contributed by shareholders	1,008,486,370,000	998,486,370,000
Share premium	560,834,915,000	560,834,915,000
Treasury shares	(5,165,052,464)	(4,648,924,200)
TOTAL	<u>1,564,156,232,536</u>	<u>1,554,672,360,800</u>

20.2 Capital transactions with share capital and distribution of dividends

	VND	
	<i>Current year</i>	<i>Previous year</i>
Share capital		
Beginning balance	998,486,370,000	599,996,860,000
Increase	10,000,000,000	398,489,510,000
Ending balance	<u>1,008,486,370,000</u>	<u>998,486,370,000</u>

On 8 April 2011, the shareholders approved Resolution No. 01/2011/NQ/DHDCD on the proposal plan to issue 1,000,000 bonus shares for key employees under the ESOP scheme. Subsequently, the Board of Directors issued Resolution No. 12/2011/NQ-HDQT dated 21 December 2011 to determine the definition of key employees, price of stocks and time schedule of the scheme.

On 24 February 2012, the Company received notice from the State Securities Commission of Vietnam to acknowledge the receipt of the full documents for the stock issuance. On 28 March 2012, the Vietnam Securities Depository granted to the Company the Certificate of Securities Registration No. 02/2009/GCNCP-VSD-4 and issued Notice No. 761/TB-CNVSD regarding the listing of 1,000,000 additional shares at the Vietnam Securities Depository. The Company also received Decision No. 32/2012/QD-SGDHCM from the Ho Chi Minh City Stock Exchange approving this listing of additional shares issued on 29 March 2012. The number of additional listed shares was 1,000,000 shares. The effective listing date was 3 April 2012. Accordingly, the Company recognised the additional capital increase of VND 10,000,000,000 on 31 March 2012.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

20. OWNERS' EQUITY (continued)

20.2 Capital transactions with share capital and distribution of dividends (continued)

On 10 May 2012, the State Securities Commission of Vietnam issued Decision No. 86/GPDC-UBCK to amend the Business License No. 11/UBCK-GPHDKD issued by the State Securities Commission on 29 April 2003 and replace the previous Amendment No. 332/UBCK-GP issued on 11 June 2010. Accordingly, the Company's share capital is VND 1,008,486,370,000.

20.3 Dividends

	VND	
	<u>Current year</u>	<u>Previous year</u>
Dividends declared and paid during the financial year		
<i>Dividends on ordinary shares</i>		
Dividends for 2008: VND 1,000 per share	6,570,300	6,859,800
Dividends for 2009: VND 2,000 per share	-	37,456,000
Dividends for 2010: VND 1,700 per share	-	41,885,353,615
Dividends for 2011: VND 1,600 per share	159,661,047,945	-
Interim dividends for 2012: VND 500 per share	50,193,154,470	-
TOTAL	<u>209,860,772,715</u>	<u>41,929,669,415</u>

20.4 Shares

	<u>Ending balance Share</u>	<u>Beginning balance Share</u>
Authorised shares	100,848,637	99,848,637
Issued shares		
<i>Issued and paid-up shares</i>		
Ordinary shares	100,848,637	99,848,637
Treasury shares		
<i>Held by the Company</i>		
Ordinary shares	282,680	231,120
Outstanding shares		
Ordinary shares	100,565,957	99,617,517

21. OTHER REVENUE

	VND	
	<u>Current year</u>	<u>Previous year</u>
Revenue from margin trading	185,041,044,907	128,195,520,769
Interest income from bank deposits	138,975,574,115	168,264,099,245
Revenue from reverse repurchase agreements	39,752,827,851	31,356,937,981
Revenue from advances to investors	3,333,395,870	1,903,133,293
Other revenues	3,015,639,954	1,505,065,304
Total	<u>370,118,482,697</u>	<u>331,224,756,592</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

22. OPERATING EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Staff cost	56,536,160,963	43,405,050,704
Brokerage expenses	24,398,170,874	16,968,825,008
External services	22,614,258,580	15,515,280,468
Interest of issued bonds	18,451,946,536	23,152,661,786
Loss on securities trading (*)	12,772,713,249	47,115,531,903
External management consultancy fee	11,155,262,165	13,968,624,759
Cost of repurchase agreements of bonds	9,170,343,269	-
Depreciation and amortisation	5,850,695,738	9,158,238,741
Security custodian expenses	4,722,081,616	2,813,683,727
Material and tool expenses	400,655,790	293,504,292
Other expenses	1,297,691,407	667,042,138
Provision for impairment of investments	5,096,723,532	13,865,868,471
	172,466,703,719	186,924,311,997
Reversal of provision for impairment of investments	(6,755,129,571)	(30,337,472,816)
TOTAL	165,711,574,148	156,586,839,181

(*) According to Circular No. 95/2008/TT-BTC dated 24 October 2008 issued by the Ministry of Finance guiding the accounting policies for securities companies, gains (selling price is higher than purchased cost) on securities investment trading are recognised in revenue from securities investment and losses (selling price is less than purchased cost) are recognised in securities investment expenses.

23. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Staff cost	41,985,563,206	37,999,090,146
Office rental	20,585,554,340	21,584,686,481
External services	12,021,284,821	14,030,957,832
Depreciation and amortisation	6,699,867,597	6,447,744,060
Office renovation expenses	1,995,656,125	4,528,852,532
Taxes and other fees	460,424,038	405,772,577
Office supplies	131,487,519	106,682,998
Other expenses	1,269,163,583	1,291,250,291
Provision for doubtful debts	5,448,250,000	16,665,500
	90,597,251,229	86,411,702,417
Reversal of provision for doubtful debts	(623,336,443)	(26,500,000)
TOTAL	89,973,914,786	86,385,202,417

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

24. CORPORATE INCOME TAX

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits for the period of the five (5) years since 2008 and 25% thereafter.

24.1 Current corporate income tax expense

	VND	
	<u>Current year</u>	<u>Previous year</u>
CIT expense at rate of 20%	60,413,415,861	40,954,583,296
Adjustment for under provision of tax in prior years	<u>50,253,758</u>	<u>1,513,542,534</u>
TOTAL	<u>60,463,669,619</u>	<u>42,468,125,830</u>

The current tax payable is based on taxable profit for the year. The taxable profit of the Company for the year differs from the profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

The Company's tax reporting will be subject to inspection by the tax authorities. Because the application of laws and regulations on taxes on different types of transactions can be interpreted in different ways, the tax amounts are presented on the financial statements can be changed by the final decision of the tax authorities.

The CIT expense for the year is computed as follows:

	VND	
	<u>Current year</u>	<u>Previous year</u>
Profit before tax	306,844,193,438	236,888,548,850
Adjustments to increases/(decreases) accounting profit		
<i>Adjustments to increases:</i>		
- Non-deductible expenses	404,913,300	935,506,013
<i>Adjustments to decreases:</i>		
- Non-taxable dividend income	(4,688,117,435)	(9,725,670,382)
- Reversal of provision for impairment of unlisted securities	<u>(493,910,000)</u>	<u>(23,325,468,000)</u>
Current taxable profit	<u>302,067,079,303</u>	<u>204,772,916,481</u>
CIT expense at rate of 20%	60,413,415,861	40,954,583,296
Under provision of tax in prior years	<u>50,253,758</u>	<u>1,513,542,534</u>
Estimated current CIT	60,463,669,619	42,468,125,830
CIT payable at the beginning of the year	10,269,846,948	7,376,283,374
CIT paid during the year	<u>(61,287,974,741)</u>	<u>(39,574,562,256)</u>
CIT payable at the end of the year	<u>9,445,541,826</u>	<u>10,269,846,948</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

24. CORPORATE INCOME TAX (CIT) (continued)

24.2 *Deferred corporate income tax*

There was no deferred tax recognised as at 31 December 2012 since there are no significant identified temporary differences between the carrying value and the tax base of assets and liabilities in the financial statements.

25. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the year were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND Amounts</i>
Dragon Capital Markets Limited (DC)	Strategic shareholder	Dividend paid	65,991,240,000
		Purchasing securities	115,403,165,000
		Selling securities	152,917,478,348
		Selling bonds under repurchase agreement	29,821,396,333
		Purchasing bonds under resale agreement	35,205,600,000
		Brokerage income	67,085,544
		Bond redemption	100,000,000,000
		Interest expenses of bonds issued	7,892,556,181
		Advisory expense	10,451,036,948
		Ho Chi Minh City Fund and Investment Corporation (HFIC)	Strategic shareholder
Purchasing securities	64,828,702,000		
Brokerage income	97,243,059		
Dragon Capital Vietnam Mother Fund	Related party	Selling securities	454,867,756,440
		Purchasing securities	192,039,152,400
		Brokerage income	1,025,360,381
Vietnam Debt Fund SPC (VDF)	Related party	Purchasing bonds under resale agreement	230,982,000,000
		Selling bonds under repurchase agreement	202,004,993,748
		Purchasing securities	18,733,156,200
		Brokerage income	18,432,451
Vietnam Enterprise Investments Limited (VEIL)	Related party	Purchasing securities	332,320,886,000
		Selling securities	108,415,523,000
		Brokerage income	701,799,585

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

25. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during the year were as follows: (continued)

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND Amounts</i>
Amersham Industries Limited (Amersham)	Related party	Selling bonds under repurchase agreement	120,854,250,000
		Purchasing bonds under resale agreement	122,491,860,000
		Purchasing securities	149,988,269,000
		Selling securities	59,535,718,000
		Brokerage income	339,893,632
Vietnam Property Fund Limited	Related party	Purchasing bonds under resale agreement	78,163,000,000
		Selling bonds under repurchase agreement	75,000,000,000
		Brokerage income	30,632,600

Amounts due to and due from related parties at the balance sheet date were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND Payable</i>
Dragon Capital Markets Limited (DC)	Strategic shareholder	Bonds issued	110,000,000,000
		Interest expenses of bonds issued	18,249,143,388
Ho Chi Minh City Fund and Investment Corporation (HFIC)	Strategic shareholder	Deposits for trading securities	14,206,880,763

Transactions with other related parties

Remuneration to members of the Management and Board of Directors:

	<i>Current year</i>	<i>VND Previous year</i>
Salaries and bonus	9,071,337,244	8,527,293,815

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

26. SEGMENT INFORMATION

Business segment

	Brokerage and customer services	Trading	Advisory services	Treasury activities	Other segments	Unallocated	Total
<i>For the financial year ended</i>							
<i>31 December 2012</i>							
1. Revenue from operating activities	148,906,346,100	29,807,426,837	12,771,683,832	367,102,892,743	3,783,589,954	-	562,371,939,466
2. Direct costs	34,546,051,628	20,607,901,249	7,968,803,276	178,175,779,424	1,836,390,022	-	243,134,925,599
3. Depreciation and amortisation	6,821,810,593	27,778,209	49,639,129	5,593,683,436	57,651,968	-	12,550,563,335
4. Other income	-	-	-	-	157,742,906	-	157,742,906
Profit before tax	107,538,483,879	9,171,747,379	4,753,241,427	183,333,429,883	2,047,290,870	-	306,844,193,438
<i>As at 31 December 2012</i>							
1. Segment assets	13,560,670,980	152,323,020,894	1,311,458,415	2,858,943,239,857	1,224,314,241	-	3,027,362,704,387
2. Allocated assets	86,254,873,793	1,006,260,826	3,564,250,983	1,900,933,858	28,276,391,133	-	121,002,710,593
3. Unallocated assets	-	-	-	-	-	50,569,900,434	50,569,900,434
Total assets	99,815,544,773	153,329,281,720	4,875,709,398	2,860,844,173,715	29,500,705,374	50,569,900,434	3,198,935,315,414
1. Segment liabilities	854,605,733,224	-	-	128,249,143,388	1,418,066,993	-	984,272,943,605
2. Unallocated liabilities	-	-	-	-	-	52,148,346,530	52,148,346,530
Total liabilities	854,605,733,224	-	-	128,249,143,388	1,418,066,993	52,148,346,530	1,036,421,290,135

Geographical segment

All operations of the Company are taken place within Vietnam territory.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

27. OPERATING LEASE COMMITMENTS

The Company leases its offices under operating lease agreements as follows:

In Ho Chi Minh City:

- Head office at 5th and 6th Floor, AB Tower at 76 Le Lai, Ben Thanh Ward, District 1.
- Branch office at 1st Floor, 6 Thai Van Lung, Ben Nghe Ward, District 1.
- Transaction office at 569-571-573 Tran Hung Dao, Cau Kho Ward, District 1.
- Transaction office at 633 Nguyen Trai, Ward 11, District 5.
- Warehouse for archiving documents at 117A Nguyen Tat Thanh, District 4.

In Hanoi:

- Branch office at 66A Tran Hung Dao, Tran Hung Dao Ward, Hoan Kiem District.
- Transaction office at 2nd Floor, B14 Building, Kim Lien Ward, Dong Da District.
- Warehouse for archiving documents at P803, 8th Floor CT5, My Tri Ward, Tu Liem District.

The minimum lease commitment as at 31 December 2012 under the operating lease agreements is as follows:

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Less than 1 year	10,692,201,376	8,991,190,595
From 1 - 5 years	<u>17,945,752,979</u>	<u>24,844,582,069</u>
TOTAL	<u>28,637,954,355</u>	<u>33,835,772,664</u>

28. BASIC EARNINGS PER SHARE

Basic earnings per share are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the basic earnings per share computations:

	<u>Current year</u>	<u>Previous year</u>
Net profit after tax attributable to ordinary equity holders for basic earnings - VND	246,380,523,819	194,420,423,020
Weighted average number of ordinary shares for basic earnings per share	99,600,699	66,584,584
Basic earnings per share - VND	2,474	2,920

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company implements risk management framework as comprehensive:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risks: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and available-for-sale investments.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

In calculating the sensitivity analyses, management assumed that the sensitivity of available-for-sale debt instruments in the balance sheet and the relevant items in the income statement are affected by the assumptions of changes in market risks. This is based on the financial assets and financial liabilities held as at 31 December 2012.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rate relates primarily to the Company's cash and short-term deposits. These investments are mainly short term in nature and they are not held for speculative purposes.

The Company manages interest rate risk by looking at the competitive structure of the market to obtain rates which are favorable for its purposes within its risk management limits.

A sensitivity analysis is not performed for interest rate risk for the year ended 31 December 2012 as the Company's exposure to interest-rate risk is minimal or debts bear fixed interest rate at reporting date.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's accounting currency).

Risk due to exchange rate's fluctuation of the Company is not significant.

Equity price risk

The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities. The company manages the stock price risk by setting limits on stock investments. The Board of Directors of the Company also reviews and approves all investment decisions on stocks.

At 31 December 2012, the exposure to listed equity securities at fair value was VND 183,932,544,119 (31 December 2011: VND 115,087,748,083). A decrease of 10% on the stock market index could have an impact of approximately VND 18,393,254,412 (31 December 2011: VND 11,508,774,808) on the Company's profit before tax, depending on whether or not the decline is significant or prolonged. An increase of 10% in the value of the listed securities would increase Company's profit before tax by VND 18,393,254,412 (31 December 2011: VND 11,508,774,808).

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company based on its established policy, procedures and control relating to customer credit risk management.

Outstanding customer receivables are regularly monitored. The requirement for impairment is analysed at each reporting date on an individual basis for major clients. The Company has maintained strict control over its outstanding receivables and has a credit control department to minimize credit risk. The margin call is conducted on time and complies with the nature of the margin product.

In view of the aforementioned and the fact that the Company's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

Bank deposits

The Company's bank balances are mainly maintained with well-known banks in Vietnam. Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the balance sheet at each reporting dates are the carrying amounts as illustrated in Note 4. The Company evaluates the concentration of credit risk in respect to bank deposit as low.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligation due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities.

The Company monitors its liquidity risk by maintain a level of cash and cash equivalents and bank loans deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual discounted payments:

	VND			
	<i>On demand</i>	<i>Less than 1 year</i>	<i>From 1 to 5 years</i>	<i>Total</i>
Ending balance				
Long-term loans and borrowings	110,000,000,000	-	-	110,000,000,000
Payables to securities transactions	623,162,907,699	65,618,942,296	-	688,781,849,995
Repurchase agreement of Government bonds	163,195,578,241	-	-	163,195,578,241
Accrued expenses	18,652,614,701	2,647,147,574	-	21,299,762,275
Other short-term payables	12,142,372,098	-	-	12,142,372,098
	927,153,472,739	68,266,089,870	-	995,419,562,609
Beginning balance				
Long-term loans and borrowings	210,000,000,000	-	-	210,000,000,000
Payables to securities transactions	216,946,754,347	-	-	216,946,754,347
Accrued expenses	8,983,907,375	-	-	8,983,907,375
Other short-term payables	106,471,205,999	-	-	106,471,205,999
	542,401,867,721	-	-	542,401,867,721

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders.

Collateral

The Company does not deposit any of its assets as collateral for loans and borrowings the reporting date.

The Company holds customers' securities as collaterals for the trade receivables from customers as at 31 December 2012 and 31 December 2011.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

30. ADDITIONAL PRESENTATION AND DISCLOSURE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS REQUIRED BY CIRCULAR NO. 210/2009/TT-BTC

The following shows the additional presentation and disclosure of financial instruments as required by Circular No. 210/2009/TT-BTC.

Financial assets

Financial assets of the Company under the Circular No. 210/2009/TT-BTC comprise cash, deposits at credit institutions, trading and investment securities, receivables and other assets under monetary derivative contracts.

According to Circular No. 210/2009/TT-BTC, financial assets are classified appropriately, for the purpose of explanation in the financial statements, into one of the following categories:

- *Financial asset recognised at fair value through profit or loss:*
is one that satisfies either of the following conditions:
 - a) Being classified as held for trading. A financial asset will be classified as securities held for trading if:
 - ✓ It is purchased or created mainly for the purpose of resale/redemption in a short term;
 - ✓ There is an evidence that such instrument is traded for the purpose of gaining short-term profits; or,
 - ✓ It is a derivative financial instrument (except derivative financial instruments identified as financial guarantee contracts or effective hedging instruments).
 - b) Upon initial recognition, the entity categorizes the financial asset as such reflected at fair value through profit or loss.
- *Held-to-maturity investments:*
are non-derivative financial assets with fixed or identifiable payments and fixed maturity periods which an entity has the intent and ability to hold until the date of maturity, with the exceptions of:
 - a) Financial assets that, upon initial recognition, were categorized as such recognised at fair value through profit or loss;
 - b) Financial assets already categorized as available for sale;
 - c) Financial assets that meet the definitions of loans and receivables.
- *Loans and receivables:*
are non derivative financial assets with fixed or identifiable payments and not listed on the market, with the exceptions of:
 - a) The amounts the entity has the intent to immediately sell or will sell in a near future which are classified as assets held for trading and like those which, upon initial recognition the entity categorized as such recognised at fair value through profit or loss.
 - b) The amounts categorized by the entity as available for sale upon initial recognition; or
 - c) The amounts whose holders cannot recover most of the initial investment value not due to credit quality impairment and which are categorized as available for sale .
- *Available-for-sale assets:*
are non-derivative financial assets determined as available for sale or not classified as :
 - a) Loans and receivables;
 - b) Held-to-maturity investments;
 - c) Financial assets recognised at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

30. ADDITIONAL PRESENTATION AND DISCLOSURE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS REQUIRED BY CIRCULAR NO. 210/2009/TT-BTC (continued)

Financial liabilities

Financial liabilities of the Company under the Circular No. 210/2009/TT-BTC consist of borrowings, payables and other liabilities under monetary derivative contracts.

According to Circular No. 210/2009/TT-BTC, financial liabilities are classified appropriately, for the purpose of explanation in the financial statements, into one of the following categories:

- *Financial liabilities recognised at fair value through profit or loss*
are ones that meet either of the following conditions:
 - a) Being classified as held for trading. A financial liability will be classified as securities held for trading if:
 - ✓ It is purchased or created mainly for the purpose of resale/redemption in a short term;
 - ✓ There is an evidence that such instrument is traded for the purpose of gaining short-term profits; or
 - ✓ It is a derivative financial instrument (except derivative financial instruments identified as financial guarantee contracts or effective hedging instruments).
 - b) Upon initial recognition, the entity categorizes the financial liability as such reflected at fair value through profit or loss.
- *Financial liabilities determined at the fair amortised cost*
Financial liabilities not categorized as such recorded at fair value through profit or loss will be classified as such determined at the fair amortised cost.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

30. ADDITIONAL PRESENTATION AND DISCLOSURE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS REQUIRED BY CIRCULAR NO. 210/2009/TT-BTC (continued)

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the financial statements.

	Carrying amount		Fair value		VND
	Ending balance	Beginning balance	Ending balance	Beginning balance	
Financial assets					
Financial assets at fair value through profit and loss					
- <i>Held for trading investments</i>					
Listed shares	81,394,005,674	22,896,233,364	75,017,062,848	12,200,156,712	
Unlisted shares	121,931,579,502	126,140,759,502	80,371,028,302	84,313,298,302	
Held-to-maturity investment	1,751,700,000,000	633,800,000,000	1,751,700,000,000	633,800,000,000	(*)
Short-term deposit	661,651,188,264	1,737,048,197,344	(*)	(*)	
Trade receivable and other receivables					
Available for sales financial assets					
- <i>Available for sale securities</i>					
Fund certificates	103,068,131,371	102,887,591,371	(*)	(*)	
Bonds	372,225,836,384	20,596,836,384	(*)	(*)	
Cash and cash equivalents	42,502,976,893	40,186,246,531	42,502,976,893	40,186,246,531	
Total	3,134,473,718,088	2,683,555,864,496			
Financial liabilities					
Loans and borrowings	110,000,000,000	210,000,000,000	(*)	(*)	
Payables to securities transactions	688,781,849,995	216,946,754,347	(*)	(*)	
Repurchase agreement of Government bonds	163,195,578,241	-	(*)	-	
Accrued liabilities	21,299,762,275	8,983,907,375	21,251,912,275	8,983,907,375	
Other short-term payable	12,142,372,098	106,471,205,999	(*)	(*)	
Total	995,419,562,609	542,401,867,721			

(*) The fair value of these financial assets and liabilities cannot be determined because there is no specific guidance of fair value determination under the Vietnamese Accounting Standards and Accounting System.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2012

30. ADDITIONAL PRESENTATION AND DISCLOSURE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS REQUIRED BY CIRCULAR NO. 210/2009/TT-BTC (continued)

The fair value of the financial assets and liabilities are the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following method and assumption were used to estimate the fair values:

- ▶ Fair value of cash and short-term deposits approximates their carrying amounts largely due to the short-term maturities of these instruments.

31. EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

Ms. Ho Thi Thu Thao
Preparer

Mr. Lam Huu Ho
Chief Financial Officer



Mr. Johan Nyvene
Chief Executive Officer

Ho Chi Minh City, Vietnam

21 March 2013