

YUANTA SECURITIES VIETNAM LIMITED COMPANY

**INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**



YUANTA SECURITIES VIETNAM LIMITED COMPANY

**INTERIM FINANCIAL STATEMENTS
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YUANTA SECURITIES VIETNAM LIMITED COMPANY

CORPORATE INFORMATION

Business Registration Certificate

No. 3700334885 dated 14 June 2019 issued by Ho Chi Minh City Department of Planning and Investment. The Business Registration Certificate was amended several times and the latest amendment dated 17 February 2022.

Establishment and operation Licence

No. 127/GP-UBCK dated 14 June 2019 issued by the State Securities Commission. The Establishment and operation licence was amended several times and the latest amendment No. 113/GPDC-UBCK was issued on 15 December 2021.

Council of Members ("COM")

Yuanta Securities Asia Financial Services Private Limited with the following authorised representatives:

Mr. Chao Jen Kai Chairman of COM
Mr. Hwang Wei Cherng
Mr. Kuo Feng Hsiang
Mr. Le Minh Tam
Mr. Ooi Thean Yat Ronald Anthony
Ms. Chien Wei Ching
Mr. Nguyen Thanh Tung

Yuanta Securities (Hong Kong) Company Limited with the following authorised representatives:

Mr. Wang Yi Min
Mr. Tan Pei San

Board of Controllers ("BOC")

Mr. Ong Cheow Kheng Head of BOC
Mr. Mac Huu Danh Member of BOC
Ms. Mai Thi Ngoc Duyen Member of BOC

Management Board

Mr. Nguyen Thanh Tung General Director
Mr. Hoang Cong Nguyen Vu Executive Vice President
Ms. Le Thi Quyen Executive Vice President

Legal Representative

Mr. Chao Jen Kai Chairman of COM

YUANTA SECURITIES VIETNAM LIMITED COMPANY

CORPORATE INFORMATION (continued)

Head Office	4 th Floor, Saigon Centre, 65 Le Loi Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
Cho Lon Branch	521 Hong Bang, Ward 14, District 5, Ho Chi Minh City, Vietnam
Ha Noi Branch	5A th Floor, BIDV Building, 194 Tran Quang Khai Street, Hoan Kiem District, Ha Noi City, Vietnam
Binh Duong Branch	455 Binh Duong Avenue, Phu Cuong Ward, Thu Dau Mot City, Binh Duong Province, Vietnam
Dong Nai Branch	Ground Floor, Tower B, The Pegasus Plaza, 53 - 55 Vo Thi Sau Street, Quyet Thang Ward, Bien Hoa City, Dong Nai Province, Vietnam
Da Nang Branch	1 st Floor, Hai Van Building, 150 - 156 Nguyen Van Linh Street Vinh Trung Ward, Thanh Khe District, Da Nang City, Vietnam
Vung Tau Branch	3 rd Floor, Hodeco Plaza, 36 Nguyen Thai Hoc Street, Ward 7, Vung Tau City, Ba Ria – Vung Tau Province, Vietnam
Lang Ha Transaction office	Room 202, 2 nd Floor, Ford Thang Long Building, 105 Lang Ha Street, Lang Ha Ward, Dong Da District, Hanoi City, Vietnam
Auditor	PwC (Vietnam) Limited

YUANTA SECURITIES VIETNAM LIMITED COMPANY

STATEMENT BY THE MANAGEMENT BOARD

STATEMENT OF RESPONSIBILITY OF THE MANAGEMENT BOARD OF THE COMPANY IN RESPECT OF THE INTERIM FINANCIAL STATEMENTS

The Management Board of Yuanta Securities Vietnam Limited Company ("the Company") is responsible for preparing the interim financial statements which give a true and fair view of the interim financial position of the Company as at 30 June 2022 and of the results of its operations, interim cash flows and interim changes in equity for the six-month period then ended. In preparing these interim financial statements, the Management Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the interim financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Management Board is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and which enable the interim financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the interim financial statements. The Management Board is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud or errors.

APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

We hereby approve the accompanying interim financial statements as set out on pages 6 to 70 which give a true and fair view of the financial position of the Company as at 30 June 2022 and of the results of its operations, cash flows and changes in equity for the six-month period then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on preparation and presentation of interim financial statements applicable to securities companies operating in Vietnam.

On behalf of the Management Board



Nguyen Thanh Tung
General Director

Ho Chi Minh City, Vietnam
12 August 2022



REPORT ON THE REVIEW OF INTERIM FINANCIAL INFORMATION

TO THE COUNCIL OF MEMBERS OF YUANTA SECURITIES VIETNAM LIMITED COMPANY

We have reviewed the accompanying interim financial statements of Yuanta Securities Vietnam Limited Company ("the Company") which were prepared on 30 June 2022, and approved by the Management Board of the Company on 12 August 2022. The interim financial statements comprise the interim statement of financial position as at 30 June 2022, the interim statement of income, the interim statement of cash flows and the interim statement of changes in equity for the six-month period then ended, and explanatory notes to the interim financial statements including significant accounting policies, as set out on pages 6 to 70.

The Management Board's Responsibility

The Management Board of the Company is responsible for the preparation and the true and fair presentation of these interim financial statements of the Company in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on the preparation and presentation of interim financial statements applicable to securities companies operating in Vietnam, and for such internal control which the Management Board determines is necessary to enable the preparation and presentation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the financial position of the Company as at 30 June 2022, the results of operations, the cash flows and the changes in equity of the Company for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on the preparation and presentation of interim financial statements applicable to securities companies operating in Vietnam.

Other Matter

The report on the review of interim financial statements is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Nguyen Hoang Nam
Audit Practising Licence No.
0849-2018-006-1
Authorised signatory

Report reference number: HCM12625
Ho Chi Minh City, 12 August 2022

INTERIM STATEMENT OF FINANCIAL POSITION

Code	ITEMS	Note	As at	
			30.6.2022 VND	31.12.2021 VND
ASSETS				
100	CURRENT ASSETS		4,405,602,768,710	4,229,666,258,782
110	Financial assets		4,401,270,461,054	4,224,777,661,402
111	Cash and cash equivalents	3.1	378,272,002,459	82,208,573,990
111.1	Cash		298,272,002,459	82,208,573,990
111.2	Cash equivalents		80,000,000,000	-
112	Financial assets at fair value through profit or loss ("FVTPL")	3.2(a)	80,112,177	136,416,700
113	Investments held to maturity ("HTM")	3.2(b)	383,000,000,000	210,000,000,000
114	Loans	3.2(c)	3,603,081,539,170	3,896,490,681,032
116	Provisions for impairment loss of financial assets and collaterals	3.2(c)	(2,487,280,054)	(2,487,280,054)
117	Receivables	3.3	34,716,514,438	35,558,137,515
117.2	Dividend and interest receivables		34,716,514,438	35,558,137,515
117.3	Due dividend and interest receivables		30,314,665,126	29,212,301,899
117.4	Dividend and interest receivables not yet due		4,401,849,312	6,345,835,616
118	Prepayments to suppliers	3.5	3,940,824,573	2,292,449,831
119	Service-related receivables	3.3	663,666,902	575,600,999
122	Other receivables	3.3	5,447,190,896	5,447,222,008
129	Provisions for doubtful debts	3.4	(5,444,109,507)	(5,444,140,619)
130	Other current assets		4,332,307,656	4,888,597,380
131	Advances		792,115,101	43,286,370
133	Short-term prepaid expenses	3.6(a)	3,540,192,555	4,845,311,010
200	NON-CURRENT ASSETS		77,156,004,611	76,639,195,712
220	Fixed assets		23,761,229,409	27,082,762,717
221	Tangible fixed assets	3.7(a)	13,896,295,615	15,152,193,000
222	Historical cost		58,516,216,997	55,656,638,297
223a	Accumulated depreciation		(44,619,921,382)	(40,504,445,297)
227	Intangible fixed assets	3.7(b)	9,864,933,794	11,930,569,717
228	Historical cost		33,223,786,811	32,873,786,811
229a	Accumulated amortisation		(23,358,853,017)	(20,943,217,094)
240	Construction in progress	3.7(c)	16,024,820,841	15,931,740,841
250	Other non-current assets		37,369,954,361	33,624,692,154
251	Long-term security deposits	3.8	4,972,841,952	4,972,841,952
252	Long-term prepaid expenses	3.6(b)	3,050,444,122	1,813,610,434
253	Deferred income tax assets	3.17	189,283,244	180,854,725
254	Deposits in the Settlement Support Fund	3.9	19,157,385,043	16,657,385,043
255	Other non-current assets	3.10	10,000,000,000	10,000,000,000
270	TOTAL ASSETS		4,482,758,773,321	4,306,305,454,494

The notes on pages 15 to 70 are an integral part of these interim financial statements.

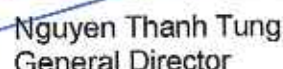
INTERIM STATEMENT OF FINANCIAL POSITION
(continued)

Code	ITEMS	Note	As at	
			30.6.2022 VND	31.12.2021 VND
300	LIABILITIES		2,153,171,928,299	2,053,874,345,397
310	Current liabilities		2,151,171,928,299	2,051,874,345,397
311	Short-term borrowings and financial lease liabilities		2,084,555,000,000	1,960,162,503,665
312	Short-term borrowings	3.11	2,084,555,000,000	1,960,162,503,665
318	Trading obligations	3.12	4,801,838,735	7,390,359,869
320	Trade payables		-	18,676,119
322	Taxes and other payables to the State	3.13	18,009,951,501	25,433,107,035
323	Payables to employees	3.14	23,882,961,712	46,391,617,629
324	Accrued employees' welfares		952,630,292	740,664,002
325	Accrued expenses	3.15	17,681,633,590	10,411,094,865
329	Other payables		102,790,277	141,200,021
331	Bonus and welfare funds		1,185,122,192	1,185,122,192
340	Non-current liabilities		2,000,000,000	2,000,000,000
355	Investors' indemnity fund	3.16	2,000,000,000	2,000,000,000
400	OWNERS' EQUITY		2,329,586,845,022	2,252,431,109,097
410	Owners' equity		2,329,586,845,022	2,252,431,109,097
411	Owners' capital		2,000,924,317,200	2,000,924,317,200
411.1	Charter capital	3.18	2,000,000,000,000	2,000,000,000,000
411.4	Other capital		924,317,200	924,317,200
414	Supplementary capital reserve		22,616,594,760	22,616,594,760
415	Financial risk and operation reserve		21,712,388,413	21,712,388,413
417	Undistributed earnings	3.19	284,333,544,649	207,177,808,724
417.1	Realised profits after tax		283,894,854,525	206,705,404,524
417.2	Unrealised profits		438,690,124	472,404,200
440	TOTAL RESOURCES		4,482,758,773,321	4,306,305,454,494


 Dao Thi Ngoc Thuy
 Preparer


 Bui Dinh Vinh
 Chief Accountant





 Nguyen Thanh Tung
 General Director
 12 August 2022

The notes on pages 15 to 70 are an integral part of these interim financial statements.

OFF INTERIM STATEMENT OF FINANCIAL POSITION ITEMS

Code	ITEMS	Note	As at	
			30.6.2022 VND	31.12.2021 VND
A	ASSETS OF THE COMPANY AND ASSETS UNDER ENTRUSTMENT			
			<i>Par value (VND)</i>	
008	Securities listed/registered at Vietnam Securities Depository ("VSD")		29,070,000	32,020,000
009	Securities in custody of VSD and not yet traded		506,430,000	506,430,000
012	Securities not in custody of VSD		610,000	610,000
B	ASSETS OF AND LIABILITIES TO CUSTOMERS			
			<i>Par value (VND)</i>	
021	Securities listed/registered at VSD		10,338,976,455,804	8,929,959,117,867
021.1	<i>Freely traded securities</i>		8,674,900,650,000	7,525,644,390,000
021.2	<i>Restricted securities</i>		42,859,730,000	14,272,000,000
021.3	<i>Pledged securities</i>		1,286,755,160,000	975,076,070,000
021.4	<i>Suspended securities</i>		46,691,620,000	23,301,130,000
021.5	<i>Securities awaiting settlement</i>		168,233,410,000	297,597,900,000
021.7	<i>Customers' deposits for derivatives trading</i>		119,535,885,804	94,067,627,867
022	Securities in custody of VSD and not yet traded		28,416,570,000	29,194,860,000
022.1	<i>Securities custodied at VSD but not yet traded – freely traded securities</i>		28,416,570,000	29,194,860,000
023	Securities purchased and awaiting settlement		377,241,105,000	729,311,421,500
026	Customers' deposits		821,983,317,865	938,212,261,852
027	<i>Customers' deposits for securities trading</i>		702,447,432,061	844,144,633,985
027.1	<i>Customers' deposits at VSD</i>		119,535,885,804	94,067,627,867
031	Payables to customers relating to their deposits at the Company for securities trading		702,191,063,741	844,123,870,410
031.1	<i>Payables to domestic customers relating to their deposits at the Company for securities trading</i>		668,117,872,219	811,978,561,574
031.2	<i>Payables to foreign customers relating to their deposits at the Company for securities trading</i>		34,073,191,522	32,145,308,836
035	Payables for dividends, bond principals and coupons payments on behalf		256,368,320	20,763,675


 Dao Thi Ngoc Thuy
 Preparer


 Bui Dinh Vinh
 Chief Accountant


 Nguyen Thanh Tung
 General Director
 12 August 2022



INTERIM STATEMENT OF INCOME

Code	ITEMS	Note	For the six-month period ended	
			30.6.2022 VND	30.6.2021 VND
OPERATING INCOME				
01	Income from FVTPL financial assets		305,730,485	283,894,929
01.1	Realised gains on disposal of FVTPL financial assets	4.1	264,266,800	208,844,100
01.2	Increase in revaluation gains of FVTPL financial assets	4.2	40,634,785	74,544,077
01.3	Dividends and interest income from FVTPL financial assets		828,900	506,752
02	Income from HTM financial assets		6,386,013,696	6,852,991,782
03	Interest income from loans and receivables		179,191,160,003	135,107,191,041
06	Brokerage fee income		133,324,342,849	115,404,791,381
07	Underwriting income and placing fee income		-	9,000,000,000
08	Investment consultancy service income		171,923,542	302,549,400
09	Custody service income		1,584,595,935	1,502,771,031
10	Financial consultancy service income		177,204,545	6,816,238,569
11	Other operating income		228,128,254	1,149,138,674
20	TOTAL OPERATING INCOME		321,369,099,309	276,419,566,807
OPERATING EXPENSES				
21	Losses from FVTPL financial assets		(82,854,680)	(130,270,141)
21.1	Realised losses on disposal of FVTPL financial assets	4.1	(77,300)	(108,011,090)
21.2	Increase in revaluation losses of FVTPL financial assets	4.2	(82,777,380)	(22,259,051)
24	Provisions for financial assets, losses on bad debts, impairment losses of financial assets and interest expenses associated with loans	4.3	(37,324,682,155)	(21,272,876,433)
26	Proprietary trading activities		(160,993)	(16,935)
27	Brokerage expenses	4.4	(121,327,098,024)	(112,453,580,649)
28	Underwriting and issuance agency services expenses	4.4	-	(6,000,000,000)
30	Custody service expenses	4.4	(3,987,819,189)	(4,388,695,011)
31	Financial consultancy service expenses	4.4	(1,478,617,822)	(1,747,415,704)
40	TOTAL OPERATING EXPENSES		(164,201,232,863)	(145,992,854,873)
FINANCIAL INCOME				
41	Foreign exchange gains		457,865	210,654
42	Dividend income and interest income from demand deposits		1,075,361,477	1,013,095,889
50	TOTAL FINANCIAL INCOME		1,075,819,342	1,013,306,543

The notes on pages 15 to 70 are an integral part of these interim financial statements.

INTERIM STATEMENT OF INCOME
(continued)

Code	ITEMS	Note	For the six-month period ended	
			30.6.2022 VND	30.6.2021 VND
	FINANCIAL EXPENSES			
51	Foreign exchange losses		(683,929)	(17,532,082)
60	TOTAL FINANCIAL EXPENSES		<u>(683,929)</u>	<u>(17,532,082)</u>
62	GENERAL AND ADMINISTRATIVE EXPENSES	4.5	(62,337,466,810)	(44,955,921,962)
70	OPERATING RESULT		<u>95,905,535,049</u>	<u>86,466,564,433</u>
	OTHER INCOME AND EXPENSES			
71	Other income		390,978,211	159,778,235
72	Other expenses		-	(20,000,000)
80	NET OTHER INCOME		<u>390,978,211</u>	<u>139,778,235</u>
90	NET ACCOUNTING PROFIT BEFORE TAX		96,296,513,260	86,606,342,668
91	Realised profit		96,338,655,855	86,554,057,642
92	Unrealised profit		(42,142,595)	52,285,026
100	BUSINESS INCOME TAX ("BIT")		(19,140,777,335)	(17,321,268,533)
100.1	BIT – current	4.6	(19,149,205,854)	(17,310,811,528)
100.2	BIT – deferred	4.6	8,428,519	(10,457,005)
200	NET PROFIT AFTER TAX		<u>77,155,735,925</u>	<u>69,285,074,135</u>



Dao Thi Ngoc Thuy
Preparer



Bui Dinh Vinh
Chief Accountant



Nguyen Thanh Tung
General Director
12 August 2022

The notes on pages 15 to 70 are an integral part of these interim financial statements.

INTERIM STATEMENT OF CASH FLOWS
(Indirect method)

Code	ITEMS	Note	For the six-month period ended	
			30.6.2022 VND	30.6.2021 VND
	Cash flows from operating activities			
01	Net profit before tax		96,296,513,260	86,606,342,668
02	Adjustments for:		(10,363,262,254)	(6,972,470,868)
03	Depreciation and amortisation		6,531,112,008	6,438,090,667
04	Provisions		(31,112)	(112,575)
06	Interest expense	4.3	17,822,171,288	12,044,754,908
08	Accrued interest income		(34,716,514,438)	(25,455,203,868)
10	Changes in non-cash expenses		82,777,380	22,259,051
11	Increase in revaluation losses of FVTPL financial assets	4.2	82,777,380	22,259,051
18	Changes in non-cash income		(40,634,785)	(74,544,077)
19	Increase in revaluation gains of FVTPL financial assets	4.2	(40,634,785)	(74,544,077)
30	Changes in working capital		88,905,117,233	(345,999,409,540)
31	Decrease/(increase) in FVTPL financial assets		14,161,928	(51,653,504)
32	(Increase)/decrease in HTM financial assets		(173,000,000,000)	198,000,000,000
33	Decrease/(increase) in loans		293,409,141,862	(560,992,633,739)
36	Decrease in dividend and interest receivables		35,558,137,515	32,113,255,096
37	Increase in service-related receivables		(88,065,903)	(9,039,714,056)
39	Decrease in other receivables		31,112	112,575
40	Increase in other assets		(3,248,828,731)	(2,186,093,352)
41	Increase in accrued expenses (excluding interest expense)		5,410,100,634	1,243,249,120
42	Decrease in prepaid expenses		68,284,767	2,160,453,863
43	BIT paid	3.13	(19,188,884,888)	(8,407,031,478)
44	Interest paid		(15,961,733,197)	(11,526,919,430)
45	(Decrease)/increase in trade payables		(1,760,130,861)	4,078,821,566
46	Increase in employee welfare payables		211,966,290	419,469,766
47	(Decrease)/increase in tax and other payables to the State (excluding BIT paid)		(7,383,476,500)	7,407,507,935
48	(Decrease)/increase in payables to employees		(22,508,655,917)	1,246,868,445
50	Decrease in other payables		(2,626,930,878)	(465,102,347)
60	Net cash inflow/(outflows) for operating activities		174,880,510,834	(266,417,822,766)

The notes on pages 15 to 70 are an integral part of these interim financial statements.

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

Code	ITEMS	Note	For the six-month period ended	
			30.6.2022 VND	30.6.2021 VND
	Cash flows from investing activities			
61	Cash paid for purchases of fixed assets		(3,209,578,700)	(2,163,784,383)
70	Net cash outflows for investing activities		(3,209,578,700)	(2,163,784,383)
	Cash flows from financing activities			
73	Proceeds from borrowings	5.1	2,858,603,000,000	3,340,158,000,000
74	Repayments of principals of borrowings	5.2	(2,734,210,503,665)	(3,210,214,500,000)
80	Net cash inflows from financing activities		124,392,496,335	129,943,500,000
90	Net increase/(decrease) in cash and cash equivalents		296,063,428,469	(138,638,107,149)
101	Cash and cash equivalents at beginning of period	3.1	82,208,573,990	183,092,140,280
101.1	Cash		82,208,573,990	183,092,140,280
101.2	Cash equivalents		-	-
103	Cash and cash equivalents at end of period	3.1	378,272,002,459	44,454,033,131
103.1	Cash		298,272,002,459	44,454,033,131
103.2	Cash equivalents		80,000,000,000	-


Dao Thi Ngoc Thuy
Preparer


Bui Dinh Vinh
Chief Accountant



Nguyen Thanh Tung
General Director
12 August 2022




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

CASH FLOWS OF BROKERAGE AND ENTRUSTMENT ACTIVITIES

Code	ITEMS	For the six-month period ended	
		30.6.2022 VND	30.6.2021 VND
	Cash flows of brokerage and entrustment activities		
01	Brokerage trading proceeds	43,512,737,896,300	35,726,624,859,300
02	Brokerage trading payments	(47,309,588,531,900)	(38,960,488,585,620)
07	Receipts for settlement of customers' transactions	34,433,641,720,947	27,548,590,800,608
07.1	Net deposit in customers' margin accounts at VSD for derivatives trading	25,468,257,937	23,044,314,079
08	Payments for customers' securities transactions	(30,773,503,083,008)	(23,990,700,871,607)
11	Payments of custody fees for customers	(1,508,223,008)	(1,442,335,496)
14	Proceeds of securities issuers	267,722,149,570	219,460,290,628
15	Payments of securities issuers	(271,199,130,825)	(207,762,996,070)
20	(Decrease)/increase in customers' deposits	(116,228,943,987)	357,325,475,822
30	Customers' deposits at beginning of period	938,212,261,852	466,437,100,241
31	Cash at bank	938,212,261,852	466,437,100,241
32	Customers' deposits for securities trading under monitoring of the Company	844,144,633,985	453,883,163,032
32.1	Customers' deposits for securities trading at VSD	94,067,627,867	12,553,937,209
40	Customers' deposits at end of period	821,983,317,865	823,762,576,063
41	Cash at bank	821,983,317,865	823,762,576,063
42	Customers' deposits for securities trading under monitoring of the Company	702,191,063,741	788,164,324,775
42.1	Customers' deposits for securities trading at VSD	119,535,885,804	35,598,251,288
45	Cash of securities issuers in which: term deposits	256,368,320	


Dao Thi Ngoc Thuy
Preparer


Bui Dinh Vinh
Chief Accountant


Nguyen Thanh Tung
General Director
12 August 2022

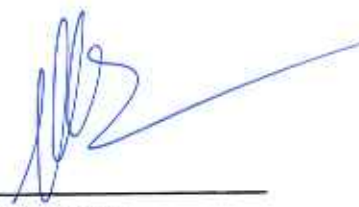



The notes on pages 15 to 70 are an integral part of these interim financial statements.

INTERIM STATEMENT OF CHANGES IN EQUITY

Items	As at		For the six-month period ended 30 June 2021		For the six-month period ended 30 June 2022		As at	
	1.1.2021 VND	1.1.2022 VND	Increase VND	Decrease VND	Increase VND	Decrease VND	30.06.2021 VND	30.06.2022 VND
I. Changes in equity								
1. Owners' capital	1,500,924,317,200	2,000,924,317,200	-	-	-	-	1,500,924,317,200	2,000,924,317,200
1.1 Charter capital	1,500,000,000,000	2,000,000,000,000	-	-	-	-	1,500,000,000,000	2,000,000,000,000
1.2 Other capital	924,317,200	924,317,200	-	-	-	-	924,317,200	924,317,200
2. Supplementary capital reserve	15,743,756,591	22,616,594,760	-	-	-	-	15,743,756,591	22,616,594,760
3. Financial risk and operation reserve	14,839,550,244	21,712,388,413	-	-	-	-	14,839,550,244	21,712,388,413
4. Undistributed earnings	83,410,547,154	207,177,808,724	69,285,074,135	-	77,189,450,001	(33,714,076)	152,695,621,289	284,333,544,649
4.1 Realised profit after tax	82,994,317,479	206,705,404,524	69,243,246,114	-	77,189,450,001	-	152,237,563,593	283,894,854,525
4.2 Unrealised profit	416,229,675	472,404,200	41,828,021	-	-	(33,714,076)	458,057,696	438,690,124
Total	1,614,918,171,189	2,252,431,109,097	69,285,074,135	-	77,189,450,001	(33,714,076)	1,684,203,245,324	2,329,586,845,022


 Dao Thi Ngoc Thuy
 Preparer


 Bui Dinh Vinh
 Chief Accountant


 Nguyen Thanh Tung
 General Director
 12 August 2022

The notes on pages 15 to 70 are an integral part of these interim financial statements.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

1 GENERAL INFORMATION

Establishment and listing status

Yuanta Securities Vietnam Limited Company ("the Company") is a limited liability company of two members incorporated in Vietnam under Business registration certificate No. 3700334885 issued by Ho Chi Minh City Department of Planning and Investment on date 14 June 2019 and the Establishment and Operation Licence No. 127/GP-UBCK issued by State Securities Commission ("SSC") on date 14 June 2019. The Establishment and Operation Licence was amended several times and the latest amendment No.113/GPDC-UBCK was issued on date 15 December 2021.

Details of capital contributions by owner are presented in Note 3.18.

Headquarters and contact information

The Company is headquartered at 4th Floor, Saigon Centre, 65 Le Loi Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.

Contact point:

Email: customer.service@yuanta.com.vn

Telephone: +84 28 3622 6868

Articles of association

The Company's Articles of association was approved on 18 December 2014 and last revised on 15 December 2021.

Headcount

As at 30 June 2022, the Company had 361 employees (as at 31 December 2021: 361 employees).

Capital size

	As at 30 June 2022 ("reporting date") VND
The Company's charter capital	2,000,000,000,000
Total owners' equity	2,329,586,845,022
Total assets	<u>4,482,758,773,321</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

1 GENERAL INFORMATION (continued)

Investment objectives and investment restrictions

The Company aims to contribute to the development of the securities market and deliver benefits to customers and its owners. The Company's investment portfolio and its restrictions shall be in compliance with the investment objectives and investment strategy as stipulated in its Articles of association and prevailing regulations on securities.

Structure of the Company and businesses

As at 30 June 2022, the Company had 1 Head Office, 6 branches and 1 transaction office operating in Vietnam.

Principal activities

The principal activities of the Company include provision of securities brokerage service, margin lending, proprietary securities trading, securities investment consultancy service, corporate finance consultancy service, and underwriting and securities custodian services.

Overview of business operations during the period and their impacts to the interim financial statements

In the first half of 2022, the global stock market witnessed an unpredictable and unstable trend leading to Vietnam stock market facing some huge drop in value. The company is still growing compared to the first half of 2021 but the growth rate has been slowed down. The company's profit after tax improved approximately 11% compared to the results of first half of 2021, in which:

- Brokerage fee income increased by 16% to that earned in the same period in 2021, proportionally with increasing in trading volume through the Company;
- Income from loans and receivables rose by 33%;
- Interest expense increased by 48% which mostly came from loans for margin loans purpose;
- Brokerage expense increased by 8% in the same direction with growth trend in brokerage income;
- General and administrative expenses increased by 39% compared to the same period of 2021, mostly due to the increase in staff cost.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****2.1 Basis of preparation of interim financial statements**

The interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System, Circular 210/2014/TT-BTC dated 30 December 2014 ("Circular 210/2014/TT-BTC"), Circular 334/2016/TT-BTC dated 27 December 2016 ("Circular 334/2016/TT-BTC"), Official Letter No. 6190/BTC-CDKT dated 12 May 2017 ("Official Letter 6190/BTC-CDKT") and Circular 23/2018/TT-BTC dated 12 March 2018 ("Circular 23/2018/TT-BTC") all issued by the Ministry of Finance, and prevailing regulations on preparation and presentation of interim financial statements applicable to securities companies operating in Vietnam.

The accompanying interim financial statements are not intended to present financial position, results of operations, cash flows and changes in equity in accordance with accounting principles generally accepted in jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The interim financial statements in Vietnamese are the official statutory interim financial statements of the Company. The interim financial statements in English have been translated from the interim financial statements in Vietnamese.

The interim 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 where market value is indeterminable).

The interim financial statements have been prepared in accordance with the same accounting policies applied to the latest annual financial statements.

2.2 Critical accounting estimates

The preparation of interim financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on preparation and presentation of interim financial statements applicable to securities companies operating in Vietnam requires the Management Board to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the financial period.

The areas involving significant estimates and assumptions are as follows:

- Amortised cost of HTM financial assets and loans (Note 2.8 and Note 3.2);
- Provisions for impairment loss of loans (Note 2.8 and Note 3.2);
- Estimated useful life of fixed assets (Note 2.12 and Note 3.7)

Such estimates and assumptions are continually evaluated. They are based on historical experiences and other factors, including expectations of future events that may have a financial impact on the Company and that are assessed by the Management Board to be reasonable under the circumstances.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.3 Form of records applied**

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

2.4 Fiscal year

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

These interim financial statements are prepared for the period from 1 January 2022 to 30 June 2022.

2.5 Currency

The interim financial statements are presented in Vietnamese Dong ("VND"), which is also the Company's accounting currency.

The Company determines its accounting currency based on the currency which is mainly used in trading its securities and rendering of services, which has a significant impact on selling prices of securities and services, which is normally used to set the selling prices and receive payments; which is mainly used in purchases of goods or services, which has a significant impact on staff costs or other operating costs and is normally used as payments for those costs.

2.6 Exchange rates

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 the interim statement of income.

Monetary assets and liabilities denominated in foreign currencies at the reporting date, except liabilities that have been hedged, 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 interim statement of income.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank of the Company, and other short-term investments with maturity within three (3) months since purchase, which are highly liquid, readily convertible to cash and subject to an insignificant risk of conversion.

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 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 Management Board 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 Management Board 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 No. 26 on Related parties disclosure).

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 cases where market value is indeterminable).

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Financial assets (continued)

(a) *Classification and measurement (continued)*(ii) *Held-to-maturity financial assets (HTM)*

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

- Payments are fixed or determinable;
- Maturity is fixed; and
- The Company has positive intention and ability to hold the assets 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 rate method ("EIR").

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

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

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

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Financial assets (continued)

(a) Classification and measurement (continued)

(ii) Held-to-maturity financial assets (HTM) (continued)

- 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 the interim statement of income.

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

(iii) Loans

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

In the reporting period, 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/QĐ-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; and
- Trading advances: the amounts advanced to customers at the trading date and/or the day right after. These amounts are repaid within two (2) trading days.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.8 Financial assets (continued)****(a) Classification and measurement (continued)***(iii) Loans (continued)*

Loans are initially recorded at cost and subsequently measured at amortised cost using the effective interest rate method ("EIR").

Amortised cost of loans is determined at historical cost less principal received plus (or less) accumulated amortisation using effective interest rate 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 the interim statement of income.

(b) Reclassification*(i) Reclassification of non-FVTPL financial assets to be sold*

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 interim 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 conditions 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 as available-for-sale financial assets ("AFS") and re-measured at fair value. Difference between its carrying value and fair value is recognised in the interim statement of income as a reclassification.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Financial assets (continued)

(c) Recognition/de-recognition

Purchases and sales of financial assets are recognised on trade date – the date on which the Company becomes a party to the contractual provisions of the instruments.

Financial assets are de-recognised 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 of those financial assets.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, but has neither transferred 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.

(d) Initial recognition

FVTPL financial assets are initially recognised at purchase cost exclusive of transaction costs. Other financial assets are initially recorded at historical cost including directly attributable purchase cost.

Bonus issues and stock dividends are initially recognised as financial assets at nil cost.

(e) Determination of market value/fair value

The Company applies valuation bases for financial assets in accordance with Circular 91/2020/TT-BTC dated 13 November 2020 regarding capital adequacy ratio of securities trading entities ("Circular 91/2020/TT-BTC") in determining the market value/fair value of financial assets, 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) Delisted shares/ shares suspended from trading from sixed day or thereafter

These shares are revalued based on its book value at the latest reporting date.

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.8 Financial assets (continued)****(f) Recognition of gains/(losses)***Purchase 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 included in the purchase cost of these assets.

Selling transaction costs

Selling transaction costs are expensed off.

Gain/(loss) on disposals

Gain/(loss) on disposal of financial assets are accounted for as income/(expenses) in the interim statement of income. Costs of disposed financial assets are determined using the weighted average method up to the end of trading dates.

Provision/(reversal of provision) for impairment of financial assets

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

2.9 Receivables

Receivables comprise receivables from disposal of financial assets, dividend and interest receivable, service-related receivables, receivables from trading errors and other receivables. Receivables are recorded on an accrual basis and presented at cost less provision for impairment or uncollectibility (if any).

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

Provision for doubtful debts is made for each outstanding amount based on number of days past due according to initial payment commitment (ignoring any mutually agreed extension), or based on the estimated loss that may arise. Bad debts are written off when identified.

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Future

Futures are listed derivatives in which the parties commit to:

- Buy or sell a quantity of underlying asset at a pre-determined price on a pre-determined future date; or
- Settle the difference between the pre-determined transaction price and the price of the underlying asset on the pre-determined future date.

The Company accounts for futures in accordance with guidance of the Official Letter 6190/BTC-CDKT, in particular:

Proprietary trading activities

Deposits for derivatives trading activities are accounted for as 'Other current assets' in the interim statement of financial position.

Securities deposited for derivatives trading activities are not de-recognised but rather monitored under sub-accounts of the same type of financial assets and separately disclosed in the interim financial statements.

Gain (or loss) on futures position are determined and settled on a daily basis at the difference between the closing settlement price on accounting date and that on the latest trading date. Gain (or loss) on futures position is accounted for as realised income (or expense) in the interim statement of income under item 'Gain (or loss) on disposal of FVTPL financial assets'.

Interest arising on deposits for derivatives trading activities are accounted for as a financial income in the interim statement of income under 'Dividend income and interest income from demand deposits'.

Brokerage activities

Deposits in the Derivatives Clearing Fund are accounted for as 'Other non-current assets' in the interim statement of financial position.

Revenue on futures brokerage is accounted for in the interim statement of income under 'Brokerage fee income'.

Cash and securities deposited for derivatives trading activities of customers is accounted for off interim statement of financial position under 'Customers' deposits for derivatives trading' and 'Customers' deposits at VSD'.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Accounting treatment for pledged assets

During the period, the Company had pledged certain investments to secure its contractual obligations.

According to the provisions of the pledged contracts, during the contract terms, the Company may not use the pledged assets to sell, transfer, enter into sale and repurchase agreements or swap contracts with any other third party.

If the Company fails to fulfill its obligations, the pledgees have the right to use the pledged assets as means to secure the Company's obligations after a stipulated point of time since which the obligations become to past due.

Pledged assets are presented in the interim statement of financial position following accounting policies applied to the type of assets into which they are classified.

2.12 Fixed assets

Tangible and intangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes all costs necessary to bring the assets to working conditions for their intended use. Subsequent expenditures can be capitalised only if they result in probable future economic benefits from using the assets. Unqualified expenditures are immediately expensed off.

Depreciation and amortisation

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

Buildings	4%
Machinery and equipment	20% - 33%
Vehicles	17% - 33%
Office equipment	20% - 33%
Computer software	20% - 34%

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.12 Fixed assets (continued)***Disposals*

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

Construction in progress ("CIP")

Construction in progress represents the historical cost of assets in the course of completion for operation or administrative purposes, or for purposes not yet determined, which are comprised of such necessary costs to complete the assets. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

2.13 Leased assets

Leases where a significant portion of the risks and rewards incidental to the asset ownership are retained by the lessor are classified as operating leases. Operating lease payments are charged to the interim statement of income on a straight-line basis over the lease term.

2.14 Prepaid expenses

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

The following items are classified as long-term prepaid expenses and amortised to expenses over one (1) to three (3) years in the interim statement of income:

- Office renovations; and
- Office supplies.

2.15 Short-term/long-term security deposits

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.16 Liabilities****(a) Recognition/de-recognition**

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 de-recognised when such obligations are fully discharged. Liabilities are recognised on an accrual basis and under the prudence concept.

(b) Classification

Classifications of liabilities are based on the type of transactions on which they arise as follows:

- Borrowings;
- Trading obligations;
- Trade payables arising from purchases of financial assets, goods or services; and
- Other payables including non-trade payables and those not arising from purchases of financial assets, goods and services.

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

2.17 Offsetting financial instruments

Financial liabilities are contractual obligations to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company, or contracts that may be settled in the Company's own equity 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 to realise the asset and settle the liability simultaneously.

2.18 Borrowings

Borrowings include borrowings from banks and related parties. Borrowings are stated at cost as at the reporting date.

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

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.19 Income tax paid on behalf of investors**

According to the prevailing taxation regulations in Vietnam, the Company is required to withhold foreign contractor tax of 0.1% on the trading proceeds of foreign institutional investors and pay on their behalf. For individual investors (both residents and non-residents), the Company is required to withhold personal income tax of 0.1% on trading proceeds. The Company declares and makes tax payments on behalf of these investors. For local institutional investors, the Company is not responsible for withholding tax as these entities are responsible for their own tax payments and declarations.

2.20 Accrued expenses

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

2.21 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 expenditures expected to be required to settle the obligations. If the time value of money is material, provisions will be measured at the present value using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the obligations. Increases in the provision due to passage of time are recognised as financial expenses.

Changes in the provision balances during the period are debited or credited to operating expenses.

2.22 Equity**(a) Owners' capital**

Owners' capital is recorded according to the actual amounts contributed.

Other capital is the outstanding balance of share premium upon the change in legal form of the Company from a joint stock company to a limited liability company.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Equity (continued)

(b) Financial and operational risk reserve and supplementary capital reserve

From 1 February 2022, Circular 114/2021/TT-BTC issued by the Ministry of Finance on 17 December 2021 is effective, accordingly:

- The financial regimes applicable to securities companies and fund management companies stipulated in Circular 146/2014/TT-BTC issued by the Ministry of Finance on 6 October 2014 are revoked in full.
- The balance of Supplementary capital reserve made in accordance with Circular 146/2014/TT-BTC shall be added to the Company's charter capital in line with 2019 Securities Law and related guidelines and the Company's charter.

The balance of Financial risk and operation reserve made in accordance with Circular 146/2014/TT-BTC shall be added to the Company's charter capital or utilised in line with resolution of Annual General Meeting of shareholders, 2019 Securities Law and related guidelines, the Company's charter, and ensuring financial safety ratio pursuantly to securities regulations.

Before 1 February 2022:

- According to Circular 146/2014/TT-BTC issued by the Ministry of Finance on 6 October 2014, the securities companies and fund management companies are required to make annual appropriations to the financial and operational risk reserve and supplementary capital reserve at 5% of the post-tax profit for each reserve in each of its profitable years until the accumulated balance of each reserve equals 10% of the charter capital.
- Financial and operational risk reserve is made to compensate the residual losses and damages arising in operation beyond the indemnification received from the parties causing damages and insurance companies and the utilisation of indemnity funds and the relevant provisions made.
- Supplementary capital reserve serves as a financial resource to increase charter capital.

(c) Undistributed profits

Undistributed earnings represent cumulative undistributed post-tax profits at the reporting date including cumulative realised profits and cumulative unrealised profits.

Unrealised profit/(loss) of the period is the total difference between gain and loss arising from revaluation of financial assets at FVTPL or other financial assets charged into the interim statement of income and deferred income tax arising from such revaluation.

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.23 Revenue and other income recognition****(a) Revenue from provision of services to investors**

Revenue from provision of services to investors comprises securities brokerage fees, securities underwriting fees, financial consultancy fees, securities custody service and entrustment service fees.

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.

When the outcome of a service delivery transaction cannot be ascertained, revenue is recognised in proportion to the recognised and recoverable cost.

Revenue deductions include price discounts. Revenue deductions incurred in the same period of the related revenue are recorded as a deduction from the revenue of that period.

Revenue deductions incurred after the reporting date but before the issuance of the interim financial statements are recorded as a deduction from the revenue of the reporting period.

(b) Income from proprietary trading of financial assets

Income from proprietary trading of financial assets comprises gain/(loss) from sales or disposal of financial assets and dividend income.

Gain/(loss) from sales or disposal of financial assets is measured as difference between selling price before selling costs and costs of securities disposed. Costs of securities disposed are determined using the weighted average method up to the end of trading dates.

Dividend income is recognised in the interim statement of income when the Company's right to receive dividend is established, except for scrip dividends whose quantity is added to the Company's securities portfolio and is not recognised as income.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.23 Revenue and other income recognition (continued)

(c) *Income from working capital management*

Income from working capital management comprises interest income from deposits at bank, income from HTM investments, income from margin loans and trading advances. This income is recognised on an accrual basis unless collectability is in doubt.

(d) *Other income*

Other income includes non-recurring income generated from activities other than those generating the revenue and income described above.

2.24 Expenses

(a) *Recognition*

Expenses are recognised on an accrual basis, matching with revenue and under the prudence concept.

(b) *Classification*

Expenses are classified by function as follows:

- Operating expenses;
- Financial expenses;
- General and administrative expenses; and
- Other expenses

2.25 Financial income

Financial income reflects income from investment activities arising during the period mainly including interest income from bank deposits.

2.26 Financial expenses

Financial expenses are expenses incurred in the period for financial activities mainly including foreign exchange losses.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.27 Borrowing costs**

Borrowing costs that are directly attributable to the addition of any qualifying assets are capitalised during the period that is required to complete and prepare the asset for its intended use.

In respect of general-purpose borrowings, a portion of which used for the purpose of addition of any qualifying assets, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on that assets. The capitalisation rate is the weighted average of the interest rates applicable to the Company's borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are charged to expenses in the interim statement of income when incurred.

2.28 General and administration expenses

General and administration expenses represent expenses for administrative purposes of the Company.

2.29 Current and deferred income tax

Income taxes include all income taxes which are based on taxable profits. Income tax expense comprises current tax expense and deferred income tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current period taxable profit at the current tax rates. Current and deferred income tax should be recognised as an income or an expense and included in profit or loss for the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, 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 interim 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 period 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 INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.30 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 the Board of Member's Council and the Management Board of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationship with each party, the Company considers the substance of the relationship, and not merely the legal form.

2.31 Assets of customers and liabilities to customers

Assets of and liabilities to customers are presented as off statement of financial position including:

- Customers' deposits for securities trading, cash of securities issuers and related liabilities; and
- Financial assets of customers.

2.32 Nil items

Items required by Circular 334/2016/TT-BTC, Official Letter 6190/BTC-CDKT and Circular 23/2018/TT-BTC that are not presented in these interim financial statements indicate nil items.

3 NOTES TO THE INTERIM STATEMENT OF FINANCIAL POSITION

3.1 Cash and cash equivalents

	As at	
	30.6.2022 VND	31.12.2021 VND
Cash		
Cash at banks	263,897,903,370	26,518,525,748
Deposits for netting and clearing securities transactions	34,374,099,089	55,690,048,242
	<u>298,272,002,459</u>	<u>82,208,573,990</u>
Cash equivalents		
Term deposits with an original maturity of three (3) months or less	80,000,000,000	-
Total	<u><u>378,272,002,459</u></u>	<u><u>82,208,573,990</u></u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.2 Financial assets

(a) Financial assets measured at fair value through profit or loss

	Ticker symbol	As at 30.6.2022		As at 31.12.2021	
		Cost VND	Market value/ fair value VND	Cost VND	Market value/ fair value VND
Listed shares and shares traded on UPCOM		49,381,227	80,112,177	63,543,155	136,416,700
PetroVietnam Gas Joint Stock Corporation	GAS	3,013,400	5,775,000	4,752,600	8,658,000
Gemadept Corporation	GMD	2,146,500	4,472,000	2,025,060	3,878,600
Others		44,221,327	69,865,177	56,765,495	123,880,100
Unlisted and unregistered shares		977,147,170	-	977,147,170	-
SaiGon Beverages Joint Stock Company (*)	TRI	972,722,380	-	972,722,380	-
Others (**)		4,424,790	-	4,424,790	-
Total		1,026,528,397	80,112,177	1,040,690,325	136,416,700

(*) SaiGon Beverages Joint Stock Company had been dissolved in 2012.

(**) These stocks had been delisted.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.2 Financial assets (continued)

(a) Financial assets measured at fair value through profit or loss (continued)

As at 30 June 2022	Cost VND	Comparison to market price or fair value		Market value/ fair value VND
		Gain VND	Loss VND	
Listed shares and shares traded on UPCOM	49,381,227	32,464,785	(1,733,835)	80,112,177
Unlisted and unregistered shares	977,147,170	-	(977,147,170)	-
Total	1,026,528,397	32,464,785	(978,881,005)	80,112,177
As at 31 December 2021	Cost VND	Comparison to market price or fair value		Market value/ fair value VND
		Gain VND	Loss VND	
Listed shares and shares traded on UPCOM	63,543,155	73,475,838	(602,293)	136,416,700
Unlisted and unregistered shares	977,147,170	-	(977,147,170)	-
Total	1,040,690,325	73,475,838	(977,749,463)	136,416,700

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.2 Financial assets (continued)

(b) Held-to-maturity financial assets (“HTM”)

	As at	
	30.6.2022 VND	31.12.2021 VND
Term deposits at domestic commercial banks	383,000,000,000	210,000,000,000
<i>In which:</i>		
Items used as collaterals against overdrafts from the same perspective banks (*)	80,000,000,000	80,000,000,000
Items used as collaterals against borrowings from the same perspective banks (Note 3.11)	200,000,000,000	130,000,000,000

These term deposits at banks have an original maturity of from six (6) to twelve (12) months and earn interest rates from 4.6% to 5.6% per annum (as at 31 December 2021: an original maturity of twelve (12) months and earned interest rates of 4.9% per annum).

(*) The Company had no overdraft balances as at 30 June 2022 and as at 31 December 2021.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.2 Financial assets (continued)

(c) Loans

	As at 30.6.2022		As at 31.12.2021	
	Amortised cost VND	Provisions VND	Amortised cost VND	Provisions VND
Margin loans (*)	3,558,277,100,861	(2,487,280,054)	3,800,714,038,059	(2,487,280,054)
Trading advances	44,768,594,065	-	95,776,642,973	-
Others	35,844,244	-	-	-
	<u>3,603,081,539,170</u>	<u>(2,487,280,054)</u>	<u>3,896,490,681,032</u>	<u>(2,487,280,054)</u>

(*) Securities purchased on margin are held by the Company as collaterals for margin loans. The market value of collateral assets as at 30 June 2022 was VND10,554,299,316,901 (as at 31 December 2021: VND21,403,150,933,384).

The provisions for impairment of loans during the period was as follows:

	Doubtful amount		Provision			
	As at 30.6.2022 VND	As at 31.12.2021 VND	As at 31.12.2021 VND	Provided VND	Reversed VND	As at 30.6.2022 VND
Margin loans	<u>2,487,280,054</u>	<u>2,487,280,054</u>	<u>2,487,280,054</u>	-	-	<u>2,487,280,054</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.3 Short-term receivables

	As at 30.6.2022		As at 31.12.2021	
	Carrying value VND	Doubtful amount VND	Carrying value VND	Doubtful amount VND
Dividend and interest receivables				
Interest receivables	34,716,514,438	-	35,558,137,515	-
Service-related receivables	663,666,902	-	575,600,999	-
Other receivables				
Investment cooperation contracts (*)	5,444,109,507	5,444,109,507	5,444,140,619	5,444,140,619
Others	3,081,389	-	3,081,389	-
	<u>5,447,190,896</u>	<u>5,444,109,507</u>	<u>5,447,222,008</u>	<u>5,444,140,619</u>
Total	<u>40,827,372,236</u>	<u>5,444,109,507</u>	<u>41,580,960,522</u>	<u>5,444,140,619</u>

(*) These are the short-term lending based on investment cooperation contracts, which are guaranteed by customers' securities portfolio or pledged assets. According to regulations of the State Securities Commission, the Company terminated this activity since 2012.

As at 30 June 2022 and 31 December 2021, there was no third party customer who had a balance accounting for 10% or more of the total balance of short-term receivable.



NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.4 Provision for doubtful debts

	Doubtful amount		Provision			Closing balance VND
	Opening balance VND	Closing balance VND	Opening balance VND	Provided VND	Reversed VND	
Other receivable from investment cooperation contracts	5,444,140,619	5,444,109,507	5,444,140,619	-	(31,112)	5,444,109,507

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.5 Prepayment to suppliers

	As at	
	30.06.2022 VND	31.12.2021 VND
Saigon Travel Company Limited	2,408,985,022	-
Felix Media and Advertising Company Limited	384,966,000	277,233,000
HPT Vietnam Corporation	220,000,000	462,539,000
Others	926,873,551	1,552,677,831
	<u>3,940,824,573</u>	<u>2,292,449,831</u>

3.6 Prepaid expenses

(a) Short-term

	As at	
	30.6.2022 VND	31.12.2021 VND
Repair and maintenance	1,394,546,007	2,303,724,292
Tool and supplies	261,625,498	638,451,349
Others	1,884,021,050	1,903,135,369
	<u>3,540,192,555</u>	<u>4,845,311,010</u>

Movement of short-term prepaid expenses during the period/year were as follows:

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Opening balance	4,845,311,010	5,565,045,103
Increase	13,887,237,999	29,038,728,171
Allocation	(15,192,356,454)	(29,758,462,264)
Closing balance	<u>3,540,192,555</u>	<u>4,845,311,010</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.6 Prepaid expenses (continued)

(b) Long-term

	As at	
	30.6.2022 VND	31.12.2021 VND
Repair and maintenance	555,952,373	8,858,891
Tool and supplies	1,228,501,958	1,332,710,377
Others	1,265,989,791	472,041,166
	<u>3,050,444,122</u>	<u>1,813,610,434</u>

Movement of long-term prepaid expenses during the period/year were as follows:

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
	Opening balance	1,813,610,434
Increase	2,522,468,281	1,552,712,806
Allocation	(1,285,634,593)	(3,456,642,974)
Ending balance	<u>3,050,444,122</u>	<u>1,813,610,434</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.7 Fixed assets

(a) Tangible fixed assets

	Building VND	Machinery and equipment VND	Vehicles VND	Office equipment VND	Total VND
Historical cost					
As at 1.1.2022	12,133,175,000	39,989,014,533	2,423,136,600	1,111,312,164	55,656,638,297
New purchases during the period	-	2,859,578,700	-	-	2,859,578,700
As at 30.6.2022	<u>12,133,175,000</u>	<u>42,848,593,233</u>	<u>2,423,136,600</u>	<u>1,111,312,164</u>	<u>58,516,216,997</u>
Accumulated depreciation					
As at 1.1.2022	7,441,680,727	30,710,235,808	1,472,570,833	879,957,929	40,504,445,297
Charge for the period	242,663,502	3,574,314,531	205,474,998	93,023,054	4,115,476,085
As at 30.6.2022	<u>7,684,344,229</u>	<u>34,284,550,339</u>	<u>1,678,045,831</u>	<u>972,980,983</u>	<u>44,619,921,382</u>
Net book value					
As at 1.1.2022	<u>4,691,494,273</u>	<u>9,278,778,725</u>	<u>950,565,767</u>	<u>231,354,235</u>	<u>15,152,193,000</u>
As at 30.6.2022	<u>4,448,830,771</u>	<u>8,564,042,894</u>	<u>745,090,769</u>	<u>138,331,181</u>	<u>13,896,295,615</u>

Historical cost of fully depreciated tangible fixed assets but still in use as at 30 June 2022 was VND12,743,676,429 (31 December 2021: VND11,902,579,225). As at 30 June 2022, the Company had no tangible fixed assets awaiting disposal.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.7 Fixed assets (continued)

(b) Intangible fixed assets

	Computer software VND
Historical cost	
As at 1.1.2022	32,873,786,811
New purchases during the period	350,000,000
As at 30.6.2022	<u>33,223,786,811</u>
Accumulated amortisation	
As at 1.1.2022	20,943,217,094
Charge for the period	2,415,635,923
As at 30.6.2022	<u>23,358,853,017</u>
Net book value	
As at 1.1.2022	<u>11,930,569,717</u>
As at 30.6.2022	<u>9,864,933,794</u>

Historical cost of fully amortised intangible fixed assets but still in use as at 30 June 2022 and 31 December 2021 was VND8,930,757,531.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.7 Fixed assets (continued)

(c) Construction in progress

Construction in progress comprises the following items:

	As at	
	30.6.2022 VND	31.12.2021 VND
Office equipment	11,282,637,841	11,282,637,841
Computer software	4,742,183,000	4,649,103,000
Total	16,024,820,841	15,931,740,841

Movements in construction in progress during the period/year as follows:

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
	Opening balance	15,931,740,841
Increase	93,080,000	3,989,833,083
Transfer to tangible fixed assets	-	(380,600,000)
Transfer to intangible fixed assets	-	(2,462,971,500)
Transfer to prepaid expenses	-	(373,522,383)
Closing balance	16,024,820,841	15,931,740,841

3.8 Long-term security deposits

	As at	
	30.6.2022 VND	31.12.2021 VND
Office rental deposits	4,949,841,952	4,949,841,952
Others	23,000,000	23,000,000
	4,972,841,952	4,972,841,952

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

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

3.9 Deposits in the Settlement Support 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.

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Opening balance	16,657,385,043	14,157,385,043
Additional contribution and allocated interest	2,500,000,000	2,500,000,000
Closing balance	<u>19,157,385,043</u>	<u>16,657,385,043</u>

3.10 Other non-current assets

	As at	
	30.6.2022 VND	31.12.2021 VND
Deposits in the Derivatives trading clearing fund	<u>10,000,000,000</u>	<u>10,000,000,000</u>

According to the Policy on Management and Use of Derivatives trading clearing fund issued in conjunction with Decision No. 97/QD-VSD dated 23 March 2017 by the Vietnam Securities Depository, the minimum amount of initial contribution applicable to direct clearing members is VND10 billion.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.11 Short-term borrowings

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

		Opening balance VND	Disbursement VND	Repayment VND	Closing balance VND
<i>Borrowings in USD</i>	(i)	1,939,162,503,665	2,635,603,000,000	(2,532,210,503,665)	2,042,555,000,000
Foreign banks		1,939,162,503,665	2,635,603,000,000	(2,532,210,503,665)	2,042,555,000,000
<i>Borrowings in VND</i>	(ii)	21,000,000,000	223,000,000,000	(202,000,000,000)	42,000,000,000
Domestic banks		21,000,000,000	223,000,000,000	(202,000,000,000)	42,000,000,000
Total		1,960,162,503,665	2,858,603,000,000	(2,734,210,503,665)	2,084,555,000,000

Short-term borrowings have maturities from 1 to 6 months and are used to supplement working capital.

- (i) Borrowings in USD are unsecured bear floating interest rates from 1.3% to 3.52% per annum. The Company fully hedged the risk of foreign exchange rates of these borrowings by entering currency swap contracts with domestic commercial banks to lock the exchange rates for repayments.
- (ii) These are drawdowns under a credit limit of VND342 billion secured by term deposits at the lending bank amounting to VND200 billion (Note 3.2(b)) and an unsecured credit limit of USD2 million. Interest rate is floating from 4.13% to 4.3% per annum and defined at the time of each drawdown.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.12 Trading obligations

	As at	
	30.6.2022 VND	31.12.2021 VND
Payable to Stock Exchanges	3,278,671,482	5,820,490,533
Payable to Vietnamese Securities Depository	420,355,023	453,312,813
Others	1,102,812,230	1,116,556,523
	<u>4,801,838,735</u>	<u>7,390,359,869</u>

As at 30 June 2022 and as at 31 December 2021, there were no payables past due but not yet settled.

As at 30 June 2022 and as at 31 December 2021, there was no doubt on the Company's ability to repay these balances.

3.13 Taxes and other payables to the State

	As at	
	30.6.2022 VND	31.12.2021 VND
BIT – current	8,952,801,090	8,992,480,124
Personal income tax – investors	7,734,509,911	11,763,615,314
Personal income tax – employees	1,191,685,028	4,501,384,981
Foreign contractor tax	115,916,000	127,097,500
VAT	15,039,472	48,529,116
	<u>18,009,951,501</u>	<u>25,433,107,035</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.13 Taxes and other payables to the State (continued)

Movement of tax and other payables to the State during the period is as follows:

	As at 1.1.2022 VND	Incurred during the period VND	Paid and offset during the period VND	As at 30.6.2022 VND
BIT – current	8,992,480,124	19,149,205,854	(19,188,884,888)	8,952,801,090
Personal income tax withheld and paid on behalf of investors	11,763,615,314	57,512,870,142	(61,541,975,545)	7,734,509,911
Personal income tax withheld and paid on behalf of employees	4,501,384,981	25,746,978,170	(29,056,678,123)	1,191,685,028
Foreign contractor withholding tax	127,097,500	3,181,471,218	(3,192,652,718)	115,916,000
VAT	48,529,116	73,923,793	(107,413,437)	15,039,472
Total	25,433,107,035	105,664,449,177	(113,087,604,711)	18,009,951,501

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.14 Payables to employees

The balance represents performance bonus payable to employees.

3.15 Short-term accrued expenses

	As at	
	30.6.2022 VND	31.12.2021 VND
Currency swap fees	8,508,371,365	4,401,042,915
Interest expenses	3,752,861,685	1,892,423,594
Promotional and marketing expenses	573,945,298	1,560,897,615
Service fees	441,810,177	740,000,000
Guaranteed fees	185,317,540	485,213,680
Bonus and commission fees	146,036,813	424,895,259
Others	4,073,290,712	906,621,802
Total	17,681,633,590	10,411,094,865

3.16 Investors' indemnity fund

The balance represents the accrued compensation for investors' loss in the operation of brokerage.

3.17 Deferred income tax assets

	As at	
	30.6.2022 VND	31.12.2021 VND
Deferred income tax assets		
Recoverable within 12 months	189,283,244	180,854,725

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.17 Deferred income tax assets (continued)

The movements in the deferred income tax assets are as follows:

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Opening balance	180,854,725	194,898,356
Charged to profit or loss (Note 4.6)	8,428,519	(14,043,631)
Closing balance	<u>189,283,244</u>	<u>180,854,725</u>

Details of deferred income tax assets are as below:

	As at	
	30.6.2022 VND	31.12.2021 VND
Deductible temporary differences:		
Revaluation losses of FVTPL financial assets (Note 4.2)	946,416,220	904,273,625
At tax rate of 20%:		
Deferred income tax assets	<u>189,283,244</u>	<u>180,854,725</u>

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.

3.18 Owners' capital

	Charter capital	
	VND	%
Yuanta Securities Asia Financial Services Private Limited	1,852,400,000,000	92.62
Yuanta Securities (Hong Kong) Company Limited	147,600,000,000	7.38
	<u>2,000,000,000,000</u>	<u>100.00</u>

Pursuant to the latest amendment of the Establishment and operation licence No.113/GPDC-UBCK was dated 15 December 2021, the charter capital of the Company is VND 2,000 billion which has been fully contributed.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

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

3.19 Undistributed earnings

	As at	
	30.6.2022 VND	31.12.2021 VND
Realised post-tax profits	283,894,854,525	206,705,404,524
Unrealised profits	438,690,124	472,404,200
Total	284,333,544,649	207,177,808,724

Detailed movement of undistributed earnings during the periods as follows:

	As at 1.1.2022 VND	Profit for the period VND	Appropriation to reserves VND	As at 30.6.2022 VND
Realised profits after tax	206,705,404,524	77,189,450,001	-	283,894,854,525
Unrealised profits	472,404,200	(33,714,076)	-	438,690,124
Undistributed earnings	207,177,808,724	77,155,735,925	-	284,333,544,649

4 NOTES TO THE INTERIM STATEMENT OF INCOME

4.1 Net realised gain on disposal of FVTPL financial assets

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Realised gains on disposal of FVTPL financial assets	264,266,800	208,844,100
<i>In which:</i>		
<i>Underlying securities</i>	264,266,800	208,844,100
Realised losses on disposal of FVTPL financial assets	(77,300)	(108,011,090)
<i>In which:</i>		
<i>Underlying securities</i>	(77,300)	(108,011,090)
Net realised gain	264,189,500	100,833,010

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

4 NOTES TO THE INTERIM STATEMENT OF INCOME (continued)

4.1 Net realised gain on disposal of FVTPL financial assets (continued)

Details of net realised gain on disposals of FVTPL financial assets by category are as follows:

	Quantity disposed VND	Sales proceeds VND	Costs of disposals (*) VND	Realised gain in current period VND	Realised gain in prior period VND
Shares	16,600	596,260,000	332,070,500	264,189,500	100,833,010

(*) The costs of disposals are determined by the weighted average method up to the end of trading dates.

4.2 Net result from revaluation of FVTPL financial assets

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Increase in revaluation gains of FVTPL financial assets	40,634,785	74,544,077
Increase in revaluation losses of FVTPL financial assets	(82,777,380)	(22,259,051)
Total	(42,142,595)	52,285,026

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

4 NOTES TO THE INTERIM STATEMENT OF INCOME (continued)

4.2 Net result from revaluation of FVTPL financial assets (continued)

Details of net result from revaluation of FVTPL financial assets by category are as follows:

	Cost VND	Market value/ fair value VND	Accumulated revaluation result as at 30.6.2022 VND	Accumulated revaluation result as at 31.12.2021 VND	Credited to profit or loss VND
Listed shares and shares traded on UPCOM	49,381,227	80,112,177	30,730,950	72,873,545	(42,142,595)
Unlisted and unregistered	977,147,170	-	(977,147,170)	(977,147,170)	-
Total	1,026,528,397	80,112,177	(946,416,220)	(904,273,625)	(42,142,595)

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

4 NOTES TO THE INTERIM STATEMENT OF INCOME (continued)

4.3 Provisions for financial assets, losses on bad debts, impairment losses of financial assets and interest expenses associated with loans

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Swap fees	18,455,740,124	8,391,770,826
Interest expenses	17,822,171,288	12,044,754,908
Foreign contractor tax expense associated with swap fees	861,484,315	655,361,540
Guarantee fees	185,317,540	181,101,734
Reversal of provisions for investment cooperation contracts (Note 3.4)	(31,112)	(112,575)
Total	37,324,682,155	21,272,876,433

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

4 NOTES TO THE INTERIM STATEMENT OF INCOME (continued)

4.4 Operating expenses not related to financial assets

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Brokerage expenses	121,327,098,024	112,453,580,649
Staff cost	81,892,103,711	76,879,353,803
Stock exchange fee	25,844,548,767	20,494,089,766
Rental fee	6,597,769,954	6,136,020,475
Outsourcing expenses	2,413,242,374	2,153,476,998
Repair and maintenance fees	794,336,203	958,757,056
Depreciation and amortisation	641,813,068	1,730,773,852
Other expenses	3,143,283,947	4,101,108,699
Underwriting and issuance agency services expenses	-	6,000,000,000
Outsourcing expenses	-	6,000,000,000
Custody service expenses	3,987,819,189	4,388,695,011
Depository fee	1,994,014,606	1,942,974,498
Staff cost	1,876,519,864	2,355,001,389
Others	117,284,719	90,719,124
Financial consultancy service expenses	1,478,617,822	1,747,415,704
Staff cost	1,338,136,012	1,688,715,887
Rental fee	91,073,440	-
Others	49,408,370	58,699,817
	126,793,535,035	124,589,691,364

4.5 General and administrative expenses

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Staff costs	44,275,943,188	28,478,116,037
Depreciation and amortisation	5,889,298,940	4,707,316,815
Rental fee	3,423,904,171	3,051,799,297
Repair and maintenance fees	2,728,179,512	2,813,491,992
Outsourcing expenses	2,021,198,538	1,746,185,660
Other expenses	3,998,942,461	4,159,012,161
	62,337,466,810	44,955,921,962

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

4 NOTES TO THE INTERIM STATEMENT OF INCOME (continued)

4.6 BIT

The BIT on the Company's profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% (2021: 20%) as follows:

	For the six-month period ended	
	30.6.2022	30.6.2021
	VND	VND
Accounting profit before tax	96,296,513,260	86,606,342,668
Tax at rate of 20%	19,259,302,652	17,321,268,533
Effects of:		
Over-provision in previous years	(118,525,317)	-
BIT charge (*)	19,140,777,335	17,321,268,533
Charged for the period:		
BIT – current	19,149,205,854	17,310,811,528
BIT – deferred (Note 3.17)	(8,428,519)	10,457,005
	19,140,777,335	17,321,268,533

(*) The BIT charge for the period is based on estimated taxable income and is subject to review and possible adjustment by the tax authorities. The tax authorities have finalised the Company's BIT up to 2018.

5 NOTES TO THE INTERIM STATEMENT OF CASH FLOWS

5.1 Proceeds from borrowings

Proceeds from borrowings are cash collected from short-term borrowings under credit facilities (Note 3.11)

5.2 Repayments of principals of borrowings

Repayments from borrowings are cash paid for short-term borrowings under credit facilities (Note 3.11).

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

6 NOTES TO THE INTERIM STATEMENT OF CHANGES IN EQUITY

6.1 Details of changes in equity

Details of changes in equity during the period are as follows:

	Charter capital VND	Other capital (*) VND	Supplementary capital reserve VND	Financial risk and operation reserve VND	Undistributed earnings VND	Total VND
As at 1.1.2022	2,000,000,000,000	924,317,200	22,616,594,760	21,712,388,413	207,177,808,724	2,252,431,109,097
Post-tax profit for the period	-	-	-	-	77,155,735,925	77,155,735,925
As at 30.6.2022	2,000,000,000,000	924,317,200	22,616,594,760	21,712,388,413	284,333,544,649	2,329,586,845,022
	Charter capital VND	Other capital (*) VND	Supplementary capital reserve VND	Financial risk and operation reserve VND	Undistributed earnings VND	Total VND
As at 1.1.2021	1,500,000,000,000	924,317,200	15,743,756,591	14,839,550,244	83,410,547,154	1,614,918,171,189
Post-tax profit for the period	-	-	-	-	69,285,074,135	69,285,074,135
As at 30.6.2021	1,500,000,000,000	924,317,200	15,743,756,591	14,839,550,244	152,695,621,289	1,684,203,245,324

(*) Other capital is the outstanding balance of share premium upon the change in legal form of the Company from a joint stock company to a limited liability company.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

8 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimise the adverse effect of these risks on the Company's performance.

The Management Board of the Company is responsible for setting the objectives and underlying principles of financial risk management for the Company. The Management Board establishes the detailed policies such as risk identification and measurement, investment strategy and limits. Risk management policies and systems are reviewed regularly to tackle the changes and align to market trends.

Financial risk management is carried out by finance personnel. The finance personnel measure actual exposures against the limits set and prepare periodical reports for the review of the Management Board.

The information presented below is based on information received by the Management Board.

(a) Credit risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company, resulting in a financial loss to the Company. It arises principally from cash at banks, financial assets and receivables.

The maximum exposure to credit risk equals to the total of carrying amounts of balances exposed to credit risk before provision, collateral held or other credit enhancements, in particular:

	As at	
	30.6.2022 VND	31.12.2021 VND
Cash and cash equivalents (Note 3.1)	378,272,002,459	82,208,573,990
HTM investments (Note 3.2(b))	383,000,000,000	210,000,000,000
Loans (Note 3.2(c))	3,603,081,539,170	3,896,490,681,032
Receivables (Note 3.3)	40,827,372,236	41,580,960,522
Pledged assets, mortgaged assets, security deposits in long-term (Note 3.8)	4,972,841,952	4,972,841,952
Total credit risk exposure	4,410,153,755,817	4,235,253,057,496

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

8 FINANCIAL RISK MANAGEMENT

(a) Credit risk (continued)

(i) *Balances with banks*

Balances with banks include demand deposits, term deposits and accrued interest.

All the bank balances are placed with local financial institutions which the Management Board assesses highly creditworthy or which qualify as clearing members of the VSD. Balances with banks are continuously monitored by treasury function in compliance with the Company's policies and periodically reported to the Management Board. Credit risk from balances with banks is assessed as low.

As at 30 June 2022 and as at 31 December 2021, there were no balance with banks that were past due nor impaired.

As at 30 June 2022 and as at 31 December 2021, there were no balance with banks that exceeds 10% of the Company's equity.

(ii) *Trading advances and deposit for derivatives trading activities*

Trading advances are collected from Vietnam Securities Depository. Deposit for derivatives trading activities is also placed with this entity.

Vietnam Securities Depository is a state-owned entity and has no history of payment defaults.

Vietnam Securities Depository requires its members to deposit into the Settlement Support Fund and the Derivatives trading clearing fund to secure their trading obligations.

The securities companies may fulfil customers' securities trading orders only when the customers' balances maintain enough (100%) cash or securities and must carry out further steps to ensure payments prior to execution of the trades.

Credit risk from trading advances and deposit for derivatives trading activities is assessed as low.

As at 30 June 2022 and as at 31 December 2021, there were no balance with Vietnam Securities Depository that were past due nor impaired.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

8 FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk (continued)

(iii) Margin loans

Margin loans are secured by eligible securities listed on the stock exchanges. Under the prevailing regulations on margin lending, the loan limit is set at 50% of the eligible securities' value. Ineligible securities are defined by the stock exchanges on an ad-hoc basis. Eligible securities are approved and frequently updated by Margin lending risk management function based on several criteria including volatility and liquidity.

Risk department is responsible for the continuous review of margin loan report which includes balances, collateral assets and margin maintenance ratio. When the margin maintenance ratio falls below 35% (regulated level: 30%), the system alerts and the Company makes margin calls. When the margin maintenance ratio falls below 30%, the Company forcibly sells out collateral assets to collect the loans.

The market value of collateral assets as at 30 June 2022 was VND10,554,299,316,901 (as at 31 December 2021: VND21,403,150,933,384) (Note 3.2(c)).

According to prevailing securities regulations, the margin loan limit applicable to a balance (for either an individual customer or an institution customer) is 3% of the securities company's equity. As at 30 June 2022 and as at 31 December 2021, there were no margin loan balance that exceeds 3% of the Company.

Analysis of credit quality of margin loans as at reporting date is as follows:

	As at	
	30.6.2022	31.12.2021
	VND	VND
Past due and impaired	2,487,280,054	2,487,280,054
Neither past due nor impaired	3,555,789,820,807	3,894,003,400,978
Provision made	(2,487,280,054)	(2,487,280,054)
Net balance	3,555,789,820,807	3,894,003,400,978

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

8 FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk (continued)

(iv) Receivables

Credit exposure is restricted by transacting with counterparties with high creditworthiness and obtaining security where necessary.

As at 30 June 2022 and as at 31 December 2021, there were no receivable that exceeds 10% of the Company's equity.

Analysis of credit quality of receivables as at reporting date is as follows:

	Past due and impaired VND	Past due but not impaired VND	Neither past due nor impaired VND	Total VND
As at 30.6.2022				
Current	-	-	35,383,262,729	35,383,262,729
Overdue for more than 3 months	5,444,109,507	-	-	5,444,109,507
	<u>5,444,109,507</u>	<u>-</u>	<u>35,383,262,729</u>	<u>40,827,372,236</u>
Provision made	(5,444,109,507)	-	-	(5,444,109,507)
Net balance	<u>-</u>	<u>-</u>	<u>35,383,262,729</u>	<u>35,383,262,729</u>
As at 31.12.2021				
Current	-	-	36,136,819,903	36,136,819,903
Overdue for more than 3 months	5,444,140,619	-	-	5,444,140,619
	<u>5,444,140,619</u>	<u>-</u>	<u>36,136,819,903</u>	<u>41,580,960,522</u>
Provision made	(5,444,140,619)	-	-	(5,444,140,619)
Net balance	<u>-</u>	<u>-</u>	<u>36,136,819,903</u>	<u>36,136,819,903</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

8 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk

Market risk is the risk that fair value or future cash flows of a financial instrument will fluctuate according to changes in market prices. The Company's market risks include interest rate risk, currency risk and share price risk.

The Company manages this risk through the sensitivity analysis of variables that would impact its financial position and performance, diversification of its investment portfolio, critical appraisal of securities within limited exposures, and hedging where necessary.

• Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate as a result of changes in market interest rates. The Company is exposed to interest rate risk mainly from its term deposits, loans and borrowings.

The Company manages this risk through analysis of market competition in order to obtain the most favourable interest rate for its intended operations while still staying within limited exposures.

The Company's term deposits, loans and borrowings are due in short term, so interest rate risk is minimal.

• Currency risk

Currency risk is the risk that the value of the Company's financial instruments will be affected by changes in exchange rates. The Company manages its currency risk by continuously monitoring of foreign exchange rates and thereby timely updating its forecast of cashflows in foreign currencies, and hedges the risk through use of financial instruments where necessary.

The Company's operations are exposed to risk of certain currencies, mainly the United States Dollar ("USD"). The Company's currency exposure to the USD is as follows:

	Original currency USD		Original currency USD	
	30.6.2022	31.12.2021	30.6.2022	31.12.2021
Financial assets				
Cash	-	-	-	-
Financial liabilities				
Borrowings	89,000,000	85,000,000	2,042,555,000,000	1,939,162,503,665
Net financial liability	(89,000,000)	(85,000,000)	(2,042,555,000,000)	(1,939,162,503,665)
Net currency exposure	(89,000,000)	(85,000,000)	(2,042,555,000,000)	(1,939,162,503,665)

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

8 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

• Currency risk

As at 30 June 2022 and as at 31 December 2021, the Company had a significant net liability position in USD as presented in the table above. However, the Company entered to currency swap contracts with local banks to fix their costs of buying USD for repayment in the future. Therefore, as at 30 June 2022 and as at 31 December 2021, the Company's currency risk was considered minimal.

• Market price risk

Shares held by the Company are affected by market risk due to the uncertainty in the future value of these shares.

The Company manages its share price risk by setting up investment limits and hedging where necessary. The Investment Committee of the Company also takes part in appraisal and approval of investment in shares.

As at 30 June 2022, had the prices of securities increased/decreased by 10% with all other variables being held constant (including tax rate), the Company's profit before tax for the period would have been higher/lower by VND8,011,218 (as at 31 December 2021: higher/lower by VND13,641,670).

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty or fail to perform its financial obligations.

The Company's approach to managing liquidity risk is to ensure that it will always have sufficient reserves of cash to meet its liquidity requirements in both short term and long term.

The Company's assets used as collateral against its obligations are presented in Note 3.11.

The table below analyses the Company's financial assets and financial liabilities by their maturities. Their maturities are determined based on remaining time from the reporting date to their settlement dates. The settlement dates of debt securities and money market instruments are determined based on their liquidity (convertibility to cash). The amounts disclosed in the table are the contractual undiscounted cash flows and exclusive of any provision made.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

8 FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

As at 30 June 2022	Overdue Over 3 months VND	Current				Total VND
		Up to 1 month VND	Above 1 month to 3 months VND	Above 3 months to 12 months VND	Above 1 year to 5 years VND	
Financial assets						
Cash and cash equivalents	-	378,272,002,459	-	-	-	378,272,002,459
FVTPL financial assets	-	-	-	-	-	-
Equity securities	-	80,112,177	-	-	-	80,112,177
Loans (*)	2,487,280,054	3,600,594,259,116	-	-	-	3,603,081,539,170
HTM financial assets	-	-	-	383,000,000,000	-	383,000,000,000
Receivables (Note 3.3) (*)	5,444,109,507	31,041,632,591	-	4,341,630,138	-	40,827,372,236
Other financial assets	-	-	-	117,274,000	4,855,567,952	4,972,841,952
Total financial assets	7,931,389,561	4,009,988,006,343	-	387,458,904,138	4,855,567,952	4,410,233,867,994
Financial liabilities						
Short-term borrowings	-	802,784,000,000	737,396,000,000	544,375,000,000	-	2,084,555,000,000
Trading obligations	-	4,801,838,735	-	-	-	4,801,838,735
Trade payables	-	-	-	-	-	-
Short-term accrued expenses	-	1,489,327,525	3,303,945,298	12,888,360,767	-	17,681,633,590
Other payables	-	102,790,277	-	-	-	102,790,277
Total financial liabilities	-	809,177,956,537	740,699,945,298	557,263,360,767	-	2,107,141,262,602
Net liquidity gap	7,931,389,561	3,200,810,049,806	(740,699,945,298)	(169,804,456,629)	4,855,567,952	2,303,092,605,392

(*) This item is excluded provisions.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

8 FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

As at 31 December 2021	Overdue	Current				Total VND
	Over 3 months VND	Up to 1 month VND	Above 1 month to 3 months VND	Above 3 months to 12 months VND	Above 1 year to 5 years VND	
Financial assets						
Cash and cash equivalents	-	82,208,573,990	-	-	-	82,208,573,990
FVTPL financial assets	-	136,416,700	-	-	-	136,416,700
Loans	2,487,280,054	3,894,003,400,978	-	-	-	3,896,490,681,032
HTM financial assets	-	-	50,000,000,000	160,000,000,000	-	210,000,000,000
Receivables (Note 3.3) (*)	5,444,140,619	29,790,984,286	2,027,123,288	4,318,712,329	-	41,580,960,522
Other financial assets	-	-	-	117,274,000	4,855,567,952	4,972,841,952
Total financial assets	7,931,420,673	4,006,139,375,954	52,027,123,288	164,435,986,329	4,855,567,952	4,235,389,474,196
Financial liabilities						
Short-term borrowings	-	454,820,000,000	1,255,292,503,665	250,050,000,000	-	1,960,162,503,665
Trading obligations	-	7,390,359,869	-	-	-	7,390,359,869
Trade payables	-	18,676,119	-	-	-	18,676,119
Short-term accrued expenses	-	1,323,267,061	1,560,897,615	7,526,930,189	-	10,411,094,865
Other payables	-	141,200,021	-	-	-	141,200,021
Total financial liabilities	-	463,693,503,070	1,256,853,401,280	257,576,930,189	-	1,978,123,834,539
Net liquidity gap	7,931,420,673	3,542,445,872,884	(1,204,826,277,992)	(93,140,943,860)	4,855,567,952	2,257,265,639,657

(*) This item is excluded provisions.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

8 FINANCIAL RISK MANAGEMENT (continued)

(d) Capital Adequacy Ratio

Capital Adequacy Ratio ("CAR") is an indicator that measures the Company's financial safety and ability to meet its financial obligations and absorb certain losses resulting from risks arising during its business operation.

CAR is calculated and presented in the Company's monthly capital adequacy ratio report in accordance with Circular 91/2020/TT-BTC issued by the Ministry of Finance on 13 November 2020 ("Circular 91/2020/TT-BTC"). Circular 91/2020/TT-BTC stipulates requirements of capital adequacy ratio applicable to securities dealing institutions and sanctions imposed on non-compliance. According to Circular 91/2020/TT-BTC, the Company is required to maintain a prescribed minimum level of CAR of 180%.

As as 30 June 2022, the Company's CAR was 1,036% (as at 31 December 2021: 1,074%).

9 COMMITMENTS

(a) Operating lease commitments

The Company currently rents offices under operating leases. The future minimum lease payments under non-cancellable operating lease contracts are as follows:

	As at	
	30.6.2022 VND	31.12.2021 VND
Within 1 year	9,680,170,560	14,958,376,630
Between 1 and 5 years	1,621,051,358	3,329,544,098
Total minimum payments	<u>11,301,221,918</u>	<u>18,287,920,728</u>

(b) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised in the financial statements was as follows:


	As at	
	30.6.2022 VND	31.12.2021 VND
Computer software	<u>3,906,290,000</u>	<u>3,999,370,000</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022

10 VOLUME AND VALUE OF TRANSACTIONS DURING THE PERIOD

	Volume of transactions during the period Share	Value of transactions during the period VND
a) Of the Company Shares	16,600	596,260,000
b) Of investors Shares	3,041,571,634	91,606,238,698,200
Fund certificates	40,698,522	132,180,737,800
	<u>3,082,286,756</u>	<u>91,739,015,696,000</u>


The interim financial statements were approved by the Management Board for issue on 12 August 2022



Dao Thi Ngoc Thuy
Preparer



Bui Dinh Vinh
Chief Accountant



Nguyen Thanh Tung
General Director

