

Ho Chi Minh City Securities Corporation

Financial statements

31 December 2016



Ho Chi Minh City Securities Corporation

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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 licenses.

The Company's head office is located at 5th and 6th Floor, AB Tower, 76 Le Lai Street, Ben Thanh Ward, District 1, Ho Chi Minh City. At 31 December 2016, the Company had branches located in Ho Chi Minh City and Hanoi, and transaction offices in Ho Chi Minh City and Hanoi.

The current 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 BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of the financial statements include:

<u>Name</u>	<u>Title</u>	<u>Date of appointment/Reappointment/Resign</u>
Mr. Do Hung Viet	Chairman	Reappointed on 21 April 2016
Mr. Le Anh Minh	Vice Chairman	Reappointed on 21 April 2016
Mr. Nguyen Thanh Liem	Vice Chairman	Reappointed on 21 April 2016
Mr. Pham Nghiem Xuan Bac	Member	Reappointed on 21 April 2016
Mr. Johan Nyvene	Member	Reappointed on 21 April 2016
Mr. Le Thang Can	Member	Reappointed on 21 April 2016
Mr. Le Hoang Anh	Member	Appointed on 21 April 2016
Mr. Trinh Hoai Giang	Member	Resigned on 21 April 2016

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of the financial statements include:

<u>Name</u>	<u>Title</u>	<u>Date of reappointment</u>
Mr. Vo Van Chau	Chief Supervisor	Reappointed on 21 April 2016
Mr. Doan Van Hinh	Member	Reappointed on 21 April 2016
Ms. Dang Nguyet Minh	Member	Reappointed on 21 April 2016

MANAGEMENT

Members of management during the year and at the date of the financial statements include:

<u>Name</u>	<u>Title</u>	<u>Date of appointment</u>
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	Deputy Chief Executive Officer	Appointed on 12 August 2013
Mr. Fiachra Mac Cana	Managing Director	Appointed on 1 March 2008
Mr. Bach Quoc Vinh	Managing Director	Appointed on 1 February 2010
Mr. Arnold V. Pangilinan	Managing Director	Appointed on 12 November 2012
Mr. Pham Ngoc Bich	Managing Director	Appointed on 7 January 2016
Mr. Henry Dickon Verey	Managing Director	Appointed on 15 November 2016

Ho Chi Minh City Securities Corporation

GENERAL INFORMATION (continued)

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.

AUDITOR

The auditor of the Company is Ernst & Young Vietnam Limited.

Ho Chi Minh City Securities Corporation

REPORT OF THE MANAGEMENT

Management of Ho Chi Minh City Securities Corporation ("the Company") is pleased to present its report and the financial statements of the Company for the year ended 31 December 2016.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the financial statements of each financial year which give a true and fair view of the financial position of the Company and of the results of its operations, its cash flows and its changes in equity 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.

STATEMENT BY THE MANAGEMENT

Management 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 2016 and of the results of its operations, its cash flows and its changes in equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting regulations and guidance applicable to securities companies and other statutory requirements relevant to preparation and presentation of financial statements.

For and on behalf of the Management:



Johan Nyvene
Johan Nyvene
Chief Executive Officer

Ho Chi Minh City, Vietnam

30 March 2017

Reference: 60790272/18609063

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Ho Chi Minh City Securities Corporation

We have audited the accompanying financial statements of Ho Chi Minh City Securities Corporation ("the Company") as prepared on 30 March 2017 and set out on pages 6 to 57, which comprise the statement of financial position as at 31 December 2016, and the income statement, the cash flow statement and the statement of changes in equity for the year then ended and the notes thereto.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting regulations and guidance applicable to securities companies and other statutory requirements relevant to preparation and presentation of financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

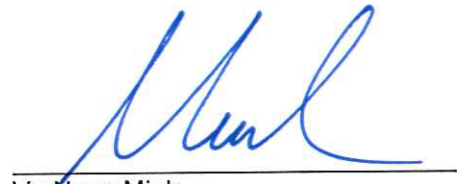
Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2016, and of the results of its operations, its cash flows, and its changes in equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting regulations and guidance applicable to securities companies and other statutory requirements relevant to preparation and presentation of financial statements.

Ernst & Young Vietnam Limited



Saman Bandara
Deputy General Director
Audit Practicing Registration
Certificate No. 2036-2013-004-1



A blue ink signature of Vo Ngoc Minh.

Vo Ngoc Minh
Auditor
Audit Practicing Registration
Certificate No. 2105-2013-004-1

Ho Chi Minh City, Vietnam

30 March 2017

Ho Chi Minh City Securities Corporation

STATEMENT OF FINANCIAL POSITION
as at 31 December 2016

B01-CTCK

Code	Items	Notes	Ending balance VND	Beginning balance VND
100	A. CURRENT ASSETS		3,472,717,136,729	2,970,427,721,404
110	I. Cash and cash equivalents		3,468,203,146,189	2,965,609,834,770
111	1. Cash and cash equivalents	4	60,193,684,900	164,147,260,813
111.1	1.1. Cash		60,193,684,900	164,147,260,813
112	2. Financial assets at fair value through profit and loss (FVTPL)	6.1	306,371,695,555	132,174,873,494
114	3. Loans	6.2	2,750,945,233,394	2,609,604,774,530
116	4. Provision for impairment of financial asset at FVTPL	6.4	(19,997,479,770)	-
118	5. Advances to suppliers		424,654,405	511,650,108
119	6. Receivables from services provided by the Company	7	370,008,403,676	57,145,417,513
122	7. Other receivables	7	35,167,679,780	18,745,163,406
129	8. Provision for doubtful debts	7	(34,910,725,751)	(16,719,305,094)
130	II. Other current assets	8	4,513,990,540	4,817,886,634
131	1. Advances		433,534,797	154,469,078
133	2. Short-term prepaid expenses		4,052,697,143	4,637,718,956
134	3. Short-term deposits, collaterals and pledges		27,758,600	25,698,600
200	B. NON-CURRENT ASSETS		144,125,197,959	133,146,147,996
220	I. Fixed assets		9,116,376,326	10,305,668,048
221	1. Tangible fixed assets	9	5,630,956,930	5,406,970,081
222	1.1. Cost		45,772,044,510	43,397,152,620
223a	1.2. Accumulated depreciation		(40,141,087,580)	(37,990,182,539)
227	2. Intangible fixed assets	10	3,485,419,396	4,898,697,967
228	1.1. Cost		29,853,565,250	28,463,749,200
229a	1.2. Accumulated amortization		(26,368,145,854)	(23,565,051,233)
240	II. Constructions in progress	11	11,158,311,542	1,807,447,420
250	III. Other long-term assets		123,850,510,091	121,033,032,528
251	1. Long-term deposits, collaterals and pledges		4,718,807,750	4,688,159,350
252	2. Long-term prepaid expenses	12	96,160,834,900	99,512,289,868
253	3. Deferred tax assets	24	3,638,284,131	-
254	4. Deposit to Settlement Supporting Fund	13	19,332,583,310	16,832,583,310
270	TOTAL ASSETS		3,616,842,334,688	3,103,573,869,400

Ho Chi Minh City Securities Corporation

STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2016

B01-CTCK

Code	Items	Notes	Ending balance VND	Beginning balance VND
300	A. LIABILITIES		1,224,924,883,425	824,024,542,338
310	I. Current liabilities		1,224,924,883,425	824,024,542,338
311	1. Short-term borrowings and financial leases	14	1,000,000,000,000	654,103,204,781
312	1.1. Short-term borrowings		1,000,000,000,000	654,103,204,781
318	2. Payables for securities transaction activities	15	32,610,005,800	33,854,472,337
320	3. Short-term payables to customers		2,936,065,430	2,132,789,448
322	4. Statutory obligations	16	39,140,841,363	27,383,031,945
324	5. Employee benefits		2,681,960,041	2,711,322,446
325	6. Short-term expense payables	17	23,851,769,991	17,970,571,764
329	7. Other current liabilities	18	108,811,108,212	70,582,809,538
331	8. Bonus and welfare fund		14,893,132,588	15,286,340,079
400	B. OWNERS' EQUITY		2,391,917,451,263	2,279,549,327,062
410	I. Capital		2,391,917,451,263	2,279,549,327,062
411	1. Share capital		1,581,839,121,491	1,582,140,489,041
411.1	1.1. Contributed capital		1,272,567,580,000	1,272,567,580,000
411.1a	1.1.1. Common shares		1,272,567,580,000	1,272,567,580,000
411.2	1.2. Share premium		310,343,798,499	310,343,798,499
411.5	1.3. Treasury shares		(1,072,257,008)	(770,889,458)
414	2. Capital supplementary reserve		117,012,921,701	101,786,372,631
415	3. Operational risk and financial reserve		117,012,921,702	101,786,372,632
426	4. Other funds belong to owners' equity		3,961,374,994	3,961,374,994
427	5. Undistributed earnings	19.2	572,091,111,375	489,874,717,764
427.1	5.1. Realized profit	21.2	628,246,013,560	547,779,193,929
427.2	5.2. Unrealized profit	21.2	(56,154,902,185)	(57,904,476,165)
440	TOTAL LIABILITIES AND OWNERS' EQUITY		3,616,842,334,688	3,103,573,869,400

Ho Chi Minh City Securities Corporation

STATEMENT OF FINANCIAL POSITION (continued)
for the year ended 31 December 2016

B01-CTCK

OFF BALANCE SHEET ITEMS

Code	ITEMS	Notes	Ending balance VND	Beginning balance VND
	A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
004	Bad debts handled	20.1	345,059,000	345,059,000
005	Foreign currency (original currency)	20.2		
	<i>USD</i>		45,182.58	40,192.22
	<i>Yen</i>		190,755	190,755
	<i>Singapore Dollar</i>		300	300
	<i>Pound</i>		100	-
	<i>Taiwan Dollar</i>		3,200	3,200
	<i>Canada Dollar</i>		100	100
006	Outstanding shares (shares)	20.3	127,155,368	127,185,417
007	Treasury shares (shares)	20.4	101,390	71,341
008	Financial assets of the Company listed/registered at VSD	20.5	74,178,610,000	43,903,110,000
009	Non-traded financial assets of the Company listed/registered at VSD	20.6	1,010,000	10,000
010	The Company's awaiting financial assets	20.7	2,099,960,000	1,569,680,000
012	Financial assets of the Company are not deposited at VSD	20.8	60,297,270,000	44,914,770,000
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS			
021	Investors' financial assets listed/registered at VSD	20.9	12,992,363,100,000	10,264,716,910,000
021.1	<i>Unrestricted and traded financial assets</i>		10,695,622,580,000	9,417,540,880,000
021.2	<i>Restricted financial assets</i>		12,819,940,000	40,833,600,000
021.3	<i>Mortgaged financial assets</i>		1,964,810,500,000	561,031,770,000
021.4	<i>Blocked financial assets</i>		90,276,820,000	180,000,000
021.5	<i>Financial assets awaiting settlement</i>		228,833,260,000	245,130,660,000
022	Investors' non-traded financial assets deposited at VSD	20.10	38,878,010,000	14,605,130,000
022.1	<i>Unrestricted and non-traded financial assets deposited at VSD</i>		22,049,360,000	7,589,070,000

Ho Chi Minh City Securities Corporation

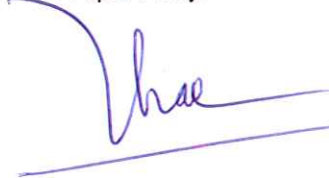
STATEMENT OF FINANCIAL POSITION (continued)
for the year ended 31 December 2016

B01-CTCK

OFF BALANCE SHEET ITEMS (continued)

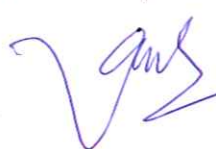
Code	ITEMS	Notes	Ending balance VND	Beginning balance VND
022.2	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued) <i>Restricted and non-traded financial assets deposited at VSD</i>		16,828,650,000	7,016,060,000
023	Investors' awaiting financial assets	20.11	219,655,840,000	241,716,160,000
026	Investors' deposits	20.12	581,883,723,061	493,009,558,764
027	<i>Investors' deposits for securities trading activities managed by the Company</i>		581,883,723,061	493,009,558,764
031	Payables to investors relating to deposits for securities trading activities managed by the Company	20.13	581,883,723,061	493,009,558,764
031.1	- <i>Payables to domestic investors relating to deposits for securities trading activities managed by the Company</i>		581,657,003,061	492,931,698,764
031.2	- <i>Payables to foreign investors relating to deposits for securities trading activities managed by the Company</i>		226,720,000	77,860,000

Prepared by:



Ho Thi Thu Thao
Head of Accounting Department

Reviewed by:



Lam Huu Ho
Chief Financial Officer

Approved by:



Johan Nyvene
Chief Executive Officer

Ho Chi Minh City, Vietnam

30 March 2017

Ho Chi Minh City Securities Corporation

INCOME STATEMENT
for the year ended 31 December 2016

B02-CTCK

Code	ITEMS	Notes	Current year VND	Previous year VND
	I. OPERATING REVENUE			
01	1. Revenue from financial assets at fair value through profit and loss (FVTPL)		99,024,690,204	88,926,268,079
01.1	1.1. Gain from sale of financial assets at FVTPL	21.1	61,894,006,092	28,569,176,193
01.2	1.2. Gain from revaluation of financial assets at FVTPL	6.3	5,246,169,979	-
01.3	1.3. Dividend, interest income from financial assets at FVTPL	21.3	31,884,514,133	60,357,091,886
03	2. Income from loans and receivables	21.3	343,656,813,084	222,636,416,529
06	3. Revenue from brokerage services	21.4	348,957,129,710	262,076,234,335
08	4. Revenue from securities investment advisory services	21.4	24,601,902,383	11,154,708,555
09	5. Revenue from custodian services	21.4	5,056,975,249	3,952,302,881
11	6. Other operating income	21.4	1,868,685,936	1,574,822,296
20	Total revenues from operating activities		823,166,196,566	590,320,752,675
	II. OPERATING EXPENSES			
21	1. Loss from financial assets at FVTPL		(17,764,618,901)	(25,154,332,109)
21.1	1.1. Loss from sale of financial assets at FVTPL	21.1	(14,268,022,902)	(49,496,478,969)
21.2	1.2. Loss from revaluation of financial assets at FVTPL	6.3	(3,496,595,999)	24,342,146,860
24	2. Provision expenses for financial assets, bad debts written off and loss from impairment of financial assets and borrowing costs to loan	22	(65,564,043,908)	(7,390,345,537)
26	3. Expenses for self-trading activities	22	(23,567,021,196)	(11,949,061,177)
27	4. Expenses for brokerage services	22	(206,830,545,356)	(168,468,781,630)
29	5. Expenses for securities investment advisory services	22	(9,996,332,411)	(9,705,218,891)
30	6. Expenses for securities custodian services	22	(5,096,284,054)	(4,025,649,485)
32	7. Other operating expenses	22	(18,865,791,047)	(4,103,170,938)
40	Total operating expenses		(347,684,636,873)	(230,796,559,767)
	III. FINANCIAL INCOME			
42	1. Revenue, accrued dividends, non-fixed interest income		1,078,380,134	818,225,135
50	Total financial income		1,078,380,134	818,225,135

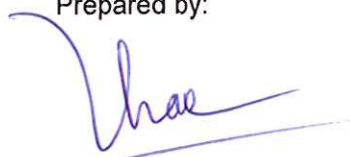
Ho Chi Minh City Securities Corporation

INCOME STATEMENT (continued)
for the year ended 31 December 2016

B02-CTCK

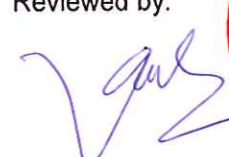
Code	ITEMS	Notes	Current year VND	Previous year VND
62	VI. ADMINISTRATIVE EXPENSES	23	(91,966,241,312)	(88,870,264,003)
70	VII. OPERATING PROFIT		384,593,698,515	271,472,154,040
	VIII. OTHER INCOME EXPENSES			
71	1. Other income		789,590,907	28,037,441
80	Total other income		789,590,907	28,037,441
90	IX. PROFIT BEFORE TAX		385,383,289,422	271,500,191,481
91	1. Realized profit		383,633,715,442	247,158,044,621
92	2. Unrealized profit		1,749,573,980	24,342,146,860
100	X. CORPORATE INCOME TAX (CIT) EXPENSES	24	(80,852,308,119)	(58,190,091,220)
100.1	1. Current CIT expense		(84,490,592,250)	(58,190,091,220)
100.2	2. Deferred CIT income		3,638,284,131	-
200	XI. PROFIT AFTER TAX		304,530,981,303	213,310,100,261
400	TOTAL COMPREHENSIVE INCOME		304,530,981,303	213,310,100,261
500	XII. NET INCOME PER SHARE			
501	1. Basic earnings per share	25.4	2,395	1,598

Prepared by:



Ho Thi Thu Thao
Head of Accounting Department

Reviewed by:



Lam Huu Ho
Chief Financial Officer

Approved by:



Johan Nyvene
Chief Executive Officer

Ho Chi Minh City, Vietnam

30 March 2017

Ho Chi Minh City Securities Corporation

STATEMENT OF CASH FLOWS
for the year ended 31 December 2016

B03b-CTCK

Code	ITEMS	Notes	Current year VND	Previous year VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Net profit before tax		385,383,289,422	271,500,191,481
02	2. Adjustments for:			
03	- Depreciation and amortization	9, 10	5,921,197,566	5,506,890,305
04	- Provisions	6.4, 7	38,188,900,427	-
07	- Profits from investing activities		(789,590,907)	(27,909,091)
08	- Accrued interest	7	(1,817,395,834)	(2,178,573,612)
10	3. Increase in non-monetary expenses			
11	Loss from revaluation of financial assets at FVTPL	6.3	3,496,595,999	-
18	4. Decrease in non-monetary revenues			
19	Gain from revaluation of financial assets at FVTPL	6.3	(5,246,169,979)	(24,342,146,860)
30	5. Changes in operating assets and liabilities		425,136,826,694	250,458,452,223
31	(Increase)/decrease in financial assets at FVTPL		(172,447,248,081)	89,641,613,473
33	Increase in loans		(141,340,458,864)	(1,237,857,244,278)
37	(Increase)/decrease in in receivables from services provided by the Company		(312,862,986,163)	583,814,371,138
39	(Increase)/decrease in other receivables		(14,518,124,837)	8,795,675,477
41	Increase/(decrease) in accrued expenses (excluding borrowing costs)		5,881,198,227	(6,538,502,831)
42	Decrease in prepaid expense		3,936,476,781	2,170,370,087
43	Corporate income tax paid	16	(74,560,483,150)	(54,941,674,651)
45	Decrease in trade payables		(441,190,555)	(612,245,380,452)
46	(Decrease) /Increase in employees benefit payables		(29,362,405)	572,870,453
47	Increase/(decrease) in tax payables (excluding corporate income tax paid)		1,748,741,225	(869,655,577)
50	Increase/(decrease) in other payables		27,223,376,032	(811,413,101)
52	Other payments for business operation		(2,811,774,119)	(22,686,278,609)
60	Net cash flows used in operating activities		(255,085,009,215)	(1,000,496,796,648)

Ho Chi Minh City Securities Corporation

STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2016

B03b-CTCK

Code	ITEMS	Notes	Current year VND	Previous year VND
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
61	Purchase and construction of fixed assets		(14,082,769,966)	(9,196,409,972)
62	Proceeds from disposals of fixed assets and other long-term assets		868,550,000	30,700,000
70	Net cash flows used in investing activities		(13,214,219,966)	(9,165,709,972)
	III. CASH FLOW FROM FINANCING ACTIVITIES			
72	Payments for capital of owners and repurchasing issued shares		(1,367,550)	(2,080,620)
73	Principal Borrowings	14	15,916,247,935,548	6,357,985,987,374
73.2	- Other borrowings		15,916,247,935,548	6,357,985,987,374
74	Payments for principal borrowings	14	(15,570,351,140,329)	(5,703,882,782,593)
74.3	- Other borrowings		(15,570,351,140,329)	(5,703,882,782,593)
76	Dividends and profits paid to shareholders		(181,549,774,401)	(266,685,973,510)
80	Net cash flows from financing activities		164,345,653,268	387,415,150,651
90	Net decrease in cash and cash equivalents during the year		(103,953,575,913)	(622,247,355,969)
101	Cash and cash equivalents at the beginning of the year	4	164,147,260,813	786,394,616,782
101.1	Cash		164,147,260,813	786,394,616,782
103	Cash and cash equivalents at the end of the year	4	60,193,684,900	164,147,260,813
103.1	Cash		60,193,684,900	164,147,260,813

Ho Chi Minh City Securities Corporation

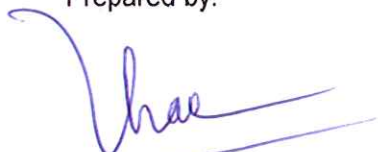
STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2016

B03b-CTCK

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE CUSTOMERS

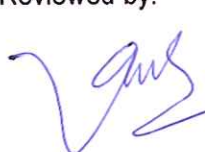
Code	ITEMS	Notes	Current year VND	Previous year VND
	I. CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE CUSTOMERS			
01	1. Cash receipt from disposal of securities on behalf of customers		55,264,325,527,560	44,084,347,704,564
02	2. Cash payment for acquisition of securities on behalf of customers		(55,568,381,170,200)	(45,901,003,061,414)
07	3. Cash receipt from investors for trading securities		397,986,782,186	1,593,388,791,200
11	4. Cash payment for securities depository fee of customers		(5,056,975,249)	(3,952,302,881)
20	Net increase/(decrease) in cash during the year		88,874,164,297	(227,218,868,531)
30	II. CASH AND CASH EQUIVALENT OF THE CUSTOMERS AT THE BEGINNING OF THE YEAR		493,009,558,764	720,228,427,295
31	Cash at banks at the beginning of the year:			
32	Investors' deposits managed by the Company for securities trading activities		493,009,558,764	720,228,427,295
33	- Investors' deposits for trading securities		493,009,558,764	720,228,427,295
40	III. CASH AND CASH EQUIVALENT OF THE CUSTOMERS AT THE END OF THE YEAR (40 = 20 + 30)		581,883,723,061	493,009,558,764
41	Cash at banks at the end of the year:			
42	Investors' deposits managed by the Company for securities trading activities		581,883,723,061	493,009,558,764

Prepared by:



Ho Thi Thu Thao
Head of Accounting Department

Reviewed by:



Lam Huu Ho
Chief Financial Officer

Approved by:



Johan Nyvene
Chief Executive Officer

Ho Chi Minh City, Vietnam

30 March 2017

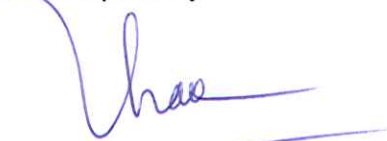
Ho Chi Minh City Securities Corporation

STATEMENT OF CHANGES IN OWNER'S EQUITY for the year ended 31 December 2016

B04-CTCK

ITEMS	Notes	Beginning balance		Increase/(decrease)				Ending balance	
		1 January 2015 VND	1 January 2016 VND	Previous year		Current year		31 December 2015 VND	31 December 2016 VND
				Increase VND	Decrease VND	Increase VND	Decrease VND		
1. Share capital		1,582,583,569,661	1,582,140,489,041	(443,080,620)	-	(301,367,550)	-	1,582,140,489,041	1,581,839,121,491
1.1. Common shares		1,272,567,580,000	1,272,567,580,000	-	-	-	-	1,272,567,580,000	1,272,567,580,000
1.2. Surplus equity		310,343,798,499	310,343,798,499	-	-	-	-	310,343,798,499	310,343,798,499
1.3. Treasury shares		(327,808,838)	(770,889,458)	(443,080,620)	-	(301,367,550)	-	(770,889,458)	(1,072,257,008)
2. Operational risk and financial reserve fund		91,120,867,619	101,786,372,632	10,665,505,013	-	15,226,549,070	-	101,786,372,632	117,012,921,702
3. Capital supplementary reserve		91,120,867,618	101,786,372,631	10,665,505,013	-	15,226,549,070	-	101,786,372,631	117,012,921,701
4. Other funds belonging to owners' equity		3,961,374,994	3,961,374,994	-	-	-	-	3,961,374,994	3,961,374,994
5. Undistributed profit	19.2	589,443,929,500	489,874,717,764	213,310,100,261	(312,879,311,997)	304,530,981,303	(222,314,587,692)	489,874,717,764	572,091,111,375
5.1. Realized profit		671,690,552,525	547,779,193,929	188,967,953,401	(312,879,311,997)	302,781,407,323	(222,314,587,692)	547,779,193,929	628,246,013,560
5.2. Unrealized loss		(82,246,623,025)	(57,904,476,165)	24,342,146,860	-	1,749,573,980	-	(57,904,476,165)	(56,154,902,185)
TOTAL		2,358,230,609,392	2,279,549,327,062	234,198,029,667	(312,879,311,997)	334,682,711,893	(222,314,587,692)	2,279,549,327,062	2,391,917,451,263

Prepared by:



Ho Thi Thu Thao
Head of Accounting Department

Ho Chi Minh City, Vietnam

30 March 2016

Reviewed by:



Lam Huu Ho
Chief Financial Officer



Approved by:



Johan Nyvene
Chief Executive Officer

1. CORPORATE INFORMATION

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 licenses.

The current 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 5th and 6th Floor, AB Tower, 76 Le Lai Street, Ben Thanh Ward, District 1, Ho Chi Minh City. At 31 December 2015, the Company had 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 2016 was 701 persons (31 December 2015: 679 persons).

Main features of operation of the Company

Capital size

As at 31 December 2016, the Company's share capital amounted to VND1,272,567,580,000, while its owners' equity was VND2,391,917,451,263 and its total assets were VND3,616,842,334,688.

Investment target

Being a listed securities company in the Vietnamese securities market, the Company's aims are to contribute to the development of the securities market and bring benefits to customers, investors and shareholders of the Company.

Investment restrictions

The Company complies with regulations at Article 44 of Circular No. 210/2012/TT-BTC dated 30 November 2012 promulgating the establishment and operation of securities companies, Circular No. 07/2016/TT-BTC dated 18 January 2016 amending and supplementing certain articles of Circular No. 210/2012/TT-BTC and current regulations on investment restrictions.

2. BASIS OF PREPARATION

2.1 *Accounting Standards and System*

The financial statements of the Company (the "Company") expressed in Vietnam dong ("VND"), are prepared in accordance with the Vietnamese Enterprise Accounting System, the accounting policies applicable to securities companies as set out in Circular No. 210/2014/TT-BTC dated 30 December 2014 providing guidance on accounting policies applicable to securities companies, Circular No. 334/2016/TT-BTC dated 27 December 2016 amending, supplementing and replacing Appendix 2 and Appendix 4 of Circular No. 210/2014/TT-BTC, Circular No. 146/2014/TT-BTC dated 6 October 2014 providing guidance on financial regime applicable to securities companies and Vietnamese Accounting Standards 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).

2. BASIS OF PREPARATION (continued)

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 financial statements are prepared in VND which is also the Company's accounting records in VND.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Change in accounting policies and disclosures*

On 30 December 2014, the Ministry of Finance issued Circular No. 210/2014/TT-BTC providing guidance on accounting policies applicable to securities companies ("Circular 210"). This Circular replaces Circular No. 95/2008/TT-BTC dated 24 October 2008 of the Ministry of Finance providing guidance on accounting policies applicable to securities companies and Circular No. 162/2010/TT-BTC dated 20 October 2010 amending and supplementing Circular No. 95/2008/TT-BTC. Circular 210 is applicable to fiscal year beginning on or after 1 January 2016. Circular 210 prescribes contents of accounting vouchers, system of accounting accounts as well as method of preparing and presenting the financial statements of securities companies.

On 27 December 2016, the Ministry of Finance issued Circular No. 334/2016/TT-BTC amending, supplementing and replacing Appendix 02 and 04 of Circular No. 210/2014/TT-BTC dated 30 December 2014 ("Circular 334").

Circular 210 and Circular 334 leads to the following significant changes:

- ▶ Changes in name and content of the financial statements: balance sheet is renamed as statement of financial position, statement of profit or loss is renamed as income statement, statement of cash flows from brokerage and trust activities of investors is separately presented as a part of the basic financial statements.
- ▶ Financial assets are categorized into four groups: financial assets at fair value through profit and loss, available-for-sale financial assets, held-to-maturity investments and loans.
- ▶ Assets and liabilities of securities companies and investors (including deposits, securities investment and payable accounts) are separately managed.

In addition, Circular 210 and Circular 334 provides the guidance on measurement of financial assets as follows:

- ▶ Financial assets at fair value through profit and loss (FVTPL): are recognized at cost or reorganized at fair value if complying with current securities regulations. Changes in fair value of these assets is recognized in the income statement.
- ▶ Available-for-sale (AFS) financial assets: are recognized at fair value. Any gain or loss arising from revaluation of AFS financial assets is recognized directly in owners' equity (Other comprehensive income), through statement of changes in owners' equity, except for loss from impairment of AFS financial assets.
- ▶ Held-to-maturity (HTM) financial assets: are recognized at amortized cost based on effective interest rate method.
- ▶ Loans: are recognized at amortized cost based on effective interest rate method.

Circular 210 and Circular 334 are applied for fiscal year beginning from or after 1 January 2016.

The Company has restated its comparative figures of previous year in accordance with Circular 210 and Circular 334's requirements as presented in *Note 25.6*.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Standards issued but not yet taken effect

On 20 November 2015, the National Assembly of Vietnam passed the Law on Accounting No. 88/2015/QH13 ("the new Accounting Law"). The new Accounting Law extends its governing scope to electronic accounting documents and allows the application of fair value concept for some types of assets and liabilities which their value frequently varies due to market fluctuation, provided that the fair value of these assets and liabilities can be reliably determined. The new Accounting Law takes effect from 1 January 2017.

3.3 Cash and cash equivalents

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

Cash deposited by customers for securities trading and cash deposited by securities issuers are presented at off-balance sheet.

3.4 Financial assets at fair value through profit and loss (FVTPL)

Financial assets recognized at fair value through profit and loss are financial assets that satisfy either of the following conditions:

- a) It is classified as held for trading. A financial asset is classified as held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
 - there is evidence of a recent actual pattern of short-term profit-taking; or
 - it is a derivative (except derivative that is a financial guarantee contract or effective hedging instrument).
- b) Upon initial recognition, a financial asset is designated by the entity at fair value through profit and loss as it meets one of the following criteria:
 - The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the asset or recognising gains or losses on a different basis; or
 - The assets and liabilities are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

Financial assets at FVTPL are initially recognized at cost and subsequently recognized at cost less the reduction in the fair value of these financial assets as the prevailing securities regulations does not allow the use of fair value concept.

Transaction costs relating to the purchase of the financial assets at FVTPL are recognized when incurred as expenses for proprietary trading in the income statement.

3.5 Loans

Loans 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 recognized at fair value through profit or loss statements;
- 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Loans (continued)

Loans are recognized initially at cost. After initial recognition, loans are subsequently measured at amortized cost using the effective interest rate ("EIR").

Amortized cost of loans is the amount at which the financial asset is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortization using the effective interest rate method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

3.6 Provision for impairment of financial assets

Provision for impairment of financial assets

Financial assets are assessed at the reporting date whether there is objective evidence that the assets are impaired.

Provision for impairment of transferable securities is the difference between the book value and market value of the financial assets as at the latest transaction date but not exceed one month compared to making provision date in accordance with Circular No. 146/2014/TT-BTC and Circular No. 228/2009/TT-BTC. Any increase or decrease in balance of provision is recognized in "Provision expense for financial assets, bad debts written off, impairment of financial assets and borrowing costs to finance for loans".

Market value/fair value of the securities is determined on the following basis:

- ▶ For securities listed on Hanoi Stock Exchange and Ho Chi Minh City Stock Exchange, their market prices are their closing prices on the trading day preceding the date of setting up the provision.
- ▶ For securities have not listed on Stock Exchange but registered for trading on the unlisted public company market (UPCom), their market prices are their average closing prices on the trading day preceding the date of setting up the provision.
- ▶ For the delisted securities and suspended trading securities from the sixth day afterward, their prices are the book value at the latest financial report date.
- ▶ The market price for unlisted securities and securities unregistered for trading used as a basis for setting up the provision is the average of actual trading prices quoted by 3 securities companies conducting transactions within one month before the date of setting up the provision.

Provision for loans is made based on the expected loss which is calculated as the difference between market price of securities pledged for loans and outstanding loan balance.

For securities which do not have reference prices from the above sources, the impairment is determined based on the financial performance and the book value of securities issuers as at the assessment date.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Derecognition of financial assets

A financial asset (part of a group of similar financial assets) is derecognized when:

- ▶ The rights to receive cash flows from the asset have expired; or
- ▶ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either:
 - the Company has transferred substantially all the risks and rewards of the asset, or
 - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

3.8 Financial assets reclassification

Reclassification when disposing financial assets which are not recognized at FVTPL

The Company which disposes financial assets which are not financial assets at FVTPL is required to reclassify financial assets from other related groups to financial assets at FVTPL.

Reclassification due to change in intention or holding capability

The Company is allowed to reclassify financial assets into other groups as the result of change in its attention or holding ability. Accordingly

Non-derivative FVTPL financial assets which are not required to classify into FVTPL at initial recognition can be reclassified into loans and receivables in certain special circumstances or cash and cash equivalents if it meets the conditions to be classified in this group. Loss recorded from revaluation of financial asset at FVTPL before reclassification will not be reversed.

If the Company changes its intention or holding ability, the classification of an investment into held to maturity is no longer suitable. This investment must be reclassified to financial assets at AFS and revaluated at cost less provision for diminution (if any) as the prevailing Law on Accounting does not allow the use of fair value concept.

3.9 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 their overdue status or estimated loss of undue receivables from economic entities which fall bankruptcy 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. Increase or decrease to the provision balance is recorded as "operating expenses" in the income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Receivables (continued)

Provision for overdue receivables is made in accordance with Circular No. 228/2009/TT-BTC dated 7 December 2009 issued by the Ministry of Finance as follows:

<i>Overdue period</i>	<i>Provision rate</i>
From six (6) months to less than one (1) year	30%
From one (1) year to less than two (2) years	50%
From two (2) years to less than three (3) years	70%
From three (3) years and above	100%

3.10 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 statement of financial position and any gain or loss resulting from their disposal is included in the income statement.

3.11 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortization.

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.

When intangible fixed assets are sold or retired, their costs and accumulated amortization are removed from the statement of financial position and any gain or loss resulting from their disposal is included in the income statement.

3.12 Depreciation and amortization

Depreciation and amortization 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

3.13 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the statement of financial position and amortized 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 amortized to the income statement over two (02) to forty (40) years:

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Repurchase and reverse repurchase agreements

Securities sold under agreements to repurchase at a specified future date ("repos") are not derecognized from the financial statements. The corresponding cash received is recognized in the financial statements as a liability. The difference between the sale price and repurchase price is recognized as interest expense and is accrued over the life of the agreement using the straight-line method.

Conversely, securities purchased under agreements to resell at a specified future date ("reverse repos") are not recognized in the financial statements. The corresponding cash paid is recognized in the statement of financial position as an liability. 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 Company considers to make provision base on the aging of commitments or expected losses in accordance with Circular No. 228/2009/TT-BTC dated 7 December 2009 issued by the Ministry of Finance.

3.15 Payables and accruals

Payables and accruals are recognized for amounts to be paid in the future for interest of convertible bonds goods and services received, whether or not billed to the Company.

3.16 Employee benefits

3.16.1 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 18% 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.

3.16.2 Provision for retrenchment allowance

Retrenchment allowance occurs as a result of a constructive obligation to restructure when the Company has a detailed and formal plan for restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it. Retrenchment allowance is provided at the rate of one month's salary for each working year up to 31 December 2008 and the minimum amount for each employee is two months' salary in accordance with the Labor Code and related implementing guidance. From 1 January 2009, the average monthly salary used in this calculation is the average monthly salary of the latest six-month period up to the resignation date. The increase in this provision will be accounted in income statement.

According to current regulation the Company is obliged Provision for retrenchment allowance fund used for payment of unemployment allowance arising termination labor contract.

3.16.3 Unemployment benefits

According to current regulation the Company is required to pay unemployment insurance at 1% of salary of employees who participate in the unemployment program and deduct 1% from each employee's basic salary.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Foreign currency transactions

Transactions in currencies other than the Company's reporting currency of VND are recorded at the actual transaction exchange rates of commercial banks at transaction dates. At the end of the year, monetary balances denominated in foreign currencies are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly.
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred during the year and arisen from the revaluation of monetary accounts denominated in foreign currencies at the end of the year are taken to the income statement.

3.18 Treasury shares

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

3.19 Revenue recognition

Revenue is recognized 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 determined according to fair value of receivables which were received or not after deducted trading discounts, price reductions and returned goods. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from brokerage activities

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

Revenue from trading securities

Revenue from securities trading is recognized on the basis of the difference between selling price and cost of securities sold.

Revenue from securities repurchase and reverse repurchase agreements

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

Interest income

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

Dividend

Income is recognized when the Company's entitlement as an investor to receive the dividend is established, except for dividend received in shares which only changing number of shares is reflected the Company's investment portfolio.

Rendering of other services

Where the contract outcome can be reliably measured, revenue is recognized by reference to the stage of completion.

Where the contract outcome cannot be reliably measured, revenue is recognized only to the extent of the expenses recognized which are recoverable.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Revenue recognition (continued)

Other income

Revenues from irregular activities other than turnover-generating activities are recorded to other incomes as stipulated by VAS 14 – "Revenue and other income", including: Revenues from asset liquidation and sale; fines paid by customers for their contract breaches; collected insurance compensation; collected debt which had been written off and included in the preceding period expenses; payable debts which are now recorded as revenue increase as their owners no longer exist; collected tax amounts which now are reduced and reimbursed; and other revenues.

3.20 Borrowing cost

Borrowing cost comprised interest expense and other expense related directly to the Company's loans.

Borrowings costs are recognized on the accrual basis into the income statement.

3.21 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.

3.22 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 statement of financial position.

Current income tax is charged or credited to the income statement, except when it relates to items recognized 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.

Deferred income tax

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

Deferred tax liabilities are recognized 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 transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profits will be available against which deductible temporary differences, carry forward of unused tax credits and unused tax losses can be utilized, 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred income tax (continued)

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Previously unrecognized deferred income tax assets are re-assessed at each statement of financial position date and are recognized 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 year when the asset realized or the liability is settled based on tax rates and tax laws that have been enacted at the statement of financial position date.

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

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.

3.23 Owners' equity

Contributed capital from shareholders

Contributed capital from stock issuance is recorded at account charter capital in par value.

Undistributed profit

Undistributed profit comprises of realized and unrealized undistributed profit.

Unrealized profit of the year is total difference between gain or loss arising from revaluation of financial assets at FVTPL or other financial assets which are in the financial assets portfolio of the Company, charged into the income statement.

Realized profit during the year is the net difference between total revenue, income and total expenses in the income statement of the Company, except for gain or loss arising from revaluation of financial assets recognized in unrealized profit.

Reserve

According to Circular No. 146/2014/TT-BTC issued by the Ministry of Finance on 6 October 2014, securities companies are required to make appropriation of profit after tax to make the following reserves:

	<i>Percentage of profit after tax</i>	<i>Maximum level</i>
Charter capital supplementary reserve	5%	10% of share capital
Financial and operational risk reserve	5%	10% of share capital

Other reserves are created in accordance with the Resolution of the General Meeting of Shareholders.

Financial and operational risk reserve is used to compensate for remaining loss, property damage arising in business after receiving indemnity from related organization, individual, insurance company.

3.24 Appropriation of net profits

Net profit after tax is available for appropriation to investors/shareholders after approval by the shareholders at the Annual General Meeting, and after making appropriation to reserve funds as required by the Company's Charter and Vietnam's regulatory requirements.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.25 *Item with nil balance*

The items those are not presented in the financial statements according to Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular No. 334/2016/TT-BTC dated 27 December 2016 and Circular No.146/2014/TT-BTC dated 6 October 2014 issued by the MOF are items with nil balance.

4. CASH AND CASH EQUIVALENTS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Cash on hand	614,575,794	720,277,993
Cash at banks for the Company's operation	59,579,109,106	163,426,982,820
Total	60,193,684,900	164,147,260,813

5. VALUE AND VOLUME OF TRADING RESULTS IN THE YEAR

	<i>Trading volume</i> <i>in the year</i> <i>(units)</i>	<i>Trading value</i> <i>in the year</i> VND
a. The Company	158,287,247	8,291,248,664,840
- <i>Shares</i>	103,287,247	2,503,711,664,840
- <i>Bonds</i>	55,000,000	5,787,537,000,000
b. Investors	8,340,677,042	281,015,981,320,673
- <i>Shares</i>	7,187,322,623	163,361,646,886,860
- <i>Bonds</i>	1,153,354,419	117,654,334,433,813
Total	8,498,964,289	289,307,229,985,513

6. FINANCIAL ASSETS

6.1 *Financial assets at fair value through profit and loss (FVTPL)*

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost VND</i>	<i>Fair value VND</i>	<i>Cost VND</i>	<i>Fair value VND</i>
Listed shares	116,041,876,192	115,341,556,730	80,439,156,111	72,922,670,698
FPT Corporation (FPT)	28,077,095,326	26,598,176,000	722,298,603	724,065,300
The gioi Di dong Joint Stock Company (MWG)	18,645,308,328	19,187,220,000	470,291,858	471,628,000
GTNFOODS Stock Company (GTN)	17,500,085,500	20,750,083,000	-	-
SaiGon Beer Alcohol and Beverages Joint Stock Corporation (SAB)	15,239,160,000	15,675,633,000	-	-
ETF VFMVN30 Fund (VFMVN30)	10,603,043,078	10,798,506,000	8,453,323,529	8,677,824,000
Viettronics Tan Binh Joint Stock Company (VTB)	8,168,464,212	5,532,492,800	8,168,464,264	5,618,938,000
Other shares	17,808,719,748	16,799,445,930	62,624,777,857	57,430,215,398
Unlisted shares	246,484,721,548	191,030,138,825	109,640,193,548	59,252,202,796
VietFund Managent	21,803,640,000	21,803,640,000	21,803,640,000	21,803,640,000
HD Saison Finance Co., Ltd	17,000,000,000	17,000,000,000	17,000,000,000	17,000,000,000
DongA Joint Stock Commercial Bank	16,967,999,502	1,511,472,000	16,967,999,502	5,542,064,000
Tan Binh Real Estate Joint Stock Company	12,025,000,000	6,300,000,000	12,025,000,000	6,520,500,000
Ca Mau Seafood Joint Stock Company	10,950,000,000	585,000,000	10,950,000,000	585,000,000
Minh Hai Export Frozen Seafood Processing Joint-Stock Company	8,000,000,000	330,000,000	8,000,000,000	330,000,000
Special Aquatic Products Joint-Stock Company	7,550,000,000	2,160,000,000	7,550,000,000	2,160,000,000
Can Tho Import - Export Seafood Joint Stock Company	4,900,000,000	1,586,117,750	4,900,000,000	1,586,117,750
Cổ phiếu khác	147,288,082,046	139,753,909,075	10,443,554,046	3,724,881,046
Total	362,526,597,740	306,371,695,555	190,079,349,659	132,174,873,494

6. FINANCIAL ASSETS (continued)

6.2 Loans

	Ending balance		Beginning balance	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Receivables from margin	2,666,330,636,119	2,666,330,636,119	2,515,797,574,071	2,515,797,574,071
Receivables from advance to customers	84,614,597,275	84,614,597,275	93,807,200,459	93,807,200,459
Total	2,750,945,233,394	2,750,945,233,394	2,609,604,774,530	2,609,604,774,530

(*) Fair value include accrued interest from margin and exclude provision.

6.3 Statement of changes in market values of financial assets

No.	Types of financial assets	Ending balance				Beginning balance					
		Cost VND	Market value or fair value VND	Revaluation difference		Revaluation value VND	Cost VND	Market value or fair value VND	Revaluation difference		Revaluation value VND
				Increase VND	Decrease VND				Increase VND	Decrease VND	
1	FVTPL	362,526,597,740	306,371,695,555	5,246,169,979	(61,401,072,164)	306,371,695,555	190,079,349,659	132,174,873,494	-	(57,904,476,165)	132,174,873,494
1	Listed shares	116,041,876,192	115,341,556,730	5,246,169,979	(5,946,489,441)	115,341,556,730	80,439,156,111	72,922,670,698	-	(7,516,485,413)	72,922,670,698
2	Unlisted shares	246,484,721,548	191,030,138,825	-	(55,454,582,723)	191,030,138,825	109,640,193,548	59,252,202,796	-	(50,387,990,752)	59,252,202,796
	Total	362,526,597,740	306,371,695,555	5,246,169,979	(61,401,072,164)	306,371,695,555	190,079,349,659	132,174,873,494	-	(57,904,476,165)	132,174,873,494

6.4 Provision for impairment of financial assets and pledged asset

	Beginning provision VND	Addition in year VND	Reversal in year VND	Ending provision VND
Provision for impairment of loans	-	19,997,479,770	-	19,997,479,770

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7. RECEIVABLES

	<u>Ending balance</u> VND	<u>Beginning balance</u> VND
1. Receivables from services provided by the Company	370,008,403,676	57,145,417,513
<i>In which</i>		
Receivables from VSD (i)	312,618,075,234	19,796,209,060
Receivables from purchasing securities (ii)	51,168,439,301	-
Receivables from other activities	6,221,889,141	37,349,208,453
2. Other receivables	35,167,679,780	18,745,163,406
<i>In which: Accrued interest</i>	1,817,395,834	2,178,573,612
3. Provision for impairment of financial assets (iii)	<u>(34,910,725,751)</u>	<u>(16,719,305,094)</u>
Total	<u>370,265,357,705</u>	<u>59,171,275,825</u>

(i) This is the receivables from VSD relating to selling securities for last 2 days. This amount is settled in the subsequent days in 2017.

(ii) This is the receivables relating to securities purchasing of an organization VND51,168,439,301 and it was paid on 3 January 2017.

(iii) Details of impairment of financial assets are as below:

	<u>Beginning</u> <u>provision</u> VND	<u>Addition in year</u> VND	<u>Reversal in year</u> VND	<u>Ending</u> <u>provision</u> VND
Provision for receivables from margin - individuals	-	18,191,420,657	-	18,191,420,657
Provision for impairment of bad debt	16,719,305,094	-	-	16,719,305,094
+ Masan Corporation	1,145,650,000	-	-	1,145,650,000
+ Individuals (*)	15,573,655,094	-	-	15,573,655,094
Total	<u>16,719,305,094</u>	<u>18,191,420,657</u>	<u>-</u>	<u>34,910,725,751</u>

(*) Including in ending balance is bad debts amounting to VND15,443,787,994 related to buying securities transaction in which the investors lost settlement ability. These transactions incurred in previous years and fully made provision for bad debts.

8. OTHER CURRENT ASSETS

	<u>Ending balance</u> VND	<u>Beginning balance</u> VND
Advances	433,534,797	154,469,078
Short-term prepaid expense	4,052,697,143	4,637,718,956
- Maintenance expenses	1,231,762,818	922,614,939
- Used tools expenses	498,091,845	1,250,712,942
- Other short-term prepaid expenses	2,322,842,480	2,464,391,075
Deposits, collaterals and pledges	27,758,600	25,698,600
Total	<u>4,513,990,540</u>	<u>4,817,886,634</u>

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9. TANGIBLE FIXED ASSETS

	<i>Transportation vehicles VND</i>	<i>Office equipment VND</i>	<i>Total VND</i>
Cost			
Beginning balance	3,474,189,544	39,922,963,076	43,397,152,620
Additions	955,900,000	2,386,189,794	3,342,089,794
Disposal	(967,197,904)	-	(967,197,904)
Ending balance	<u>3,462,891,640</u>	<u>42,309,152,870</u>	<u>45,772,044,510</u>
Accumulated depreciation			
Beginning balance	2,797,071,858	35,193,110,681	37,990,182,539
Depreciation for the year	201,813,621	2,916,289,324	3,118,102,945
Disposal	(967,197,904)	-	(967,197,904)
Ending balance	<u>2,031,687,575</u>	<u>38,109,400,005</u>	<u>40,141,087,580</u>
Net carrying amount			
Beginning balance	<u>677,117,686</u>	<u>4,729,852,395</u>	<u>5,406,970,081</u>
Ending balance	<u>1,431,204,065</u>	<u>4,199,752,865</u>	<u>5,630,956,930</u>

Other information of tangible fixed assets:

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Cost of tangible fixed assets that were fully depreciated but still in use	<u>35,220,524,705</u>	<u>34,583,132,500</u>

10. INTANGIBLE FIXED ASSETS

	<i>Computer software VND</i>
Cost:	
Beginning balance	28,463,749,200
Additions	1,389,816,050
Ending balance	<u>29,853,565,250</u>
Accumulated amortization:	
Beginning balance	23,565,051,233
Amortization for the year	2,803,094,621
Ending balance	<u>26,368,145,854</u>
Net carrying amount:	
Beginning balance	<u>4,898,697,967</u>
Ending balance	<u>3,485,419,396</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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10. INTANGIBLE FIXED ASSETS (continued)

Other information of intangible fixed assets:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Cost of intangible fixed assets that were fully depreciated but still in use	<u>21,990,858,667</u>	<u>21,494,156,067</u>

11. CONSTRUCTIONS IN PROGRESS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Software purchase	5,298,570,886	-
Building systems	4,052,293,236	-
Others assets	1,807,447,420	1,807,447,420
Total	<u>11,158,311,542</u>	<u>1,807,447,420</u>

12. LONG-TERM PREPAID EXPENSES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Prepaid office rentals	95,368,949,432	98,201,690,504
Office renovation cost	723,757,334	1,174,321,586
Office tools and equipment	68,128,134	136,277,778
Total	<u>96,160,834,900</u>	<u>99,512,289,868</u>

13. ADVANCE TO SETTLEMENT ASSISTANCE FUND

Advances to settlement assistance fund represent amounts deposited at Vietnam Securities Depository.

According Decision No. 27/QD-VSD dated 13 March 2015 regarding the regulations on management and usage of the Assistance Fund issued by the General Director of the Vietnam Securities Depository, the Company must deposit an initial amount of VND120 million at the Vietnam Securities Depository and pay an addition of 0.01% of the total amount of brokered securities in the previous year, but not over VND2.5 billion per annum.

Details of the advance to settlement assistance fund are as follows:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
First payment	120,000,000	120,000,000
Addition	18,224,666,297	15,898,049,571
Received interest during the year	987,917,013	814,533,739
Total	<u>19,332,583,310</u>	<u>16,832,583,310</u>

14. SHORT-TERM BORROWINGS AND FINANCIAL LEASES

	<i>Interest rate %/p.a</i>	<i>Beginning balance VND</i>	<i>Addition VND</i>	<i>Repayment VND</i>	<i>Ending balance VND</i>
Short-term borrowings (*)	7.5-8.0	400,000,000,000	6,874,899,500,000	(6,274,899,500,000)	1,000,000,000,000
Bank overdraft	6.0-6.5	254,103,204,781	9,041,348,435,548	(9,295,451,640,329)	-
Total		654,103,204,781	15,916,247,935,548	(15,570,351,140,329)	1,000,000,000,000

(*) Short-term borrowings have term from 1 to 3 months used for supplement working capital.

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15. PAYABLES FOR SECURITIES TRADING

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Payables to investors for shares deposits	17,170,000,000	17,170,000,000
Payables to investors for selling transactions	-	16,585,598,900
Other payables	15,440,005,800	98,873,437
Total	32,610,005,800	33,854,472,337

16. TAXATION AND OTHER STATUTORY OBLIGATIONS

<i>Items</i>	<i>Beginning balance</i> VND	<i>Payable in the year</i> VND	<i>Paid in the year</i> VND	<i>Ending balance</i> VND
Corporate income tax (Notes 24)	18,924,105,880	84,490,592,250	(74,560,483,150)	28,854,214,980
Personal income tax paid on behalf of investors	3,482,359,321	54,683,049,508	(54,618,360,856)	3,547,047,973
Personal income tax paid on behalf of foreign corporate	2,859,984,809	31,529,226,481	(30,316,080,562)	4,073,130,728
Contractors tax	960,919,772	3,693,121,908	(3,356,786,117)	1,297,255,563
Personal income tax of employees	771,004,384	18,180,466,168	(17,918,381,363)	1,033,089,189
VAT tax	384,657,779	2,679,795,006	(2,728,349,855)	336,102,930
Excise tax	-	3,000,000	(3,000,000)	-
Total	27,383,031,945	195,259,251,321	(183,501,441,903)	39,140,841,363

17. SHORT-TERM ACCRUED EXPENSES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Allowance for working performance payable to employees	12,000,000,000	12,000,000,000
Brokerage fee payables to SSC	4,733,085,057	3,953,370,562
Interest expenses	3,615,835,487	903,637,272
Others payables	3,502,849,447	1,113,563,930
Total	23,851,769,991	17,970,571,764

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18. OTHER CURRENT LIABILITIES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Dividends payables to shareholders of HSC	67,765,947,688	67,479,807,249
Shares purchase right payables	35,453,170,000	214,740,000
Dividends payables on behalf	2,566,598,772	1,933,445,349
Other payables	3,025,391,752	954,816,940
Total	<u>108,811,108,212</u>	<u>70,582,809,538</u>

19. OWNERS' EQUITY

19.1 Owners' equity

The Company's shares are broken as follows:

	<i>Ending balance</i> Unit	<i>Beginning balance</i> Unit
Authorized shares	127,256,758	127,256,758
<i>Common shares</i>	127,256,758	127,256,758
Shares issued and fully paid	127,256,758	127,256,758
<i>Common shares</i>	127,256,758	127,256,758
Treasury shares	101,390	71,341
<i>Common shares</i>	101,390	71,341
Outstanding shares	127,155,368	127,185,417
<i>Common shares</i>	127,155,368	127,185,417

19.2 Undistributed profit

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Realized profit	628,246,013,560	547,779,193,929
Unrealized profit	(56,154,902,185)	(57,904,476,165)
Total	<u>572,091,111,375</u>	<u>489,874,717,764</u>

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19. OWNERS' EQUITY (continued)

19.3 Dividends allocation to shareholders

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Realized gain from previous year (1/1/2016 and 1/1/2015)	547,779,193,929	671,690,552,525
Unrealized loss in year (at 31/12/2016 and 31/12/2015)	(56,154,902,185)	(57,904,476,165)
Realized gain in year	302,781,407,323	188,967,953,401
Undistributed retain earning allocated to shareholders	794,405,699,067	802,754,029,761
Reserves made for current year	(40,478,672,852)	(45,780,893,097)
Dividends distributed to shareholders for current year	(181,835,914,840)	(267,098,418,900)
Total dividends distributed to shareholders	572,091,111,375	489,874,717,764

20. DISCLOSURE OF OFF BALANCE SHEET ITEMS

20.1 Write-off bad debts

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Other receivables	345,059,000	345,059,000

20.2 Foreign currency

	<i>Ending balance</i>	<i>Beginning balance</i>
USD	45,182.58	40,192.22
Yen	190,755	190,755
Singapore Dollar	300	300
Pound	100	-
Taiwan Dollar	3,200	3,200
Canada Dollar	100	100

20.3 Outstanding shares

	<i>Ending balance</i> Shares	<i>Beginning balance</i> Shares
Detail in types <= 1 year	127,155,368	127,185,417

20.4 Treasury shares

	<i>Ending balance</i> Shares	<i>Beginning balance</i> Shares
Detail in types <= 1 year	101,390	71,341

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20. DISCLOSURE OF OFF BALANCE SHEET ITEMS

20.5 Financial assets listed/registered at VSD of company

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Financial asset		
Unrestricted trading financial assets	39,289,910,000	40,168,410,000
Restricted financial assets	585,000,000	585,000,000
Financial assets awaiting for settlement	34,303,700,000	3,149,700,000
Total	<u>74,178,610,000</u>	<u>43,903,110,000</u>

20.6 Non-traded financial assets of the Company deposited at VSD

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Financial asset		
<i>Unrestricted and non-traded financial assets deposited at VSD</i>	<u>1,010,000</u>	<u>10,000</u>

20.7 The Company's awaiting financial assets

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Financial asset		
The Company's awaiting financial assets	<u>2,099,960,000</u>	<u>1,569,680,000</u>

20.8 Financial assets of the Company are not deposited at VSD

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Financial asset		
Financial assets of the Company are not deposited at VSD	<u>60,297,270,000</u>	<u>44,914,770,000</u>

20.9 Financial assets of investors listed/registered at VSD

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Financial asset		
Unrestricted and traded financial assets	10,695,622,580,000	9,417,540,880,000
Restricted financial assets	12,819,940,000	40,833,600,000
Mortgaged financial assets	1,964,810,500,000	561,031,770,000
Blocked financial assets	90,276,820,000	180,000,000
Financial assets awaiting settlement	228,833,260,000	245,130,660,000
Total	<u>12,992,363,100,000</u>	<u>10,264,716,910,000</u>

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20. DISCLOSURE OF OFF BALANCE SHEET ITEMS (continued)

20.10 Investors' non-traded financial assets deposited at VSD

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Financial asset		
Unrestricted and non-traded financial assets deposited at VSD	22,049,360,000	7,589,070,000
Restricted and non-traded financial assets deposited at VSD	16,828,650,000	7,016,060,000
Total	38,878,010,000	14,605,130,000

20.11 Investors' awaiting financial assets

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Financial asset		
Investors' awaiting financial assets	219,655,840,000	241,716,160,000

20.12 Investors' deposits

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Financial asset		
Investors' deposits for securities trading activities managed by the Company	581,883,723,061	493,009,558,764

20.13 Payables to investors relating to deposits for securities trading activities managed by the Company

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Liabilities		
Payables to investors - Deposits of investors for securities trading activities managed by the Company	581,883,723,061	493,009,558,764
<i>Domestic investors</i>	581,657,003,061	492,931,698,764
<i>Foreign investors</i>	226,720,000	77,860,000
Total	581,883,723,061	493,009,558,764

21. GAIN, LOSS FROM FINANCIAL ASSETS

21.1. Gain, loss from sale of financial assets at FVTPL

<i>Financial assets</i>	<i>Quantity</i>	<i>Selling price VND</i>	<i>Proceeds VND</i>	<i>Weighted average cost at the end of transaction date VND</i>	<i>Gain from sale in the current year VND</i>	<i>Loss from sale in the current year VND</i>	<i>Accumulated gain, loss from sale in the current year VND</i>	<i>Accumulated gain, loss from sale over the previous year VND</i>
Listed shares								
The gioi Di dong Joint Stock Company	1,611,010	160,513	258,588,491,000	144,681	25,506,364,093	(1,112,890)	25,505,251,203	-
NoVa land investment group corporation	2,100,000	55,800	117,180,000,000	50,000	12,180,000,000	-	12,180,000,000	-
Vietnam Dairy products Joint Stock company	865,670	97,603	84,492,021,000	112,340	4,390,011,158	(109,880,946)	4,280,130,212	2,302,185,332
ETF VFMVN30 Fund	42,023,410	6,433	270,346,520,720	6,377	3,866,327,921	(1,520,162,592)	2,346,165,329	(5,516,698,556)
Hoa Sen group (HSG)	1,339,799	38,239	51,232,685,000	36,892	2,120,995,881	(316,621,503)	1,804,374,378	(27,596,629)
SaiGon Beer Alcohol and Beverages Joint Stock Corporation	427,600	85,000	36,346,000,000	80,751	1,816,950,000	-	1,816,950,000	7,254,792,091
Hoa Phat Group	4,318,550	32,386	139,859,714,000	32,259	4,591,056,164	(4,041,759,493)	549,296,671	(2,002,906,272)
Thanh Cong textile garment investment trading joint stock company	570,890	27,785	15,862,263,000	34,065	536	(3,585,110,959)	(3,585,110,423)	116,565,793
Other shares	29,309,607	14,546	426,328,949,105	14,446	7,189,800,339	(4,258,736,432)	2,931,063,907	(37,760,534,964)
Unlisted shares	168,547	6,574	1,108,000,000	7,815	225,500,000	(434,638,087)	(209,138,087)	13,160,990,429
Bond	1,000,000	99,902	99,901,500,000	99,895	7,000,000	-	7,000,000	1,545,900,000
Total	83,735,083		1,501,246,143,825		61,894,006,092	(14,268,022,902)	47,625,983,190	(20,927,302,776)

21.2. Gain, loss from revaluation of financial assets

No.	Financial assets	Cost VND	Market value or Fair value VND	Revaluation difference as at 31 December 2016 VND	Revaluation difference as at 31 December 2015 VND	Adjustment difference in this year VND
I	FVTPL					
1	Listed shares					
	FPT Corporation	28,077,095,326	26,598,176,000	(1,478,919,326)	-	(1,478,919,326)
	Hoang Huy Investment Services Joint stock company	2,240,042,390	764,429,120	(1,475,613,270)	(2,381,604)	(1,473,231,666)
	Viettronics Tan Binh Joint Stock Company	8,168,464,212	5,532,492,800	(2,635,971,412)	(2,549,526,264)	(86,445,148)
	GTNFOODS Stock Company	17,500,085,500	20,750,083,000	3,249,997,500	-	3,249,997,500
	Other shares	60,056,188,764	61,696,362,839	1,640,174,075	(4,964,577,545)	6,604,751,620
2	Unlisted shares					
	Dong A Commercial Joint Stock Bank	16,967,999,502	1,511,472,000	(15,456,527,502)	(11,425,935,502)	(4,030,592,000)
	Ca Mau Seafood Joint Stock Company	10,950,000,000	585,000,000	(10,365,000,000)	(10,365,030,000)	30,000
	Minh Hai Export Frozen Seafood Processing Joint-Stock Company	8,000,000,000	330,000,000	(7,670,000,000)	(7,670,000,000)	-
	Tan Binh Real-Estate Joint Stock Company	12,025,000,000	6,300,000,000	(5,725,000,000)	(5,715,000,000)	(10,000,000)
	Special Aquatic Products Joint-Stock Company	7,550,000,000	2,160,000,000	(5,390,000,000)	(5,389,983,000)	(17,000)
	VASS Insurance Coporation	5,442,600,000	114,000,000	(5,328,600,000)	(4,302,600,000)	(1,026,000,000)
	Can Tho Import - Export Seafood Joint Stock Company	4,900,000,000	1,586,117,750	(3,313,882,250)	(3,313,882,250)	-
	Saigon Postel Corporation	4,406,400,000	2,200,840,000	(2,205,560,000)	(2,205,560,000)	-
	Others	176,242,722,046	176,242,722,046	-	-	-
	Total	362,526,597,740	306,371,695,555	(56,154,902,185)	(57,904,476,165)	1,749,573,980

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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21. GAIN, LOSS FROM FINANCIAL ASSETS (continued)

21.3 Dividend, interest income from financial assets at FVTPL, loans and receivables

	Current year VND	Previous year VND
From financial assets at FVTPL	31,884,514,133	60,357,091,886
From loans and receivables	343,656,813,084	222,636,416,529
Total	375,541,327,217	282,993,508,415

21.4 Revenue other than gain from financial assets

	Current year VND	Previous year VND
Revenue from brokerage services	348,957,129,710	262,076,234,335
Revenue from financial advisory services	24,601,902,383	11,154,708,555
Revenue from securities custodian services	5,056,975,249	3,952,302,881
Other operating incomes	1,868,685,936	1,574,822,296
Total	380,484,693,278	278,758,068,067

22. OPERATING EXPENSES

	Current year VND	Previous year VND
Expenses for brokerage services	206,830,545,356	168,468,781,630
Borrowing costs to loan	45,566,564,138	7,390,345,537
Provision for impairment of loans	19,997,479,770	-
Expenses for propriety trading activities	23,567,021,196	11,949,061,177
Expenses for investment advisory services	9,996,332,411	9,705,218,891
Expenses for securities custodian services	5,096,284,054	4,025,649,485
Other operating expenses	18,865,791,047	4,103,170,938
Total	329,920,017,972	205,642,227,658

23. GENERAL AND ADMINISTRATIVE EXPENSES

	Current year VND	Previous year VND
Payroll expenses for administration	47,531,725,142	45,672,125,665
- Salary and bonus	42,165,802,383	40,591,862,373
- Social insurance, health insurance, union fee and unemployment insurance	5,365,922,759	5,080,263,292
External service expenses	14,385,518,961	13,952,908,556
Depreciation and amortization expenses	3,307,473,096	3,330,712,864
Tools and equipment expense	666,139,870	933,546,395
Tax and fee expenses	360,014,678	352,792,601
Other expenses	25,715,369,565	24,628,177,922
Total	91,966,241,312	88,870,264,003

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24. CORPORATE INCOME TAX

The statutory CIT rate applicable to the Company is 20% of taxable profits from 00202016 (2015: 22%).

The tax returns filed by the Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the financial statements could change later upon final determination by the tax authorities.

24.1 Corporate income tax expense

	<i>Current year</i> VND	<i>Previous year</i> VND
Current income tax expense	(84,490,592,250)	(58,810,888,290)
Adjustment for reverse of impairment of unlisted securities in previous years.	-	620,797,070
Deferred income tax income	3,638,284,131	-
Total	(80,852,308,119)	(58,190,091,220)

The estimated current corporate income tax in this year and prior year is represented in the table below:

	<i>Current year</i> VND	<i>Previous year</i> VND
Profit before tax	385,383,289,422	271,500,191,481
Estimated CIT with current tax rate	77,076,657,884	59,730,042,126
<i>Adjustment to increase</i>		
- Non-deductible expenses	228,719,299	254,048,930
- Provision for bad debts	7,637,780,085	-
<i>Adjustment to decrease</i>		
Received dividend	(452,565,018)	(1,173,202,766)
CIT adjustment due to reversal provision for decrease in OTC securities in previous years	-	(620,797,070)
CIT expense	84,490,592,250	58,190,091,220

24.2. Current corporate income tax

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 reporting date.

24.3. Deferred corporate income tax

Details of deferred income tax in the year are as follows:

	<i>Current year</i> VND	<i>Previous year</i> VND
Deferred tax asset		
Beginning Balance	-	-
Deferred income tax in the year	3,638,284,131	-
Ending balance	3,638,284,131	-

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the financial year ended 31 December 2016

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24. CORPORATE INCOME TAX (continued)

24.3. *Deferred corporate income tax* (continued)

The following are the deferred tax assets and deferred tax liabilities recognized by the Company for the provision of bad debts which are not yet deductible.

	<i>Statement of financial position</i>		<i>Income statement</i>	
	<i>Ending balance</i> VND	<i>Beginning balance</i> VND	<i>Current year</i> VND	<i>Previous balance</i> VND
Provision for doubtful debts	3,638,284,131	-	3,638,284,131	-
	<u>3,638,284,131</u>	<u>-</u>		
<i>Net deferred tax credit to income statement</i>			<u>3,638,284,131</u>	<u>-</u>

25 OTHER INFORMATION

25.1 *Related party transactions*

List of the related parties and the relationship with the Company are as follows:

<i>Related parties</i>	<i>Relationship</i>
Dragon Capital Markets Limited (DC)	Strategic shareholder – holding 30.87% of share capital The Company's Vice Chairman of the Board of Directors is the Deputy General Director of DC. The Company's member of the Board of Directors, cum Chief Executive Officer is representative for DC's shares.
Ho Chi Minh Finance and Investment State-owned Company (HFIC)	Strategic shareholder – holding 29.47% of share capital. The Company's Vice Chairman of the Board of Directors is the Deputy Director of HFIC. The Company's member of the Board of Directors is Deputy Head of Finance and accounting Department at HFIC.
Vietnam Debt Fund SPC (VDF)	DC's subsidiary
Vietnam Enterprise Investments	DC's subsidiary
Amersham Industries Limited	DC's subsidiary
Vietnam Property Fund Limited	DC's subsidiary
Cam Vietnam Mother Fund	DC's subsidiary
DC Developing Markets Strategies Public Limited Company	DC's subsidiary

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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25 OTHER INFORMATION (continued)

25.1 Related party transactions (continued)

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

<u>Related parties</u>	<u>Transactions</u>	<u>Current year VND</u>	<u>Previous year VND</u>
Dragon Capital Markets Limited	Brokerage service - Purchasing securities	292,355,597,000	-
	Brokerage service - Selling securities	15,870,000,000	70,436,770,000
	Brokerage income	392,876,146	105,655,155
	Paid dividend	56,168,698,300	82,485,501,000
	Advisory expenses	8,783,430,000	9,618,991,691
Ho Chi Minh City Fund and Investment Corporation	Paid dividend	53,625,000,000	78,750,000,000
Vietnam Debt Fund SPC.	Brokerage service - Purchasing securities	-	312,443,000,000
	Brokerage service - Selling securities	-	305,571,036,000
	Brokerage income	-	164,906,482
Vietnam Enterprise Investments Limited	Brokerage service - Purchasing securities	124,900,609,000	295,550,719,600
	Brokerage service - Selling securities	369,626,470,740	852,530,825,880
	Brokerage income	741,790,624	1,722,122,409
Cam Vietnam Mother Fund	Brokerage service - Purchasing securities	756,183,382,010	198,587,753,000
	Brokerage service - Selling securities	593,140,632,250	298,402,500,000
	Brokerage income	1,949,211,849	723,417,899
DC Developing Markets Strategies Public Limited Company	Brokerage service - Purchasing securities	180,559,543,020	47,363,399,000
	Brokerage service - Selling securities	61,205,063,300	85,969,849,300
	Brokerage income	362,636,637	199,999,952
Amersham Industries Limited	Brokerage service - Purchasing securities	291,458,104,000	177,658,936,820
	Brokerage service - Selling securities	894,831,199,210	573,694,428,940
	Brokerage income	1,779,433,967	1,127,030,325

Ho Chi Minh City Securities Corporation

NOTES TO THE FINANCIAL STATEMENTS (continued)
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25 OTHER INFORMATION (continued)

25.1 Related party transactions (continued)

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

<u>Related parties</u>	<u>Transactions</u>	<u>Current year VND</u>	<u>Previous year VND</u>
Vietnam Property Fund Limited	Brokerage service - Selling securities	72,177,700,000	64,959,176,200
	Brokerage income	108,266,550	97,438,764
The Board of Directors, the Board of Supervisors and the Board of Management	Remuneration and salary	17,849,168,003	17,546,041,623

Amounts due to related parties at the statement of financial position date are as follows:

<u>Related parties</u>	<u>Transactions</u>	<u>Ending balance VND</u>	<u>Beginning balance VND</u>
Dragon Capital Markets Limited	Dividend payable	(19,639,405,000)	(19,639,405,000)
Ho Chi Minh City Fund and Investment Corporation	Dividend payable	(18,750,000,000)	(18,750,000,000)
	Deposits for trading securities	(24,829,079)	(24,630,766)

25 OTHER INFORMATION (continued)

25.2. Segment information

Business segment

Information of business segment's revenue, profit, assets and liabilities of departments in different business segments of the Company as below:

	<i>Brokerage and customer services VND</i>	<i>Trading VND</i>	<i>Advisory services VND</i>	<i>Treasury activities VND</i>	<i>Other segments VND</i>	<i>Unallocated VND</i>	<i>Total VND</i>
<i>For the financial year ended 31 December 2016</i>							
1. Revenue from operating activities	354,014,104,959	69,534,501,163	24,601,902,383	374,225,382,259	1,868,685,936	-	824,244,576,700
2. Direct costs	(209,280,361,869)	(23,564,580,442)	(9,986,822,868)	(190,223,545,050)	(674,370,390)	-	(433,729,680,619)
3. Depreciation and amortization	(2,646,467,541)	(2,440,754)	(9,509,543)	(2,507,941,174)	(754,838,554)	-	(5,921,197,566)
4. Other profit	-	-	-	-	789,590,907	-	789,590,907
Profit before tax	142,087,275,549	45,967,479,967	14,605,569,972	181,493,896,035	1,229,067,899	-	385,383,289,422
<i>As at 31 December 2016</i>							
1. Segment assets	2,609,803,706,178	306,371,695,555	-	589,088,356,874	562,884,698	-	3,505,826,643,305
2. Allocated assets	85,023,636,237	748,447,502	1,796,274,005	4,191,306,012	13,172,676,036	-	104,932,339,792
3. Unallocated assets	-	-	-	-	-	6,083,351,591	6,083,351,591
Total assets	2,694,827,342,415	307,120,143,057	1,796,274,005	593,279,662,886	13,735,560,734	6,083,351,591	3,616,842,334,688
1. Segment liabilities	73,227,381,323	-	-	1,008,491,170,000	1,221,786,220	-	1,082,940,337,543
2. Unallocated liabilities	-	-	-	-	-	141,984,545,882	141,984,545,882
Total liabilities	73,227,381,323	-	-	1,008,491,170,000	1,221,786,220	141,984,545,882	1,224,924,883,425

Geographical segment

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

Ho Chi Minh City Securities Corporation

NOTES TO THE FINANCIAL STATEMENTS (continued)
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25 OTHER INFORMATION (continued)

25.3. Operating lease commitments

The Company leases its offices under operating lease agreements as at 31 December 2016, the operating lease commitment payables under the operating lease agreements as follow:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Less than 1 year	10,316,776,453	14,971,363,980
From 1 - 5 years	19,649,844,390	32,425,760,135
TOTAL	<u>29,966,620,843</u>	<u>47,397,124,115</u>

25.4. Earnings per share

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

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

	<i>Current year</i>	<i>Previous year</i>
Net profit after tax - VND	304,530,981,303	213,310,100,261
Bonus and welfare fund - VND	-	(10,025,574,712)
Net profit attributable to ordinary equity holders for calculation of basic earnings per share - VND	304,530,981,303	203,284,525,549
Weighted average number of ordinary shares for basic earnings per share calculation (number of shares)	127,167,449	127,201,122
Basic earnings per share - VND	2,395	1,598

According to resolution of shareholders meeting No.01/2015/NQ-ĐHCĐ at 21 April 2016, the Company has made an adjustment and restatement of profit used to calculate earnings per share in the 2015 financial statements to reflect the creation of actual bonus and welfare fund for the year ended 31 December 2015.

Profit used to compute earning per share for 2016 was not adjusted for the creation of 2016 bonus and welfare as resolution of the shareholders meeting on the distribution of the profit after tax of the current year is not yet available.

25 OTHER INFORMATION (continued)

25.5. *Financial risk management objectives and policies*

Financial liabilities of the Company mainly comprised of loans and borrowings, trade payables and other payables. Primary purpose of financial liabilities is to finance main business operation of the Company. The Company possesses loans, receivables from customers and other receivables, cash on hand and short-term deposit incurring directly from business operation of the Company. The Company does not hold or issue any derivative instruments.

The Company is exposed to market risk, credit risk and liquidity risk in its daily operation.

Risk management is integral to the whole business of the Company. The Company has a system of control in place to achieve an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Management reviews and agrees policies for managing each of these risks which are summarized below.

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.

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 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).

Foreign currency risk is low since most of all the Company's assets and liabilities are in Vietnam dong.

25 OTHER INFORMATION (continued)

25.5. *Financial risk management objectives and policies* (continued)

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.

As at reporting date, the exposure to listed and unlisted equity securities. A decrease or increase on the stock market index would result in a decrease or increase in the profit after tax of the Company depending on the significance or prolong decrease/increase.

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 from margin trading transactions) and from its financing activities, including deposits with banks 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 analyzed at each reporting date on an individual basis for major clients. The analysis of the possibility provision is made at the reporting date for each large customers

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 statement of financial position 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.

Loans and advances to customers

The analysis of the possibility provision is made at the reporting date for each large customers. 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.

Apart from financial assets that the Company made provision as mentioned in Note7, the Company's management assessed that all financial assets are neither past due nor impaired as they are related to recognized and credit worthy counterparties.

25 OTHER INFORMATION (continued)

25.5. *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.

25 OTHER INFORMATION (continued)**25.5. Financial risk management objectives and policies** (continued)**Liquidity risk** (continued)

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

31 December 2016	<i>Overdue VND</i>	<i>On demand VND</i>	<i>Up to 1 year VND</i>	<i>1 - 5 years VND</i>	<i>Total VND</i>
FINANCIAL ASSETS					
Financial assets at FVTPL					
Listed shares	-	115,341,556,730	-	-	115,341,556,730
Unlisted shares	-	191,030,138,825	-	-	191,030,138,825
Loans and receivables	-	-	2,750,945,233,394	-	2,750,945,233,394
Other financial assets					
Receivables from services provided by the Company	1,145,650,000	-	368,862,753,676	-	370,008,403,676
Deposits, collaterals and pledges	-	-	27,758,600	4,718,807,750	4,746,566,350
Other receivables	33,765,075,751	2,358,195	1,400,245,834	-	35,167,679,780
Cash and cash equivalents	-	60,193,684,900	-	-	60,193,684,900
	34,910,725,751	366,567,738,650	3,121,235,991,504	4,718,807,750	3,527,433,263,655
FINANCIAL LIABILITIES					
Short-term borrowings	-	-	1,000,000,000,000	-	1,000,000,000,000
Securities trade payables	-	-	32,610,005,800	-	32,610,005,800
Other payables	-	-	17,324,327,772	-	17,324,327,772
	-	-	1,049,934,333,572	-	1,049,934,333,572
Net liquidity gap	34,910,725,751	366,567,738,650	2,071,301,657,932	4,718,807,750	2,477,498,930,083

25 OTHER INFORMATION (continued)

25.5. *Financial risk management objectives and policies (continued)*

Liquidity risk (continued)

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 used its receivables to guarantee for the loans (*Note 14*).

The Company holds the securities of customers as the collateral assets for its receivables at 31 December 2016 and 31 December 2015.

25.6 *Corresponding figures*

During the year of 2016, due to the effects of changes in accounting policies and requirements for financial statement preparation and presentation in accordance with Circular 334, certain corresponding figures on the financial statements for the previous year have been reclassified to conforming with the current year's presentation.

25 OTHER INFORMATION (continued)

25.6 Corresponding figures (continued)

a. Extract from statement of financial position

ASSETS	Description	Beginning balance (reported) VND	Reclassification VND	Beginning balance (Reclassification) VND
A. CURRENT ASSETS				
<i>I. Cash and cash equivalents</i>				
Cash	[1]	657,156,819,577	(493,009,558,764)	164,147,260,813
Short-term investments (**)	[2]	190,079,349,659	(190,079,349,659)	-
Provision for short - term investments (**)	[2]	(57,904,476,165)	57,904,476,165	-
Financial assets at fair value through profit and loss (FVTPL) (*)	[2]	-	132,174,873,494	132,174,873,494
Trade receivables (**)	[3]	1,517,336,513	(1,517,336,513)	-
Receivables from securities trading activities (**)	[3]	2,680,281,654,037	(2,680,281,654,037)	-
Other receivables	[3]	3,696,364,899	15,048,798,507	18,745,163,406
Provision for doubtful debts (**)	[3]	(16,719,305,094)	16,719,305,094	-
Loans (*)	[3]	-	2,609,604,774,530	2,609,604,774,530
Receivables from services provided by the Company (*)	[3]	-	57,145,417,513	57,145,417,513
Provision for doubtful debts (*)	[3]	-	(16,719,305,094)	(16,719,305,094)
<i>V. Other current assets</i>				
Advance (*)	[4]	-	154,469,078	154,469,078
Short - term deposits, collaterals and pledges (*)	[4]	-	25,698,600	25,698,600
Other current assets	[4]	180,167,678	(180,167,678)	-
B. NON-CURRENT ASSETS				
<i>V. Other long - term assets</i>				
Other long-term assets (**)	[4]	4,688,159,350	(4,688,159,350)	-
Short-term deposits, collaterals and pledges (*)	[4]	-	4,688,159,350	4,688,159,350
TOTAL ASSETS		3,596,583,428,164	(493,009,558,764)	3,103,573,869,400

25 OTHER INFORMATION (continued)**25.6 Corresponding figures** (continued)*a. Extract from statement of financial position* (continued)

<i>RESOURCES</i>	<i>Description</i>	<i>Beginning balance (reported) VND</i>	<i>Reclassification VND</i>	<i>Beginning balance (Reclassification) VND</i>
C. LIABILITIES				
<i>I. Current liabilities</i>				
Short-term expense payables	[3]	17,066,319,798	904,251,966	17,970,571,764
Payables for securities trading	[1]	526,864,031,101	(493,009,558,764)	33,854,472,337
Dividend, principal and coupon payables (**)	[1]	2,148,185,349	(2,148,185,349)	-
Other current liabilities	[1], [5]	72,050,198,601	(1,467,389,063)	70,582,809,538
Bonus and welfare fund (*)	[5]	-	2,711,322,446	2,711,322,446
TOTAL LIABILITIES AND OWNERS' EQUITY		3,596,583,428,164	(493,009,558,764)	3,103,573,869,400

(*) *New items in the income statement as required by Circular 334.*(**) *Items which were no longer presented in the statement of financial position in accordance with Circular 334.*

Details adjustments in main items are as follows:

- [1] *Reclassify investors' deposit to off statement of financial position*
- [2] *Reclassify investment in accordance with Circular 334*
- [3] *Reclassify receivables in accordance with Circular 334*
- [4] *Reclassify assets in accordance with Circular 334*
- [5] *Reclassify bonus and welfare fund in according with Circular 334*

25 OTHER INFORMATION (continued)

25.6 Corresponding figures (continued)

b. Extract from the income statement

ITEMS	Description	Previous year (reported) VND	Reclassification VND	Previous year (Reclassification) VND
1. Revenue	[1]			
<i>In which:</i>	[1]			
- Revenue from brokerage services	[1]	262,076,234,335	-	262,076,234,335
- Revenue from securities investments and capital contribution (**)	[1]	35,025,916,039	(35,025,916,039)	-
- Expenses for advisory services	[1]	11,154,708,555	-	11,154,708,555
- Expenses for securities custodian services	[1]	3,952,302,881	-	3,952,302,881
- Revenue from other activities (**)	[1]	278,929,816,000	(278,929,816,000)	-
Gain from financial assets at fair value through profit and loss (FVTPL) (*)	[1]	-	88,926,268,079	88,926,268,079
Gain from sale of financial assets at FVTPL (*)	[1]	-	28,569,176,193	28,569,176,193
Dividend, interest income from financial assets at FVTPL (*)	[1]	-	60,357,091,886	60,357,091,886
Gain from loans and receivables (*)	[1]	-	222,636,416,529	222,636,416,529
Other revenue	[1]	-	1,574,822,296	1,574,822,296
2. Operating expenses	[2]	(223,713,900,687)	(7,082,659,080)	(230,796,559,767)
Loss from financial assets at FVTPL (*)	[2]	-	(25,154,332,109)	(25,154,332,109)
Loss from sale of financial assets at FVTPL	[2]	-	(49,496,478,969)	(49,496,478,969)
Downward difference from revaluation of from financial assets at FVTPL	[2]	-	24,342,146,860	24,342,146,860

25 OTHER INFORMATION (continued)

25.6 Corresponding figures (continued)

b. Extract from the income statement (income statement)

ITEMS	Description	Previous year (reported) VND	Reclassification VND	Previous year (Reclassification) VND	
	Provision expenses for financial assets, bad debts written off and loss from impairment of financial assets and borrowing costs to finance for loan (*)	[2]	-	(7,390,345,537)	(7,390,345,537)
	Expenses for self trading	[2]	-	(11,949,061,177)	(11,949,061,177)
	Expenses for brokerage services	[2]	-	(168,468,781,630)	(168,468,781,630)
	Expenses for advisory services	[2]	-	(9,705,218,891)	(9,705,218,891)
	Expenses for securities custodian services	[2]	-	(4,025,649,485)	(4,025,649,485)
	Other expenses	[2]	-	(4,103,170,938)	(4,103,170,938)
3. Financial operation revenues					
	Revenue, accrued dividends, interest income from demand deposits in the year	[2]	-	818.225.135	818.225.135
4. General and administrative expenses					
			(95,952,923,080)	7,082,659,077	(88,870,264,003)

(*) New items in the income statement as required by Circular 334.

(**) Items which were no longer presented in the income statement in accordance with Circular 334.

Details adjustments in main items are as follows:

[1] Reclassify operating revenues in accordance with Circular 334

[2] Reclassify operating expenses in accordance with Circular 334

25. OTHER INFORMATION (continued)

25.6 Corresponding figures (continued)

c. Extract from the cash flows statement

The Company's cash flows statement

ITEMS	Notes	Previous year (reported) VND	Reclassification VND	Previous year (Reclassification) VND
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	[1]	1,506,623,044,077	(720,228,427,295)	786,394,616,782
Cash at banks at the beginning of the period:		1,506,623,044,077	(720,228,427,295)	786,394,616,782
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	[1]	657,156,819,577	(493,009,558,764)	164,147,260,813
Cash at banks for operations of company		657,156,819,577	(493,009,558,764)	164,147,260,813
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	[1]	-	720,228,427,295	720,228,427,295
Cash at banks at the beginning of the period		-	720,228,427,295	720,228,427,295
- The investors' deposits managed by the Company for securities trading activities		-	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		-	493,009,558,764	493,009,558,764
Cash at banks at the end of the period		-	493,009,558,764	493,009,558,764
- Investors' deposits managed by the Company for securities trading activities		-	-	-

[1] Reclassify investors' deposits to off balance sheet

26. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

On 17 January 2017, the Company received Notification No. 383/ UBCK- QLKD from SSC announced on being received the issuance of share report under Employees Stock Ownership Plan sufficiently. Base on that, the Company issued 2,500,000 shares and record in equity VND45,000,000,000, of which, amount contributed from bonus and welfare fund is VND14,000,000,000 and from employees is VND31,000,000,000.

On 7 February 2017, the Company accomplished Employees Stock Ownership Plan, accordingly its chartered capital increase to VND1,297,567,580,000.

Except for the above event, there is no other matter or circumstance that has arisen since the statement of financial position date that requires adjustments or disclosures to be in the financial statements of the Company.

Prepared by:

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Lam Huu Ho
Chief Financial Officer

Approved by:

Johan Nyvene
Chief Executive Officer



Ho Chi Minh City, Vietnam

30 March 2016

