

# **FINANCIAL STATEMENTS**

**QUARTER 03/2020**

**HO CHI MINH CITY SECURITIES  
CORPORATION**



## STATEMENT OF FINANCIAL POSITION

Code	ITEMS	Note	As at	
			30.09.2020 VND	31.12.2019 VND
	<b>ASSETS</b>			
<b>100</b>	<b>CURRENT ASSETS</b>		<b>9,283,913,458,249</b>	<b>7,330,986,920,601</b>
<b>110</b>	<b>Financial assets</b>		<b>9,247,768,575,459</b>	<b>7,310,909,975,733</b>
111	Cash and cash equivalents	3.1	696,362,720,511	906,543,226,372
111.1	Cash		696,362,720,511	906,543,226,372
	Financial assets at fair value through profit or loss			
112	(FVTPL)	3.2	1,505,794,369,531	1,341,377,153,764
114	Loans	3.3	6,022,129,686,611	4,734,496,649,940
	Provisions for impairment loss of financial assets			
116	and collaterals	3.4	(37,783,317,946)	(37,783,317,946)
118	Prepayments to suppliers		1,863,477,460	6,445,066,994
119	Service related receivable	3.5	1,005,362,787,149	318,126,523,551
122	Other receivables	3.5	55,839,326,345	43,505,147,260
129	Provision for doubtful debts	3.4	(1,800,474,202)	(1,800,474,202)
<b>130</b>	<b>Other current assets</b>		<b>36,144,882,790</b>	<b>20,076,944,868</b>
131	Advances		209,230,204	251,315,707
133	Short-term prepaid expenses		13,099,316,136	8,464,775,711
134	Short-term security deposits		3,826,432,500	3,797,282,500
137	Other current assets		19,009,903,950	7,563,570,950
137.1	Deposits for derivatives trading activities		19,009,903,950	7,563,570,950
<b>200</b>	<b>NON-CURRENT ASSETS</b>		<b>184,260,039,232</b>	<b>192,914,478,203</b>
<b>220</b>	<b>Fixed assets</b>		<b>34,096,146,266</b>	<b>41,889,429,828</b>
221	Tangible fixed assets	3.6	21,305,939,522	24,220,165,536
222	Historical cost		95,153,458,545	86,288,797,369
223a	Accumulated depreciation		(73,847,519,023)	(62,068,631,833)
227	Intangible fixed assets	3.6	12,790,206,744	17,669,264,292
228	Historical cost		73,579,227,010	69,590,128,018
229a	Accumulated amortisation		(60,789,020,266)	(51,920,863,726)
<b>240</b>	<b>Construction in progress</b>	3.6	<b>13,261,998,097</b>	<b>13,597,128,282</b>
<b>250</b>	<b>Other non-current assets</b>		<b>136,901,894,869</b>	<b>137,427,920,093</b>
251	Long-term security deposits		8,060,148,167	6,192,051,327
252	Long-term prepaid expenses	3.7	98,841,746,702	100,955,484,782
253	Deferred income tax assets		-	280,383,984
254	Deposits in the Settlement Supporting Fund	3.8	20,000,000,000	20,000,000,000
255	Other long-term assets	3.9	10,000,000,000	10,000,000,000
	Deposits in the Derivatives trading clearing			
255.1	fund		10,000,000,000	10,000,000,000
<b>270</b>	<b>TOTAL ASSETS</b>		<b>9,468,173,497,481</b>	<b>7,523,901,398,804</b>

**STATEMENT OF FINANCIAL POSITION**  
(continued)

Code	ITEMS	Note	As at	
			30.09.2020 VND	31.12.2019 VND
<b>300</b>	<b>LIABILITIES</b>		<b>5,012,602,043,577</b>	<b>3,219,758,359,665</b>
<b>310</b>	<b>Current liabilities</b>		<b>5,012,602,043,577</b>	<b>3,219,758,359,665</b>
	Short-term borrowings and finance lease			
311	liabilities		3,930,761,597,713	2,393,727,235,255
312	Short-term borrowings	3.10	3,930,761,597,713	2,393,727,235,255
318	Trading obligations	3.11	926,426,246,647	523,027,516,889
320	Short-term trade payables		1,619,183,503	1,046,316,763
322	Taxes and other payables to the State	3.12	49,327,409,982	37,937,342,045
324	Accrued employees' welfares		5,067,227,777	3,851,740,871
325	Short-term accrued expenses	3.13	52,805,825,102	56,698,330,262
329	Other short-term payables	3.14	20,560,545,120	184,843,206,969
331	Bonus and welfare funds		26,034,007,733	18,626,670,611
<b>400</b>	<b>OWNERS' EQUITY</b>		<b>4,455,571,453,904</b>	<b>4,304,143,039,139</b>
<b>410</b>	<b>Owners' equity</b>	3.15	<b>4,455,571,453,904</b>	<b>4,304,143,039,139</b>
411	Owners' capital		3,405,291,244,992	3,411,931,836,992
411.1	Share capital		3,058,822,630,000	3,058,822,630,000
411.1a	Ordinary shares with voting rights		3,058,822,630,000	3,058,822,630,000
411.2	Share premiums		358,946,064,000	358,946,064,000
411.5	Treasury shares		(12,477,449,008)	(5,836,857,008)
414	Supplementary capital reserve		151,385,003,919	151,385,003,919
415	Financial and operational risk reserve		151,385,003,919	151,385,003,919
416	Other equity reserves		3,961,374,994	3,961,374,994
417	Undistributed earnings	3.16	743,548,826,080	585,479,819,315
417.1	Realised profits after tax		725,519,377,888	614,251,440,752
417.2	Unrealised profits/(losses)		18,029,448,192	(28,771,621,437)
<b>440</b>	<b>TOTAL RESOURCES</b>		<b>9,468,173,497,481</b>	<b>7,523,901,398,804</b>



## OFF STATEMENT OF FINANCIAL POSITION ITEMS

Code	ITEMS	Note	As at	
			30.09.2020	31.12.2019
<b>A</b>	<b>ASSETS OF THE COMPANY AND ASSETS UNDER ENTRUSTMENT</b>			
			<b>Amount (VND)</b>	
004	Bad debts written off	4.1	345,059,000	345,059,000
			<b>Original currency</b>	
005	Foreign currencies	4.2		
	United States Dollar		4,361.98	1,899.62
	Japanese Yen		241,915	241,915
	Singapore Dollar		844	844
	British Pound		5,836.84	1,594.70
	New Taiwan Dollar		3,200	3,200
	Canadian Dollar		100	100
	Malaysian Ringgit		750	750
			<b>Quantity</b>	
006	Number of shares in issue (shares)	4.3	305,041,845	305,516,173
007	Number of treasury shares (shares)		840,418	366,090
			<b>Par value (VND)</b>	
008	Securities listed/registered at Vietnam Securities Depository ("VSD")		455,335,493,000	146,128,706,000
008.1	Freely traded securities		455,051,293,000	146,128,706,000
008.4	Suspended securities		284,200,000	-
009	Securities in custody of VSD and not yet traded		6,900,020,000	506,139,500,000
010	Securities purchased and awaiting settlement		56,493,437,000	4,570,802,000
012	Securities not in custody of VSD		377,301,440,000	391,374,560,000
			<b>Quantity</b>	
014	Covered warrants authorised but not yet issued	4.4	75,381,810	60,105,000
<b>B</b>	<b>ASSETS OF AND LIABILITIES TO CUSTOMERS</b>			
			<b>Par value (VND)</b>	
021	Securities listed/registered at VSD		26,593,461,305,674	21,830,141,746,300
021.1	Freely traded securities		23,530,444,130,200	18,732,929,161,200
021.2	Restricted securities		120,330,390,000	129,406,140,000
021.3	Pledged securities		1,860,225,800,000	2,371,412,250,000
021.4	Suspended securities		175,105,240,000	268,676,880,000



OFF STATEMENT OF FINANCIAL POSITION ITEMS  
(continued)

Code	ITEMS	Note	As at	
			30.09.2020 VND	31.12.2019 VND
<b>B</b>	<b>ASSETS OF AND LIABILITIES TO CUSTOMERS (continued)</b>			
			<i>Par value (VND)</i>	
021.5	Securities awaiting settlement		627,345,086,100	203,396,899,000
021.7	Customers' deposits for derivatives trading		280,010,659,374	124,320,416,100
022	Securities in custody of VSD and not yet traded		113,856,480,000	18,424,050,000
022.1	Securities in custody of VSD and not yet traded – freely traded securities		101,456,180,000	11,232,460,000
022.2	Securities in custody of VSD and not yet traded – suspended securities		12,400,300,000	7,191,590,000
023	Securities purchased and awaiting settlement		8,073,726,000	212,253,750,000
024b	Securities not in custody of VSD of investors		5,500,000,000	5,500,000,000
026	Customers' deposits		1,832,938,987,113	865,759,134,335
027	Customers' deposits for securities trading		1,552,928,327,739	741,438,718,235
027.1	Customers' deposits at VSD		280,010,659,374	124,320,416,100
031	Payables to customers relating to their deposits at the Company for securities trading		1,552,928,327,739	741,438,718,235
031.1	Payables to domestic customers relating to their deposits at the Company for securities trading		1,532,607,509,253	733,323,220,892
031.2	Payables to foreign customers relating to their deposits at the Company for securities trading		20,320,818,486	8,115,497,343

Prepared by



Le Thi Thuy Duong

Chief Financial Officer



Lam Huu Ho

20 October 2020

Chief Executive Officer



Trịnh Hoài Giang

**HO CHI MINH CITY SECURITIES CORPORATION**  
FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**Form B02a – CTCK**

**STATEMENT OF INCOME**

Code	ITEMS	Note	3rd Quarter		Year to date	
			2020 VND	2019 VND	2020 VND	2019 VND
	<b>OPERATING INCOME</b>					
01	Income from FVTPL financial assets		193,756,041,968	116,845,491,918	590,846,974,327	359,771,613,321
01.1	Realised gains on disposal of FVTPL financial assets	5.1	119,692,067,879	91,081,096,049	432,102,421,325	279,198,676,010
01.2	Increase in revaluation gains of FVTPL financial assets	5.2a	20,336,057,069	(141,714,403)	26,865,233,985	10,311,033,316
01.3	Dividends and interest income from FVTPL financial assets		51,175,712,015	25,906,110,272	135,400,234,344	70,261,903,995
01.4	Decrease in revaluation losses of covered warrants		2,552,205,005	-	(3,520,915,327)	-
03	Interest income from loans and receivables		136,972,137,390	141,142,290,584	358,805,189,522	381,362,578,714
06	Brokerage fee income		149,006,351,031	117,607,187,708	406,820,785,737	357,550,510,331
09	Custody service income		1,866,449,499	1,917,658,981	5,530,212,820	5,694,981,367
10	Financial consultancy service income		30,954,316,972	11,210,241,755	34,701,815,796	46,043,983,823
11	Other operating income		1,404,588,134	594,779,568	2,931,523,657	1,690,806,066
20	<b>TOTAL OPERATING INCOME</b>		<b>513,959,884,994</b>	<b>389,317,650,514</b>	<b>1,399,636,501,859</b>	<b>1,152,114,473,622</b>
	<b>OPERATING EXPENSES</b>					
21	Losses from FVTPL financial assets		116,385,118,136	60,809,329,268	324,420,486,348	226,591,662,447
21.1	Realised losses on disposal of FVTPL financial assets	5.1	111,438,624,981	65,146,369,011	346,530,227,864	245,458,267,220
21.2	Decrease in revaluation losses of FVTPL financial assets	5.2a	2,328,367,556	(8,369,471,532)	(24,727,867,115)	(22,923,221,170)
21.3	Decrease in revaluation gains of covered warrants		2,618,125,599	4,032,431,789	2,618,125,599	4,056,616,397
24	Provisions for financial assets, losses on bad debts, impairment losses of financial assets and interest expenses associated with loans		63,833,400,582	31,253,119,189	124,596,063,551	105,971,297,244
26	Proprietary trading activities	5.3	8,174,420,597	5,242,893,836	25,876,627,640	17,208,452,688
27	Brokerage fee expenses	5.3	99,835,438,527	94,375,757,590	279,236,986,264	269,455,821,117
30	Custody service expenses	5.3	1,972,439,081	1,965,193,709	5,793,929,249	6,200,794,875
31	Financial consultancy service expenses	5.3	3,587,001,862	7,578,764,179	11,195,529,478	16,809,889,318
32	Other operating expenses	5.3	1,033,574,844	690,816,869	2,630,611,809	2,051,545,924
40	<b>TOTAL OPERATING EXPENSES</b>		<b>294,821,393,629</b>	<b>201,915,874,640</b>	<b>773,750,234,339</b>	<b>644,289,463,613</b>



**HO CHI MINH CITY SECURITIES CORPORATION**  
FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**Form B02a – CTCK**

**STATEMENT OF INCOME**  
**(continued)**

Code	ITEMS	Note	3rd Quarter		Year to date	
			2020 VND	2019 VND	2020 VND	2019 VND
	<b>FINANCIAL INCOME</b>					
42	Dividend income and interest income from demand deposits		148,373,546	186,330,371	1,554,716,133	1,939,993,818
50	<b>TOTAL FINANCIAL INCOME</b>		<b>148,373,546</b>	<b>186,330,371</b>	<b>1,554,716,133</b>	<b>1,939,993,818</b>
62	<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>	5.4	<b>44,170,133,579</b>	<b>46,664,099,145</b>	<b>138,516,410,558</b>	<b>130,653,630,341</b>
70	<b>OPERATING RESULT</b>		<b>175,116,731,332</b>	<b>140,924,007,100</b>	<b>488,924,573,095</b>	<b>379,111,373,486</b>
	<b>OTHER INCOME AND EXPENSES</b>					
71	Other income		-	39,045,455	54,708,333	57,431,819
80	<b>NET OTHER INCOME</b>		<b>-</b>	<b>39,045,455</b>	<b>54,708,333</b>	<b>57,431,819</b>
90	<b>NET ACCOUNTING PROFIT BEFORE TAX</b>		<b>175,116,731,332</b>	<b>140,963,052,555</b>	<b>488,979,281,428</b>	<b>379,168,805,305</b>
91	Realised profit		157,174,962,413	136,767,727,215	443,525,221,254	349,991,167,216
92	Unrealised profit		17,941,768,919	4,195,325,340	45,454,060,174	29,177,638,089

**HO CHI MINH CITY SECURITIES CORPORATION**  
FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**Form B02a – CTCK**

**STATEMENT OF INCOME**  
**(continued)**

Code	ITEMS	Note	3rd Quarter		Year to date	
			2020 VND	2019 VND	2020 VND	2019 VND
100	<b>BUSINESS INCOME TAX ("BIT")</b>		33,069,649,700	28,319,288,156	95,831,587,244	73,922,819,136
100.1	BIT – current		33,069,649,700	28,132,365,500	95,551,203,260	73,735,896,480
100.2	BIT – deferred		-	186,922,656	280,383,984	186,922,656
200	<b>NET PROFIT AFTER TAX</b>		142,047,081,632	112,643,764,399	393,147,694,184	305,245,986,169

Prepared by



Le Thi Thuy Duong

Chief Financial Officer



Lam Huu Ho



20 October 2020  
Chief Executive Officer



Trinh Hoai Giang



**HO CHI MINH CITY SECURITIES CORPORATION**  
FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

Form B03(b)a – CTCK

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

Code	ITEMS	Year to date	
		2020 VND	2019 VND
	<b>Cash flows from operating activities</b>		
01	<b>Net profit before tax</b>	<b>488,979,281,428</b>	<b>379,168,805,305</b>
02	<b>Adjustments for:</b>	<b>92,039,001,665</b>	<b>89,722,674,542</b>
03	Depreciation and amortisation	21,204,652,063	18,053,414,870
06	Interest expenses	124,596,063,551	105,971,297,244
07	Profits from investing activities	(54,708,333)	(57,431,819)
08	Accrued interest income	(53,707,005,616)	(34,244,605,753)
10	<b>Changes in non-cash expenses</b>	<b>(22,109,741,516)</b>	<b>(18,866,604,773)</b>
11	Decrease in revaluation losses of FVTPL financial assets	(24,727,867,115)	(22,923,221,170)
11.01	Decrease in revaluation gains of covered warrants	2,618,125,599	4,056,616,397
18	<b>Changes in non-cash income</b>	<b>(23,344,318,657)</b>	<b>(10,311,033,316)</b>
19	Decrease in revaluation gains of FVTPL financial assets	(26,865,233,984)	(10,311,033,316)
20	Decrease in revalued amount of covered warrants liabilities	3,520,915,327	-
30	<b>Changes in working capital</b>	<b>(1,897,396,636,921)</b>	<b>(1,064,312,977,943)</b>
31	(Increase)/decrease in FVTPL financial assets	(112,824,114,668)	121,460,396,747
33	Increase in loans	(1,287,633,036,671)	(1,422,708,353,545)
37	(Increase)/decrease in service-related receivables	(687,236,263,598)	117,502,180,725
39	Decrease in other receivables	41,414,912,034	13,715,805,759
41	Decrease in accrued expenses (excluding interest expenses)	(23,185,797,584)	(50,634,146,364)
42	Decrease/(increase) in prepaid expenses	519,431,778	(2,523,439,732)
43	BIT paid	(86,308,109,990)	(62,288,390,780)
44	Interest paid	(115,537,678,148)	(97,112,723,233)
45	Increase/(decrease) in trade payables	5,154,456,274	(3,619,977,119)
46	Increase in employee welfare payables	1,215,486,906	469,285,910
47	Increase/(decrease) in tax and other payables to the State (excluding BIT paid)	2,382,058,651	(3,239,048,724)
50	Increase in other short-term payables	363,853,757,720	244,060,712,205
50.1	Increase in covered warrants payable	14,131,840,215	18,523,702,508

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

Code	ITEMS	Year to date	
		2020 VND	2019 VND
51	Other receipts from operating activities	-	62,081,017,700
52	Other payments for operating activities	(13,343,579,840)	-
<b>60</b>	<b>Net cash inflows from/(outflows for) operating activities</b>	<b>(1,361,832,414,001)</b>	<b>(624,599,136,185)</b>
	<b>Cash flows from investing activities</b>		
61	Cash paid for purchases of fixed assets	(16,514,764,106)	(18,842,909,966)
62	Proceeds from disposals of fixed assets	498,300,000	63,175,000
<b>70</b>	<b>Net cash outflows for investing activities</b>	<b>(16,016,464,106)</b>	<b>(18,779,734,966)</b>
	<b>Cash flows from financing activities</b>		
71	Proceeds from issuance of shares	-	1,222,514,474,000
72	Payments for share repurchases	(4,150,370,000)	(2,027,400,000)
73	Proceeds from borrowings	19,724,093,021,074	23,104,437,414,060
74.3	Repayments of principals of borrowings	(18,187,058,658,616)	(23,245,469,737,255)
76	Payment of dividend	(365,215,620,212)	(245,594,593,750)
<b>80</b>	<b>Net cash inflows from financing activities</b>	<b>1,167,668,372,246</b>	<b>833,860,157,055</b>
<b>90</b>	<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(210,180,505,861)</b>	<b>190,481,285,904</b>
<b>101</b>	<b>Cash and cash equivalents at beginning of year</b>	<b>906,543,226,372</b>	<b>117,332,185,998</b>
101.1	Cash	906,543,226,372	117,332,185,998
<b>103</b>	<b>Cash and cash equivalents at end of year</b>	<b>696,362,720,511</b>	<b>307,813,471,902</b>
103.1	Cash	696,362,720,511	307,813,471,902



**HO CHI MINH CITY SECURITIES CORPORATION**  
FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

Form B03(b)a – CTCK

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

**CASH FLOWS OF BROKERAGE AND ENTRUSTMENT ACTIVITIES**

Code	ITEMS	Year to date	
		2020 VND	2019 VND
	<b>Cash flows of brokerage and entrustment activities</b>		
01	Brokerage trading proceeds	66,788,536,296,888	51,066,113,328,910
02	Brokerage trading payments	(71,611,581,649,130)	(52,385,276,429,760)
07	Receipts for settlement of customers' transactions	5,640,065,174,566	2,551,287,085,043
11	Payments for custody fees of customers	(5,530,212,820)	(5,694,981,367)
20	<b>Increase in customers' deposits</b>	<b>811,489,609,504</b>	<b>1,226,429,002,826</b>
30	<b>Customers' deposits at beginning of year</b>	<b>741,438,718,235</b>	<b>1,022,966,855,215</b>
31	Cash at bank	741,438,718,235	1,022,966,855,215
32	<i>Customers' deposits for securities trading under monitoring of the Company</i>	741,438,718,235	1,022,966,855,215
40	<b>Customers' deposits at end of year</b>	<b>1,552,928,327,739</b>	<b>2,249,395,858,041</b>
41	Cash at bank	1,552,928,327,739	2,249,395,858,041
42	<i>Customers' deposits for securities trading under monitoring of the Company</i>	1,552,928,327,739	2,249,395,858,041

Prepared by



Le Thi Thuy Duong

Chief Financial Officer



Lam Huu Ho



20 October 2020

Chief Executive Officer



Trinh Hoai Giang

## STATEMENT OF CHANGES IN EQUITY

Chi tiêu	As at		For the period ended 30 September 2019		For the period ended 30 September 2020		As at	
	1.1.2019	1.1.2020	Increase	Decrease	Increase	Decrease	30.09.2019	30.09.2020
	VND	VND	VND	VND	VND	VND	VND	VND
1. Owners' capital	1,625,017,521,491	3,411,931,836,992	2,117,258,114,000	330,343,798,499	(6,640,592,000)	-	3,411,931,836,992	3,405,291,244,992
1.1 Ordinary shares with voting rights	1,297,567,580,000	3,058,822,630,000	1,761,255,050,000	-	-	-	3,058,822,630,000	3,058,822,630,000
1.2 Share premium	330,343,798,499	358,946,064,000	358,946,064,000	330,343,798,499	-	-	358,946,064,000	358,946,064,000
1.3 Treasury shares	(2,893,857,008)	(5,836,857,008)	(2,943,000,000)	-	(6,640,592,000)	-	(5,836,857,008)	(12,477,449,008)
2. Supplementary capital reserve	129,756,758,000	151,385,003,919	-	-	-	-	129,756,758,000	151,385,003,919
3. Financial risk and operation reserve	129,756,758,000	151,385,003,919	-	-	-	-	129,756,758,000	151,385,003,919
4. Other equity reserve	3,961,374,994	3,961,374,994	-	-	-	-	3,961,374,994	3,961,374,994
6. Undistributed earnings	1,172,043,750,012	585,479,819,315	305,245,986,169	823,118,420,736	393,147,694,184	235,078,687,419	654,171,315,445	743,548,826,080
6.1 Realised profit after tax	1,223,955,850,562	612,904,431,297	276,570,440,153	823,118,420,736	347,693,634,010	235,078,687,419	677,407,869,979	725,519,377,888
6.2 Unrealised (losses)/profits after tax	(51,912,100,550)	(28,771,621,437)	28,675,546,016	-	45,454,060,174	-	(23,236,554,534)	18,029,448,192
<b>Total</b>	<b>3,060,536,162,497</b>	<b>4,304,143,039,139</b>	<b>2,422,504,100,169</b>	<b>1,153,462,219,235</b>	<b>386,507,102,184</b>	<b>235,078,687,419</b>	<b>4,329,578,043,431</b>	<b>4,455,571,453,904</b>

Prepared by



Le Thi Thuy Duong

Chief Financial Officer



Lam Huu Ho

20 October 2020  
Chief Executive Officer

Trinh Hoai Giang



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**1 GENERAL INFORMATION**

***Establishment and listing***

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

***Headquarter and contact information***

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

Contact information:

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

Telephone: (+84 28) 3823 3299

***Company charter***

The Company's Charter was latest updated on 23 June 2020.

***Operations***

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

***Charter capital***

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

***Investment objectives and investment restrictions***

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

***Network of operation***

As at 30 September 2020, the Company had 7 branches and representative offices in Vietnam.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**1 GENERAL INFORMATION (continued)****The corporation's operational features during the Q3/2020 affected the financial statements**

The profit after tax for Q3/2020 was higher 26% than the same period of last year because of the following reasons:

- a. The revenue for Q3/2020 increased by 31% compared to Q3/2019 (excluded from effect on revenue and expense of proprietary trading activities as mentioned below):
  - Revenue from brokerage services for Q3/2020 increased by 27%, as a result of 36% increasing in market trading value compared to that of the same period of 2019;
  - Revenue of Proprietary trading activities (the difference between the profit from financial assets recognised through profit / loss in section 1.1 and the loss from financial assets recognised through profit / loss in section 2.1 of the Income Statement) increased by 38% compared to Q3/2019 because market condition was effective for investment;
  - Revenue of advisory activities increased 176% compared to same period of last year due to a big business deal was completed and recognised in revenue of Q3/2020. There was no such deal in Q3/2019.
- b. The operating expense and the administrative expenses for Q3/2020 increased 19% compared to the same period of last year. The operating expenses (excluded from affect mentioned in code 2.1) in Q3/2020 was higher 26% than Q3/2019. Bank interest expense doubled compared to that of the same period of 2019 because HSC increased working capital loans.

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

The profit after tax for the nine-month period was higher 29% than the same period of last year because of the following reasons:

- a. The revenue for nine-month of 2020 increased by 11% compared to nine-month of 2019 (excluded from effect on revenue and expense of proprietary trading activities as mentioned below):
  - Revenue from brokerage services for nine-month of 2020 period increased by 14%, as a result of 29% increasing in market trading value compared to that of the same period of 2019;
  - Revenue of Proprietary trading activities (the difference between the profit from financial assets recognised through profit / loss in section 1.1 and the loss from financial assets recognised through profit / loss in section 2.1 of the Income Statement) was doubled compared to nine-month 2019 because the interest on bond contributed to revenue of 2020.



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**1 GENERAL INFORMATION (continued)****The corporation's operational features during the nine-month period affected financial statements (continued)**

- b. The operating expense and the administrative expenses for the nine-month increased 7% compared to the same period of last year:
- The operating expenses (excluded from affect mentioned in code 2.1) were higher 8% than the nine-month of 2019 due to bank interest expense increased 18% compared to that of the same period of 2019 because HSC increased working capital loans;
  - The administrative expenses were 6% higher than nine-month of 2019 because of increasing the employees of back-office departments which corresponded with development of the market and of the Company.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****2.1 Basis of preparation of interim financial statements**

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

**2.2 Form of records applied**

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

**2.3 Fiscal year**

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

These financial statements are prepared for the period from 1 January 2020 to 30 September 2020.

**2.4 Currency**

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

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

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



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.5 Cash and cash equivalents**

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

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

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

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

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

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

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

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



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

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

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

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

*(ii) Held-to-maturity financial assets ("HTM")*

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

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

The following assets are excluded from HTM financial assets:

- Non-derivatives classified as FVTPL financial assets at initial recognition;
- Non-derivatives classified as available-for-sale ("AFS") financial assets; and
- Non-derivatives qualifying conditions to be classified as loans and receivables.

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

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

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

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

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

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

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



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

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

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

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

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

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

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

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

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

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

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

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

Objective evidence of impairment for equity instruments may include:

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

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

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



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.6 Financial assets (continued)****(b) Reclassification***(i) Reclassification of non-FVTPL financial assets upon disposal*

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

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

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

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

**(c) Recognition/derecognition**

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

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

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

**(d) Initial recognition**

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

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



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.6 Financial assets (continued)****(e) Determination of market value/fair value**

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

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

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

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

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

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

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

- (iii) *Delisted shares/ shares suspended from 6 days or longer*

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

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

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

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



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.6 Financial assets (continued)****(g) Provision for impairment of receivables**

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

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

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

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

**(h) Recognition of gain/(loss)***Purchasing transaction costs*

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

*Selling transaction costs*

Selling transaction costs are expensed off in the reporting period.

*Gain/(loss) on disposals*

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.7 Repurchase and reverse repurchase agreements**

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

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

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

**2.8 Fixed assets***Tangible and intangible fixed assets*

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

*Depreciation and amortisation*

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

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

*Disposals*

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

**2.9 Leased assets**

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



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.10 Prepaid expenses**

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

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

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

**2.11 Security deposits**

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

**2.12 Liabilities****(a) Recognition/Derecognition**

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

**(b) Classification**

Classifications of liabilities are based on their nature as follows:

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

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

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.13 Offsetting financial instruments**

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

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

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

**2.15 Borrowing costs**

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

**2.16 Accrued expenses**

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

**2.17 Provisions**

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

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



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.18 Equity****(a) *Share capital***

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

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

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

**(b) *Undistributed profits***

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

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

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

**(c) *Financial and operational risk reserve and supplementary capital reserve***

According to Circular 146/2014/TT-BTC issued by the Ministry of Finance on 6 October 2014, the Company is required to make annual appropriation to the financial and operational risk reserve and supplementary capital reserve at 5% of the profit after tax of the Company for each reserve in each of its profitable year until the accumulated balance of each reserve reaches 10% of the Company's charter capital.

Financial and operational risk reserve is made to compensate the residual losses and damages arising in operation beyond the indemnification received from the parties causing damages and insurance companies.

**(d) *Other equity funds***

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.19 Revenue and income recognition****(a) Revenue from provision of services to investors**

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

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

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

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

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

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

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

**(c) Income from capital activities**

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

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

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



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.19 Revenue and income recognition (continued)****(e) Other income**

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

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

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

**(b) Classification**

Expenses are classified by function as follows:

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

**2.21 Current and deferred income tax**

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.22 Dividend distribution**

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

**2.23 Related parties**

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

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

**2.24 Segment reporting**

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

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

**2.25 Nil balances**

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

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

	<b>As at</b>	
	<b>30.09.2020</b>	<b>31.12.2019</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	298,494,265	282,536,566
Cash at bank	519,664,226,246	837,260,689,806
Security deposit for covered warrants issued (i)	176,400,000,000	69,000,000,000
<b>Total</b>	<b>696,362,720,511</b>	<b>906,543,226,372</b>

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



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

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

	As at 30.09.2020		As at 31.12.2019	
	Cost VND	Market value/ fair value VND	Cost VND	Market value/ fair value VND
<b>Securities listed and securities traded on UPCoM</b>	<b>345,443,687,856</b>	<b>329,374,423,936</b>	<b>360,948,994,027</b>	<b>321,227,493,648</b>
Vietnam Dairy Products Joint Stock Company (VNM)	28,770,433,252	29,237,689,800	-	-
Technology and Commercial Joint Stock Bank (TCB)	25,290,562,821	25,700,313,200	17,845,690,449	17,462,136,600
FPT Corporation (FPT)	24,815,911,957	24,409,750,000	24,773,347,209	25,032,154,400
Hoa Phat Group Joint Stock Company (HPG)	24,490,233,155	24,983,613,600	-	-
Vingroup Joint Stock Company (VIC)	22,903,325,581	22,307,425,500	-	-
Vietnam Prosperity Joint-Stock Commercial Bank (VPB)	18,473,017,494	18,642,087,500	21,988,881,980	20,336,680,000
Mobile World Investment Corporation (MWG)	16,880,959,747	17,553,481,400	67,247,958,612	63,776,388,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam (VCB)	16,359,171,257	16,412,451,400	-	-
Vinhomes Joint Stock Company (VHM)	15,803,584,647	15,549,300,500	-	-
Military Commercial Joint - Stock Bank (MBB)	14,759,121,228	15,108,137,750	170,048,570,935	154,448,944,000
Vietjet Aviation Joint Stock Company (VJC)	13,339,418,936	13,196,336,000	-	-
Masan Group Corporation (MSN)	10,615,038,349	10,651,914,000	-	-
No Va Land Investment Group Corporation (NVL)	10,300,469,948	10,318,316,400	-	-
Saigon Thuong Tin Commercial Joint Stock Bank (STB)	10,216,834,533	11,332,656,600	-	-
Others	92,425,604,951	73,970,950,286	59,044,544,842	40,171,190,648
<b>Underlying assets designated as hedges for covered warrants</b>	<b>171,817,561,230</b>	<b>173,775,107,100</b>	<b>74,115,366,734</b>	<b>73,306,695,400</b>
Hoa Phat Group Joint Stock Company (HPG)	26,669,504,939	27,431,553,600	-	-
Vinhomes Joint Stock Company (VHM)	25,147,204,487	24,375,175,000	-	-
Ngân hàng TMCP Việt Nam Thịnh Vượng (VPB)	19,846,973,402	20,217,662,500	-	-
Mobile World Investment Corporation (MWG)	17,427,215,182	18,615,464,000	22,618,399,146	22,761,240,000
Vincom Retail Joint Stock Company (VRE)	14,792,545,670	14,552,376,000	-	-
Masan Group Corporation (MSN)	14,419,856,187	14,388,192,000	-	-
Military Commercial Joint - Stock Bank (MBB)	11,396,079,352	11,709,538,000	19,320,258,909	18,246,966,400
FPT Corporation (FPT)	11,154,717,144	11,058,600,000	19,752,343,224	20,188,124,000
Vietnam Dairy Products Joint Stock Company (VNM)	10,784,519,694	11,029,392,000	-	-
Others	20,178,945,173	20,397,154,000	12,424,365,455	12,110,365,000

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

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

	As at 30.09.2020		As at 31.12.2019	
	Cost VND	Market value/ fair value VND	Cost VND	Market value/ fair value VND
<b>Unlisted and unregistered securities</b>	<b>9,849,000,000</b>	<b>334,084,000</b>	<b>19,009,000,000</b>	<b>4,833,498,000</b>
Saigon Post and Telecommunications Service Corporation	4,406,400,000	220,084,000	4,406,400,000	220,084,000
Others	5,442,600,000	114,000,000	14,602,600,000	4,613,414,000
<b>Bond</b>	<b>915,792,800,000</b>	<b>957,051,624,635</b>	<b>920,989,500,000</b>	<b>941,858,029,116</b>
Corporate Bonds - BID11908	499,798,100,000	534,689,353,263	499,989,500,000	504,482,556,329
Corporate Bonds - BVJC201901	414,994,700,000	421,355,833,016	420,000,000,000	436,375,472,787
Vietnam Bank for Social Policies	1,000,000,000	1,006,438,356	1,000,000,000	1,000,000,000
<b>ETF certificates</b>	<b>43,692,029,868</b>	<b>43,817,228,400</b>	<b>149,232,571</b>	<b>151,437,600</b>
VFMVN30 ETF	43,692,029,868	43,817,228,400	149,232,571	151,437,600
<b>Diamond certificates</b>	<b>444,076,562</b>	<b>444,848,976</b>	-	-
Diamond certificates	444,076,562	444,848,976	-	-
<b>E1VFN30 certificates</b>	<b>997,052,484</b>	<b>997,052,484</b>	-	-
E1VFN30 certificates	997,052,484	997,052,484	-	-
<b>Total</b>	<b>1,488,036,208,000</b>	<b>1,505,794,369,531</b>	<b>1,375,212,093,332</b>	<b>1,341,377,153,764</b>



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

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

As at 30 September 2020

	Cost VND	Comparison to market price or fair value		Market price/ fair value VND
		Increase VND	Decrease VND	
Listed shares and shares traded on UPCoM	345,443,687,856	5,702,199,354	(21,771,463,274)	329,374,423,936
Underlying assets designated as hedges for covered warrants	171,817,561,230	1,957,545,870	-	173,775,107,100
Unlisted and unregistered shares	9,849,000,000	-	(9,514,916,000)	334,084,000
Listed and Unlisted Bonds	915,792,800,000	41,258,824,636	-	957,051,624,636
Certificates	45,133,158,914	125,970,946	-	45,259,129,860
<b>Total</b>	<b>1,488,036,208,000</b>	<b>49,044,540,805</b>	<b>(31,286,379,274)</b>	<b>1,505,794,369,531</b>

As at 30 June 2019

	Cost VND	Comparison to market price or fair value		Market price/ fair value VND
		Increase VND	Decrease VND	
Listed shares and shares traded on UPCoM	360,948,994,027	727,671,953	(40,449,172,332)	321,227,493,648
Underlying assets designated as hedges for covered warrants	74,115,366,734	579,246,630	(1,387,917,964)	73,306,695,400
Unlisted and unregistered shares	19,009,000,000	-	(14,175,502,000)	4,833,498,000
Listed and Unlisted Bonds	920,989,500,000	20,868,529,116	-	941,858,029,116
Certificates	149,232,571	2,205,029	-	151,437,600
<b>Total</b>	<b>1,375,212,093,332</b>	<b>22,177,652,728</b>	<b>(56,012,592,296)</b>	<b>1,341,377,153,764</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

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

		<b>As at</b>	
		<b>30.09.2020</b>	<b>31.12.2019</b>
		<b>VND</b>	<b>VND</b>
Loans for securities transactions	(i)	6,022,129,686,611	4,734,496,649,940
<b>Total</b>		<b><u>6,022,129,686,611</u></b>	<b><u>4,734,496,649,940</u></b>

**(i) Margin loans**

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



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**3 NOTES TO THE INTERIM STATEMENT OF FINANCIAL POSITION (continued)****3.4 Provision for loans and doubtful debts**

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

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)****3.5 Receivables**

		<b>As at</b>	
		<b>30.09.2020</b>	<b>31.12.2019</b>
		<b>VND</b>	<b>VND</b>
<b>Receivables from services provided by the Company</b>			
Receivable from securities purchasing (i)	781,038,457,249	313,839,645,938	
Receivable from investors for purchasing corporate bonds	221,006,317,706	-	
Consultancy service fees receivable	1,942,050,000	1,292,650,000	
Other receivables from trading activities	1,375,962,194	2,994,227,613	
<b>Total</b>	<b>1,005,362,787,149</b>	<b>318,126,523,551</b>	
<b>Other receivables</b>			
Bank interest receivables	53,707,005,616	40,903,315,045	
Others	2,132,320,729	2,601,832,215	
<b>Total</b>	<b>55,839,326,345</b>	<b>43,505,147,260</b>	

- (i) The receivable as from securities trading as at 30 September 2020 was due from institutional investor.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

## 3.6 Fixed assets

(a) *Tangible fixed assets*

	Transportation vehicles VND	Office equipment VND	Total VND
<b>Historical cost</b>			
As at 01.01.2020	4,009,883,640	82,278,913,729	86,288,797,369
New purchases	1,356,240,000	8,464,321,176	9,820,561,176
Disposals	(955,900,000)	-	(955,900,000)
As at 30.09.2020	<u>4,410,223,640</u>	<u>90,743,234,905</u>	<u>95,153,458,545</u>
<b>Accumulated depreciation</b>			
As at 01.01.2020	2,977,607,065	59,091,024,768	62,068,631,833
Charge for the period	273,363,611	12,063,131,912	12,336,495,523
Disposals	(557,608,333)	-	(557,608,333)
As at 30.09.2020	<u>2,693,362,343</u>	<u>71,154,156,680</u>	<u>73,847,519,023</u>
<b>Net book value</b>			
As at 01.01.2020	<u>1,032,276,575</u>	<u>23,187,888,961</u>	<u>24,220,165,536</u>
As at 30.09.2020	<u>1,716,861,297</u>	<u>19,589,078,225</u>	<u>21,305,939,522</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

## 3.6 Fixed assets (continued)

## (b) Intangible fixed assets

	Computer software VND
<b>Historical cost</b>	
As at 01.01.2020	69,590,128,018
New purchases	<u>3,989,098,992</u>
As at 30.09.2020	<b><u>73,579,227,010</u></b>
<b>Accumulated depreciation</b>	
As at 01.01.2020	51,920,863,726
Charge for the period	<u>8,868,156,540</u>
As at 30.09.2020	<b><u>60,789,020,266</u></b>
<b>Net book value</b>	
As at 01.01.2020	<u>17,669,264,292</u>
As at 30.09.2020	<b><u>12,790,206,744</u></b>

## (c) Construction in progress

Construction in progress comprises the following:

	As at	
	30.09.2020	31.12.2019
	VND	VND
Purchases of trading software	<u>13,261,998,097</u>	<u>13,597,128,282</u>



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

	<b>As at</b>	
	<b>30.09.2020</b>	<b>31.12.2019</b>
	<b>VND</b>	<b>VND</b>
Office rental	84,746,170,407	86,870,726,211
Office renovation	11,484,346,107	6,674,971,837
Consulting fee	2,036,298,794	5,090,746,989
IT costs	574,931,394	2,319,039,745
<b>Total</b>	<b>98,841,746,702</b>	<b>100,955,484,782</b>

**3.8 Deposits in the Settlement Supporting Fund**

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

As at 30 September 2020 and as at 31 December 2019, the Company fully contributed the maximum amount.

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

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

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)****3.10 Short-term borrowings**

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

	<b>Interest % per annum</b>	<b>Opening balance VND</b>	<b>Disbursement VND</b>	<b>Repayment VND</b>	<b>Closing balance VND</b>
<b>Short-term borrowings (i)</b>					
Bank borrowings	4,5 – 7,8	2,378,975,000,000	10,515,400,000,000	(9,040,100,000,000)	3,854,275,000,000
Bank overdrafts	6,6 – 7,6	14,752,235,255	9,208,693,021,074	(9,146,958,658,616)	76,486,597,713
<b>Total</b>		<b><u>2,393,727,235,255</u></b>	<b><u>19,724,093,021,074</u></b>	<b><u>(18,187,058,658,616)</u></b>	<b><u>3,930,761,597,713</u></b>

- (i) Borrowings have maturities from 1 to 3 months and are used for working capital.  
The Company had no borrowings from related parties as at 30 September 2020.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

## 3.11 Trading obligations

	As at	
	30.09.2020	31.12.2019
	VND	VND
Payables to investors for purchasing corporate bonds	421,307,049,154	35,222,769,456
Trading settlement balances with the Stock Exchanges	362,417,899,950	7,714,529,000
Advances from investors for securities purchases	96,845,336,856	455,507,692,520
Covered warrant payables	34,537,379,444	14,266,498,303
Payables to Stock Exchanges and VSD	9,951,015,633	6,478,153,144
Others	1,367,565,610	3,837,874,466
<b>Total</b>	<b>926,426,246,647</b>	<b>523,027,516,889</b>

## 3.12 Tax and other payables to the State budget

	As at	
	30.09.2020	31.12.2019
	VND	VND
Business income tax – current	33,069,649,700	23,826,556,430
Personal income tax withheld and paid on behalf of investors	10,190,579,378	7,674,988,622
Corporate income tax withheld and paid on behalf of foreign institutions	3,391,500,568	3,366,021,036
Personal income tax withheld and paid on behalf of employees	2,420,308,199	2,254,066,042
Value added tax	255,372,137	172,364,611
Foreign contractor tax	-	643,345,304
<b>Total</b>	<b>49,327,409,982</b>	<b>37,937,342,045</b>

## 3.13 Short-term accrued expenses

	As at	
	30.09.2020	31.12.2019
	VND	VND
Allowance for working performance	26,100,000,000	35,000,000,000
Interest expenses	22,006,330,745	12,947,945,342
Others	4,699,494,357	8,750,384,920
<b>Total</b>	<b>52,805,825,102</b>	<b>56,698,330,262</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

## 3.14 Other short-term liabilities

	As at	
	30.09.2020	31.12.2019
	VND	VND
Dividends payable to shareholders	3,421,608,517	155,070,718,509
Dividends paid on behalf	3,165,850,860	2,864,711,582
Business development expenses payables	788,313,897	6,062,313,897
Receipts from investors for their subscriptions of shares from issuers	74,410,000	9,460,360,000
Other payables	13,110,361,846	11,385,102,981
<b>Total</b>	<b>20,560,545,120</b>	<b>184,843,206,969</b>

## 3.15 Share capital

## (a) Number of shares

	As at	
	30.09.2020	31.12.2019
	VND	VND
Number of shares registered	305,882,263	305,882,263
Number of shares issued	305,882,263	305,882,263
Number of shares repurchased	(840,418)	(366,090)
Number of existing shares in issue	305,041,845	305,516,173

As at 30 September 2020 and as at 31 December 2019, all of the Company's shares are ordinary shares. Each ordinary share has a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

## 3.15 Share capital (continued)

## (b) Movement of share capital

	Ordinary shares
As at 1 January 2019	129,554,168
New shares issued	176,125,505
Treasury shares repurchased	(163,500)
As at 31 December 2019	305,516,173
Treasury shares repurchased	(474,328)
As at 30 September 2020	<u>305,041,845</u>

## 3.16 Undistributed earnings

	As at	
	30.09.2020	31.12.2019
	VND	VND
Realised post-tax profits	725,519,377,888	614,251,440,752
Unrealised profits/(losses)	18,029,448,192	(28,771,621,437)
<b>Total</b>	<b><u>743,548,826,080</u></b>	<b><u>585,479,819,315</u></b>

## 4 NOTES TO OFF STATEMENT OF FINANCIAL POSITION ITEMS

## 4.1 Bad debts written off

	As at	
	30.09.2020	31.12.2019
	VND	VND
Other receivables	345,059,000	345,059,000

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

**4 NOTES TO OFF STATEMENT OF FINANCIAL POSITION ITEMS (continued)****4.2 Foreign currencies**

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

	<b>As at</b>	
	<b>30.09.2020</b>	<b>31.12.2019</b>
US Dollar	4,361.98	1,899.62
Japanese Yen	241,915	241,915
Singapore Dollar	844	844
British Pound	5,836.84	1,594.70
Taiwanese Dollar	3,200	3,200
Canadian Dollar	100	100
Malaysian Ringgit	750	750

**4.3 Number of shares in issue**

	<b>As at</b>	
	<b>30.09.2020</b>	<b>31.12.2019</b>
Quantity issued for 1 year or more (share)	305,041,845	129,390,668
Quantity issued within 1 year (share)	-	176,125,505
<b>Total</b>	<b>305,041,845</b>	<b>305,516,173</b>



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

## 4.4 Covered warrant

Ticker symbol	Underlying security	Maturity date	As at 30.09.2020 Covered warrant			
			Number of covered warrants authorised for issue	Number of cancellation of covered warrants registration	Number of additional issuance of covered warrants	Number of covered warrants issued
CFPT2006	FPT Telecom JSC (FPT)	29.10.2020	5,000,000	2,000,000	297,990	2,702,010
CHPG2009	Hoa Phat Group Joint Stock Company (HPG)	29.10.2020	5,000,000	2,000,000	715,940	2,284,060
CMBB2006	Military Commercial Joint - Stock Bank (MBB)	29.10.2020	5,000,000	2,000,000	951,350	2,048,650
CMSN2005	Masan Group Corporation (MSN)	29.10.2020	5,000,000	2,000,000	2,921,500	78,500
CMWG2008	Mobile World Investment Corporation (MWG)	29.10.2020	5,000,000	2,000,000	1,352,920	1,647,080
CPNJ2005	Phu Nhuan Jewelry Joint Stock Company (PNJ)	29.10.2020	5,000,000	2,000,000	2,209,560	790,440
CREE2003	Refrigeration Electrical Engineering Corporation (REE)	29.10.2020	5,000,000	2,000,000	364,390	2,635,610
CTCB2006	Technology and Commercial Joint Stock Bank (TCB)	29.10.2020	5,000,000	2,000,000	340,240	2,659,760
CVHM2003	Vinhomes Joint Stock Company (VHM)	29.10.2020	5,000,000	2,000,000	2,940,050	59,950
CVJC2002	Vietjet Aviation Joint Stock Company (VJC)	29.10.2020	5,000,000	2,000,000	400,360	2,599,640
CVNM2005	Vietnam Dairy Products Joint Stock Company (VNM)	29.10.2020	5,000,000	2,000,000	484,830	2,515,170
CVPB2007	Vietnam Prosperity Joint Stock Commercial Bank (VPB)	29.10.2020	5,000,000	-	1,903,330	3,096,670
CVRE2006	Vincom Retail Joint Stock Company (VRE)	29.10.2020	5,000,000	2,000,000	1,269,410	1,730,590
CFPT2008	FPT Telecom JSC (FPT)	14.01.2021	5,000,000	-	1,080,160	3,919,840
CHPG2016	Hoa Phat Group Joint Stock Company (HPG)	14.01.2021	5,000,000	-	1,213,550	3,786,450
CMBB2007	Military Commercial Joint - Stock Bank (MBB)	14.01.2021	5,000,000	-	368,700	4,631,300
CMSN2006	Masan Group Corporation (MSN)	14.01.2021	5,000,000	-	909,210	4,090,790
CMWG2010	Mobile World Investment Corporation (MWG)	14.01.2021	5,000,000	-	594,890	4,405,110
CPNJ2006	Phu Nhuan Jewelry Joint Stock Company (PNJ)	14.01.2021	5,000,000	-	358,840	4,641,160
CREE2005	Refrigeration Electrical Engineering Corporation (REE)	14.01.2021	5,000,000	-	101,030	4,898,970
CTCB2007	Technology and Commercial Joint Stock Bank (TCB)	14.01.2021	5,000,000	-	275,410	4,724,590
CVHM2005	Vinhomes Joint Stock Company (VHM)	14.01.2021	5,000,000	-	2,146,330	2,853,670
CVNM2008	Vietnam Dairy Products Joint Stock Company (VNM)	14.01.2021	5,000,000	-	437,830	4,562,170
CVPB2008	Vietnam Prosperity Joint Stock Commercial Bank (VPB)	14.01.2021	5,000,000	-	564,560	4,435,440
CVRE2008	Vincom Retail Joint Stock Company (VRE)	14.01.2021	5,000,000	-	1,415,810	3,584,190
<b>Tổng cộng</b>			<b>125,000,000</b>	<b>24,000,000</b>	<b>25,618,190</b>	<b>75,381,810</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

## 5 NOTES TO THE STATEMENT OF INCOME

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

	3 <sup>rd</sup> Quarter		Year to date	
	2020 VND	2019 VND	2020 VND	2019 VND
Realised gains on disposals of FVTPL financial assets	119,692,067,879	91,081,096,049	432,102,421,325	279,198,676,010
Realised losses on disposals of FVTPL financial assets	(111,438,624,981)	(65,146,369,011)	(346,530,227,864)	(245,458,267,220)
<b>Total</b>	<b>8,253,442,898</b>	<b>25,934,727,038</b>	<b>85,572,193,461</b>	<b>33,740,408,790</b>

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

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

	3 <sup>rd</sup> Quarter		Year to date	
	2020 VND	2019 VND	2020 VND	2019 VND
Gains from revaluation of FVTPL financial assets	20,336,057,069	(141,714,403)	28,212,243,440	10,311,033,316
Losses from revaluation of FVTPL financial assets	(2,328,367,556)	8,369,471,532	24,727,867,115	22,923,221,170
<b>Total</b>	<b>18,007,689,513</b>	<b>8,227,757,129</b>	<b>52,940,110,555</b>	<b>33,234,254,486</b>

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

	3 <sup>rd</sup> Quarter		Year to date	
	2020 VND	2019 VND	2020 VND	2019 VND
Losses from revaluation of outstanding covered warrant payables	2,552,205,005	-	(3,520,915,327)	-
Gains from revaluation of outstanding covered warrant payables	(2,618,125,599)	(4,032,431,789)	(2,618,125,599)	(4,056,616,397)
<b>Total</b>	<b>(65,920,594)</b>	<b>(4,032,431,789)</b>	<b>(6,139,040,926)</b>	<b>(4,056,616,397)</b>



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

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

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

	Cost VND	Market value/ fair value VND	Accumulated revaluation gains/(losses) 30.09.2020 VND	Accumulated revaluation gains/(losses) 31.12.2019 VND	Credited/ (charged) to statement of income VND
Listed shares and shares traded on UPCoM	345,443,687,856	329,374,423,934	(16,069,263,922)	(39,721,500,379)	23,652,236,457
Underlying assets designated as hedges for covered warrants	171,817,561,230	173,775,107,100	1,957,545,870	(808,671,334)	2,766,217,204
Unlisted and unregistered shares	9,849,000,000	334,084,000	(9,514,916,000)	(14,175,502,000)	4,660,586,000
Listed and unlisted bonds	915,792,800,000	957,051,624,636	41,258,824,636	20,868,529,116	20,390,295,519
Certificates	45,133,158,914	45,259,129,860	125,970,946	2,205,029	123,765,917
<b>Total</b>	<b><u>1,488,036,208,000</u></b>	<b><u>1,505,794,369,530</u></b>	<b><u>17,758,161,530</u></b>	<b><u>(33,834,939,568)</u></b>	<b><u>51,593,101,098</u></b>

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

	Cost VND	Market value/ fair value VND	Accumulated revaluation gains/(losses) 30.09.2020 VND	Accumulated revaluation gains/(losses) 31.12.2019 VND	Credited/ (charged) to statement of income VND
Covered warrants	34,808,666,162	34,537,379,500	271,286,662	6,410,327,587	(6,139,040,925)
<b>Total</b>	<b><u>34,808,666,162</u></b>	<b><u>34,537,379,500</u></b>	<b><u>271,286,662</u></b>	<b><u>6,410,327,587</u></b>	<b><u>(6,139,040,925)</u></b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

## 5.3 Operating expenses not related to financial assets

	3 <sup>rd</sup> Quarter		Year to date	
	2020 VND	2019 VND	2020 VND	2019 VND
<b>Proprietary trading activities</b>	<b>8,174,420,597</b>	<b>5,242,893,836</b>	<b>25,876,627,640</b>	<b>17,208,452,688</b>
Staff costs	751,099,446	1,091,643,000	3,166,644,839	3,424,142,797
Brokerage fee	1,150,078,063	816,904,485	5,619,902,565	6,730,140,221
Depreciation and amortisation	381,972,983	372,780,548	1,148,812,329	1,118,341,643
Outsourcing expenses	1,549,355,656	855,574,468	5,899,569,769	1,420,009,626
Allocated expenses	4,341,914,449	2,105,991,335	10,041,698,138	4,515,818,401
<b>Brokerage fee expenses</b>	<b>99,835,438,527</b>	<b>94,375,757,590</b>	<b>279,236,986,264</b>	<b>269,455,821,117</b>
Staff costs	36,078,140,833	37,645,755,029	111,116,159,090	109,423,551,156
Brokerage fee	36,688,440,459	28,439,670,483	90,923,221,105	76,173,090,731
Depreciation and amortisation	2,919,116,197	2,609,126,781	8,856,573,304	6,966,059,406
Outsourcing expenses	11,484,564,597	12,485,480,050	33,635,194,829	38,945,420,531
Office rental expenses	6,797,579,810	8,622,028,671	21,065,465,527	25,878,623,938
Allocated expenses	5,867,596,631	4,573,696,576	13,640,372,409	12,069,075,355
<b>Custody service expenses</b>	<b>1,972,439,081</b>	<b>1,965,193,709</b>	<b>5,793,929,249</b>	<b>6,200,794,875</b>
<b>Financial consultancy service expenses</b>	<b>3,587,001,862</b>	<b>7,578,764,179</b>	<b>11,195,529,478</b>	<b>16,809,889,318</b>
Staff costs	3,035,686,166	6,773,200,684	9,521,113,195	13,008,901,294
Outsourcing expenses	551,315,696	805,563,495	1,674,416,283	3,800,988,024
<b>Other operating expenses</b>	<b>1,033,574,844</b>	<b>690,816,869</b>	<b>2,630,611,809</b>	<b>2,051,545,924</b>
<b>Total</b>	<b>114,602,874,911</b>	<b>109,853,426,183</b>	<b>324,733,684,440</b>	<b>311,726,503,922</b>



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

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

## 5.4 General and administration expenses

	3 <sup>rd</sup> Quarter		Year to date	
	2020 VND	2019 VND	2020 VND	2019 VND
Staff costs	28,670,146,062	29,848,182,803	88,956,378,520	82,971,941,487
Office rental expenses	3,112,411,273	2,301,109,884	8,078,306,735	8,207,898,397
Outsourcing expenses	6,761,314,281	9,164,804,951	23,118,633,437	23,789,580,226
Depreciation and amortisation	3,101,983,519	3,165,392,412	9,955,975,629	9,238,468,056
Tax and other fees	44,803,498	162,288,410	231,883,249	438,355,263
Office tools and supplies	475,487,961	562,970,619	1,442,106,257	1,373,387,652
Other administrative expenses	2,003,986,985	1,459,350,066	6,733,126,731	4,633,999,260
<b>Total</b>	<b><u>44,170,133,579</u></b>	<b><u>46,664,099,145</u></b>	<b><u>138,516,410,558</u></b>	<b><u>130,653,630,341</u></b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

## 6 RELATED PARTIES DISCLOSURES

Identified related parties and relationships are presented below:

<u>Related party</u>	<u>Relationship</u>
Dragon Capital Markets Limited (DC)	Strategic shareholder – holding 29,96% of share capital  The Company's Vice Chairman of the Board of Directors is the Director, cum the member of the Board Directors of DC Group  The Company's member of the Board of Directors is Director of DC Group  The Company's member of the Board of Directors is representative for DC's shares
Ho Chi Minh Finance and Investment State-owned Company (HFIC)	Strategic shareholder – holding 28,61% 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 Head of Investment Department at HFIC
Board of Directors and Board of Management	Key management

(a) **Related party transactions in Q3/2020**

<u>Related party</u>	<u>Transactions</u>	<u>Current period VND</u>
Dragon Capital Markets Limited (DC)	Dividend payable	64,155,389,200
Ho Chi Minh Finance and Investment State-owned Company (HFIC)	Dividend payable	61,250,000,000
Compensation of key management	Gross salaries and other benefits in Q3/2020	6,658,351,285

(b) **Period-end balances with related parties**

<u>Related party</u>	<u>Transactions</u>	<u>Current period VND</u>
Ho Chi Minh Finance and Investment State-owned Company (HFIC)	Deposits for securities trading	25,126,068



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

## 7 SEGMENT INFORMATION

(a) *Geographical segments*

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

(b) *Business activity segments*

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

	For the period ended 30 September 2020				
	Brokerage and services VND	Trading VND	Lending VND	Consultancy VND	Total VND
Revenue and income (*)	415,282,522,214	590,846,974,327	358,805,189,522	34,701,815,796	1,399,636,501,859
Expenses	(287,661,527,322)	(350,297,113,988)	(124,596,063,551)	(11,195,529,478)	(773,750,234,339)
<i>In which:</i>					
<i>Direct cash expenses</i>	(254,313,389,624)	(355,218,544,419)	(124,596,063,551)	(11,133,764,478)	(745,261,762,072)
<i>Total amount of significant non-cash expenses, other than depreciation, amortisation and allocation of prepaid expenses</i>	-	22,109,741,516	-	-	22,109,741,516
<i>Total depreciation and amortisation of fixed assets</i>	(8,856,573,304)	(1,148,812,329)	-	(61,765,000)	(10,067,150,633)
<i>Allocation of long-term and short-term prepaid expenses</i>	(24,491,564,394)	(16,039,498,756)	-	-	(40,531,063,150)
Segment result	127,620,994,892	240,549,860,339	234,209,125,971	23,506,286,318	625,886,267,520
Net financial income					1,554,716,133
Net other income					54,708,333
General and administration expenses					(138,516,410,558)
Operating result					488,979,281,428

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

## 7 SEGMENT INFORMATION (continued)

## (b) Business activity segments (continued)

	For the period ended 30 September 2019				
	Brokerage and services VND	Trading VND	Lending VND	Consultancy VND	Total VND
Revenue and income (*)	364,936,297,764	359,771,613,321	381,362,578,714	46,043,983,823	1,152,114,473,622
Expenses	(277,708,161,916)	(243,800,115,135)	(105,971,297,244)	(16,809,889,318)	(644,289,463,613)
<i>In which:</i>					
Direct cash expenses	(240,268,121,479)	(250,197,469,290)	(105,971,297,244)	(16,752,554,874)	(613,189,442,887)
Total amount of significant non-cash expenses, other than depreciation, amortisation and allocation of prepaid expenses	-	18,866,604,773	-	-	18,866,604,773
Total depreciation and amortisation of fixed assets	(6,966,059,406)	(1,118,341,643)	-	(57,334,444)	(8,141,735,493)
Allocation of long-term and short-term prepaid expenses	(30,473,981,031)	(11,350,908,975)	-	-	(41,824,890,006)
Segment result	87,228,135,848	115,971,498,186	275,391,281,470	29,234,094,505	507,825,010,009
Net financial income					1,939,993,818
Net other income					57,431,819
General and administration expenses					(130,653,630,341)
Operating result					379,168,805,305

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



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

## 7 SEGMENT INFORMATION (continued)

## (b) Business activity segments (continued)

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

	As at 30 September 2020					
	Brokerage and services VND	Trading VND	Lending VND	Consultancy VND	Unallocated VND	Total VND
Segment assets	918,872,654,327	1,526,402,422,776	6,949,254,487,121	3,202,069,659	-	9,397,731,633,883
Unallocated assets	-	-	-	-	70,441,863,598	70,441,863,598
Total assets	<u>918,872,654,327</u>	<u>1,526,402,422,776</u>	<u>6,949,254,487,121</u>	<u>3,202,069,659</u>	<u>70,441,863,598</u>	<u>9,468,173,497,481</u>
Segment liabilities	928,802,988,975	-	3,952,767,928,458	-	-	4,881,570,917,433
Unallocated liabilities	-	-	-	-	131,031,126,144	131,031,126,144
Total liabilities	<u>928,802,988,975</u>	<u>-</u>	<u>3,952,767,928,458</u>	<u>-</u>	<u>131,031,126,144</u>	<u>5,012,602,043,577</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

## 7 SEGMENT INFORMATION (continued)

## (b) Business activity segments (continued)

As at 31 December 2020						
	Brokerage and services VND	Trading VND	Lending VND	Consultancy VND	Unallocated VND	Total VND
Segment assets	458,599,485,137	1,316,457,115,775	5,647,303,334,297	2,426,071,426	-	7,424,786,006,635
Unallocated assets	-	-	-	-	63,892,622,713	63,892,622,713
Total assets	<u>458,599,485,137</u>	<u>1,316,457,115,775</u>	<u>5,647,303,334,297</u>	<u>2,426,071,426</u>	<u>63,892,622,713</u>	<u>7,488,678,629,348</u>
Segment liabilities	491,960,004,500	-	2,406,675,180,597	-	-	2,898,635,185,097
Unallocated liabilities	-	-	-	-	285,900,405,112	285,900,405,112
Total liabilities	<u>491,960,004,500</u>	<u>-</u>	<u>2,406,675,180,597</u>	<u>-</u>	<u>285,900,405,112</u>	<u>3,184,535,590,209</u>

## 8 COMPARATIVE FIGURES

Certain comparative figures have been restated and reclassified to conform to the current year's presentation, specifically presented as belows:

## Statement of Financial Position

		As at 31.12.2019		
Code	ITEMS	Previously reported	Restatement/ reclassification (*)	Restated
112	Financial assets at fair value through profit or loss (FVTPL))	1,286,632,864,648	54,744,289,116	1,341,377,153,764
114	Loans	4,696,713,331,994	37,783,317,946	4,734,496,649,940
118	Prepayments to suppliers	-	(37,783,317,946)	(37,783,317,946)
122	Other receivables	100,809,984,866	(57,304,837,606)	43,505,147,260
129	Provision for doubtful debts	(39,583,792,148)	37,783,317,946	(1,800,474,202)
318	Trading obligations	487,804,747,433	35,222,769,456	523,027,516,889
417.1	Realised post-tax profits	633,772,960,412	(19,521,519,660)	614,251,440,752
417.2	Unrealised profits	(48,293,141,097)	19,521,519,660	(28,771,621,437)

(\*) Reclassify revaluation of the market value of bonds which being recorded as financial assets at fair value through profit or loss ("FVTPL") to correct line on the report.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

## 8 COMPARATIVE FIGURES (continued)

## STATEMENT OF INCOME

Code	ITEMS	3 rd Quarter			Year to date		
		Previously reported	Restatement/ reclassification (*)	Restated	Previously reported	Restatement/ reclassification (*)	Restated
		VND	VND	VND	VND	VND	VND
	<b>OPERATING INCOME</b>						
01	Income from FVTPL financial assets	129,241,966,244	(12,396,474,326)	116,845,491,918	380,727,636,862	(20,956,023,541)	359,771,613,321
01.1	Realised gains on disposal of FVTPL financial assets	103,979,662,448	(12,898,566,399)	91,081,096,049	300,656,791,624	(21,458,115,614)	279,198,676,010
01.2	Increase in revaluation gains of FVTPL financial assets	(6,958,107,846)	6,816,393,443	(141,714,403)	3,494,639,873	6,816,393,443	10,311,033,316
01.3	Dividends and interest income from FVTPL financial assets	32,220,411,642	(6,314,301,370)	25,906,110,272	76,576,205,365	(6,314,301,370)	70,261,903,995
03	Interest income from loans and receivables	128,936,015,118	12,206,275,466	141,142,290,584	362,721,640,176	18,640,938,538	381,362,578,714
06	Brokerage fee income	116,914,896,775	692,290,933	117,607,187,708	354,733,333,255	2,817,177,076	357,550,510,331
	<b>OPERATING EXPENSES</b>						
24	Provisions for financial assets, losses on bad debts, impairment losses of financial assets and interest expenses associated with loans	30,751,027,116	502,092,073	31,253,119,189	105,469,205,171	502,092,073	105,971,297,244
26	Proprietary trading activities	18,222,529,354	(12,979,635,518)	5,242,893,836	56,429,284,793	(39,220,832,105)	17,208,452,688
27	Brokerage fee expenses	82,842,337,268	11,533,420,322	94,375,757,590	235,839,418,312	33,616,402,805	269,455,821,117
30	Custody service expenses	1,889,430,019	75,763,690	1,965,193,709	6,125,031,185	75,763,690	6,200,794,875
31	Financial consultancy service expenses	6,773,200,684	805,563,495	7,578,764,179	12,995,689,044	3,814,200,274	16,809,889,318
33	Other operating expenses	125,928,858	564,888,011	690,816,869	337,080,588	1,714,465,336	2,051,545,924

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2020 TO 30 SEPTEMBER 2020

## 8 COMPARATIVE FIGURES (continued)

## STATEMENT OF CASH FLOWS

Code	ITEMS	Year to date		
		Previously reported	Restatement/ reclassification (*)	Restated
06	Interest expenses	105,469,205,171	502,092,073	105,971,297,244
19	Decrease in revaluation gains of FVTPL financial assets	(3,494,639,873)	(6,816,393,443)	(10,311,033,316)
31	Decrease in FVTPL financial assets	114,644,003,304	(25,685,698,630)	88,958,304,674
50	Increase in other short-term payables	244,060,712,205	32,502,092,073	276,562,804,278

(\*) Reclassify revaluation of the market value of bonds which being recorded as financial assets at fair value through profit or loss ("FVTPL") to correct line on the report.

Prepared by



Le Thi Thuy Duong

Chief Financial Officer



Lam Huu Ho



20 October 2020

Chief Executive Officer

Trinh Hoai Giang