



Ho Chi Minh City, November 29, 2017

Ref. 1358/2017/CV-SSIHO

Re: Information disclosure on the Consolidated Financial Statements Quarter III, 2017 in English

**DISCLOSURE OF INFORMATION  
ON THE STATE SECURITIES COMMISSION'S PORTAL AND HOCHIMINH STOCK  
EXCHANGE'S PORTAL**

To:                   - The State Securities Commission  
                         - Hochiminh Stock Exchange  
                         - Hanoi Stock Exchange

Organization name:                   **SAIGON SECURITIES INC.**  
Security Symbol:                        SSI  
Address:                                 72 Nguyen Hue, Ben Nghe Ward, District 1, HCMC  
Telephone:                               028-38242897  
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Spokesman:                               Nguyen Hong Nam  
Position:                                 Deputy Chief Executive Officer

Information disclosure type  24 hours  irregular  on demand  periodic

Content of information disclosure: The English version of the Consolidated Financial Statements Quarter III, 2017.

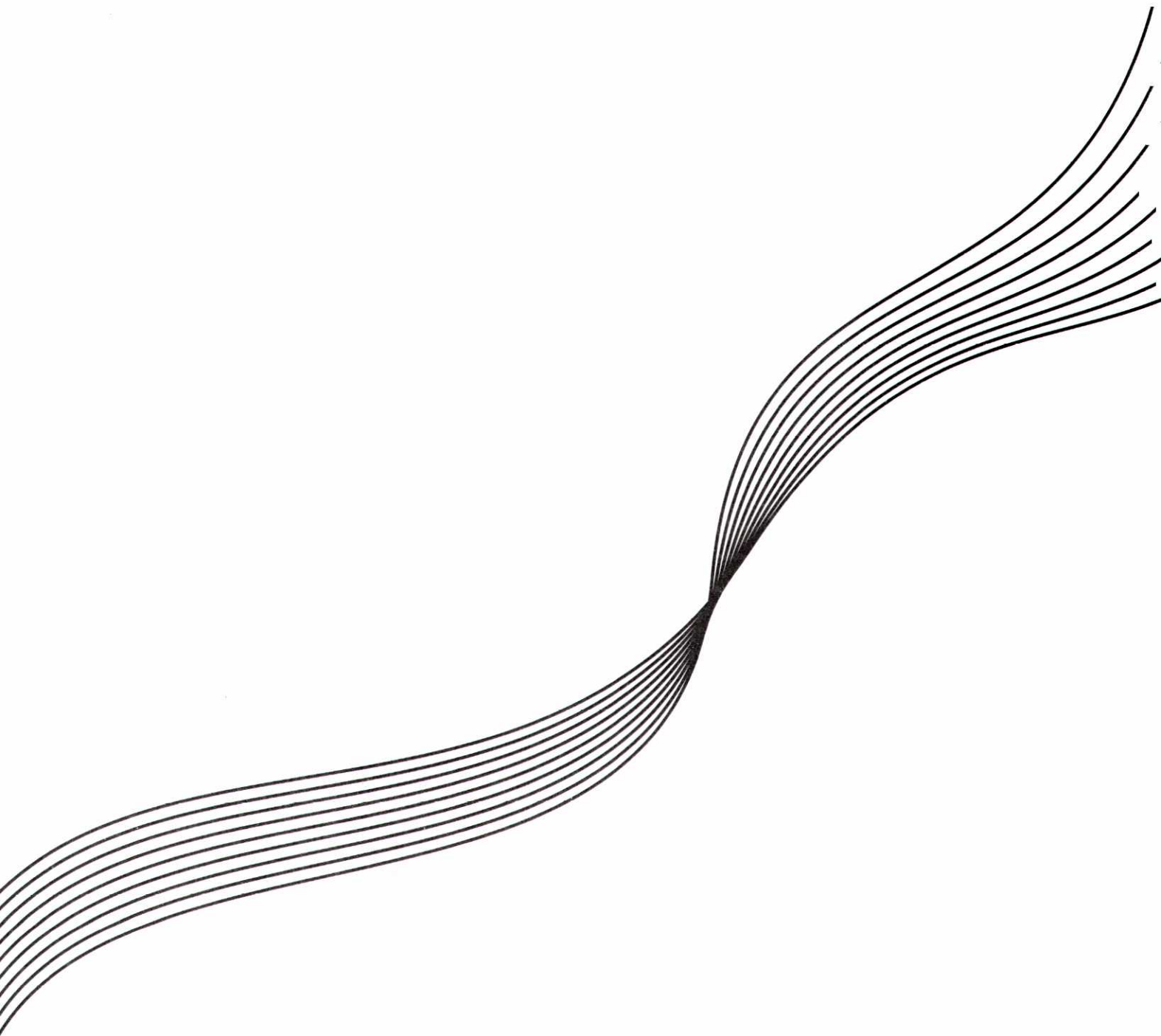
This information was posted on SSI website on November 29, 2017 at this link [www.ssi.com.vn](http://www.ssi.com.vn).

We hereby declare to be responsible for the accuracy and completeness of the above information.

Organization representative  
Party authorized to disclose information



Nguyen Hong Nam  
Deputy Chief Executive Officer



# **Saigon Securities Incorporation**

**3<sup>rd</sup> Quarter of 2017 consolidated financial statements**

**30 September 2017**



# Saigon Securities Incorporation

B01-CTCK/HN

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
as at 30 September 2017

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>15,772,357,902,814</b>	<b>12,663,850,207,469</b>
<b>110</b>	<b>I. Financial assets</b>		<b>15,622,223,568,534</b>	<b>12,565,346,534,002</b>
111	1. Cash and cash equivalents	5	558,724,012,030	308,564,964,314
111.1	a. Cash		261,043,247,203	201,151,935,146
111.2	b. Cash equivalents		297,680,764,827	107,413,029,168
112	2. Financial assets at fair value through profit and loss (FVTPL)	7.1	1,881,562,493,347	1,549,046,274,503
113	3. Held-to-maturity (HTM) investments	7.3	6,708,782,064,177	5,243,743,725,184
114	4. Loans	7.4	4,729,076,767,590	3,779,178,042,796
115	5. Available-for-sale (AFS) financial assets	7.2	1,714,623,233,300	1,615,308,476,240
116	6. Provision for impairment of financial assets and mortgage assets		(20,554,381,015)	(28,431,004,933)
117	7. Receivables	8	6,566,556,170	53,619,347,570
117.1	7.1 Receivables from disposal of financial assets	9	2,813,847,570	53,486,347,570
117.2	7.2 Receivables and accruals from dividend and interest income		3,752,708,600	133,000,000
117.3	7.2.1 Receivables from due dividend and interest income		133,000,000	133,000,000
117.4	7.2.2 Accruals for undue dividend and interest income		3,619,708,600	-
118	8. Advances to suppliers	9	23,506,518,057	21,135,273,595
119	9. Receivables from services provided by the Company	9	29,407,626,454	36,101,403,942
122	10. Other receivables	9	6,107,239,736	3,002,523,445
129	11. Provision for impairment of receivables	9	(15,578,561,312)	(15,922,492,654)
<b>130</b>	<b>II. Other current assets</b>	<b>10</b>	<b>150,134,334,280</b>	<b>98,503,673,467</b>
131	1. Advances		13,594,162,490	9,231,952,863
132	2. Tools and supplies		98,468,357	
133	3. Short-term prepaid expenses		8,400,303,673	7,665,228,021
134	4. Short-term deposits, collaterals and pledges		931,833,660	893,430,260
137	5. Other current assets		127,109,566,100	80,713,062,323

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2017

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>1,580,067,967,887</b>	<b>1,342,980,181,165</b>
<b>210</b>	<b>I. Long-term financial assets</b>		<b>965,990,421,592</b>	<b>750,343,966,349</b>
212	1. Long-term investments	11	965,990,421,592	750,343,966,349
212.1	1.1. HTM investments		155,399,552,630	41,007,379,429
212.3	1.2. Investment in associates		810,590,868,962	709,336,586,920
<b>220</b>	<b>II. Fixed assets</b>		<b>147,889,985,267</b>	<b>131,416,882,683</b>
221	1. Tangible fixed assets	12	29,388,247,797	12,569,448,484
222	1.1. Cost		109,396,669,476	89,953,237,422
223a	1.2. Accumulated depreciation		(80,008,421,679)	(77,383,788,938)
227	2. Intangible fixed assets	13	118,501,737,470	118,847,434,199
228	2.1. Cost		175,611,308,861	173,208,004,861
229a	2.2. Accumulated amortisation		(57,109,571,391)	(54,360,570,662)
<b>230</b>	<b>III. Investment properties</b>	<b>14</b>	<b>254,006,105,463</b>	<b>261,341,171,964</b>
231	1. Cost		313,860,824,973	314,275,801,824
232a	2. Accumulated depreciation		(59,854,719,510)	(52,934,629,860)
<b>240</b>	<b>IV. Construction in progress</b>	<b>15</b>	<b>50,688,190,132</b>	<b>46,777,509,012</b>
<b>250</b>	<b>V. Other long-term assets</b>		<b>161,493,265,433</b>	<b>153,100,651,157</b>
251	1. Long-term deposits, collaterals and pledges		19,121,693,466	19,105,729,716
252	2. Long-term prepaid expenses	16	35,444,700,128	25,895,763,102
253	3. Deferred income tax assets	17	71,926,871,839	88,099,158,339
254	4. Payment for Settlement Assistance Fund	18	20,000,000,000	20,000,000,000
255	5. Other long-term assets		15,000,000,000	-
<b>260</b>	<b>VI. Provision for impairment of long-term assets</b>		-	-
<b>270</b>	<b>TOTAL ASSETS</b>		<b>17,352,425,870,701</b>	<b>14,006,830,388,634</b>

Saigon Securities Incorporation

B01-CTCK/HN

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2017

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
<b>300</b>	<b>C. LIABILITIES</b>		<b>8,449,832,568,350</b>	<b>6,100,018,520,642</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>7,818,491,035,316</b>	<b>5,841,951,456,398</b>
311	1. Short-term borrowings and financial leases	20	6,817,668,848,187	4,819,340,678,085
312	1.1. Short-term borrowings		6,817,668,848,187	4,819,340,678,085
316	2. Short-term bonds	21	199,816,666,662	376,000,000,000
318	3. Payables for securities trading activities	22	271,794,358,226	39,617,787,653
320	4. Short-term trade payables	23	3,703,342,540	9,261,510,278
321	5. Short-term advance to customers		4,772,970,163	4,141,733,170
322	6. Statutory obligation	24	56,079,585,920	73,816,803,238
323	7. Payables to employees		4,415,385,344	4,726,744,169
324	8. Employee benefits		9,408,552	168,596,552
325	9. Short-term accrued expenses	25	66,000,740,201	62,998,576,869
327	10. Short-term unearned revenue		60,294,546	244,986,666
329	11. Other short-term payables	26	207,282,922,915	300,115,900,807
331	12. Bonus and welfare fund		186,886,512,060	151,518,138,911
<b>340</b>	<b>II. Non-current liabilities</b>		<b>631,341,533,034</b>	<b>258,067,064,244</b>
346	1. Long-term bonds	21	569,262,500,000	199,651,666,665
351	2. Long-term unearned revenue	27	33,511,108,968	33,511,108,968
352	3. Long-term deposits received		-	230,577,141
356	4. Deferred income tax payable	17	28,567,924,066	24,673,711,470
<b>400</b>	<b>D. OWNERS' EQUITY</b>	<b>28</b>	<b>8,902,593,302,351</b>	<b>7,906,811,867,992</b>
<b>410</b>	<b>I. Owners' equity</b>		<b>8,902,593,302,351</b>	<b>7,906,811,867,992</b>
411	1. Share capital		4,927,806,917,200	4,927,409,917,200
411.1	1.1. Capital contribution		4,900,636,840,000	4,900,636,840,000
411.1a	a. Ordinary shares		4,900,636,840,000	4,900,636,840,000
411.2	1.2. Share premium		29,453,765,501	29,265,860,000
411.4	1.3. Other capital		-	-
411.5	1.4. Treasury shares		(2,283,688,301)	(2,492,782,800)
412	2. Difference from revaluation of assets at fair value	39	868,396,426,348	652,792,875,374
413	3. Foreign exchange rate differences		33,578,772,510	34,056,420,954
414	4. Charter capital supplementary reserve		355,412,398,796	311,560,605,893
415	5. Operational risk and financial reserve		270,904,804,112	227,053,011,209
417	6. Undistributed profit		2,369,193,490,649	1,674,837,853,150
417.1	6.1. Realized profit	28.1	2,401,741,199,363	1,727,170,255,230
417.2	6.2. Unrealized profit	28.1	(32,547,708,714)	(52,332,402,080)
418	7. Non-controlling interests		77,300,492,736	79,101,184,212
<b>420</b>	<b>II. Other sources and funds</b>		<b>-</b>	<b>-</b>
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>17,352,425,870,701</b>	<b>14,006,830,388,634</b>

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2017

**OFF-BALANCE SHEET ITEMS**

<i>Code</i>	<i>ITEMS</i>	<i>Notes</i>	<i>Ending balance</i>	<i>Opening balance</i>
	<b>A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS</b>			
005	Foreign currencies			
	<i>USD</i>		5,109,824.95	5,028,241.29
	<i>EUR</i>		84,352.98	57,765.13
	<i>GBP</i>		40,378.99	-
006	Outstanding shares (number of shares)		489,845,250	489,825,250
007	Treasury shares (number of shares)		218,434	238,434
008	Financial assets listed/registered for trading at Vietnam Securities Depository of the Company (VND)		963,028,940,000	959,988,530,000
009	Non-traded financial assets deposited at Vietnam Securities Depository of the Company (VND)		10,488,280,000	10,552,040,000
010	Financial assets awaiting for arrival of the Company (VND)		200,004,950,000	4,660,000
012	Financial assets which have not been deposited at Vietnam Securities Depository of the Company (VND)		556,415,590,000	461,520,310,000
013	Entitled financial assets of the Company (VND)		1,950,000	2,430,000
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS</b>			
021	Financial assets listed/registered for trading at Vietnam Securities Depository of investors (VND)		31,979,251,700,000	26,872,935,050,000
021.1	<i>Unrestricted financial assets</i>		25,688,952,660,000	22,283,452,350,000
021.2	<i>Restricted financial assets</i>		1,026,444,240,000	682,966,010,000
021.3	<i>Mortgaged financial assets</i>		4,655,255,410,000	3,600,644,250,000
021.4	<i>Blocked financial assets</i>		30,525,850,000	15,664,600,000
021.5	<i>Financial assets awaiting for settlement</i>		578,073,540,000	290,207,840,000

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2017

## OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS</b> (continued)			
022	Non-traded financial assets deposited at Vietnam Securities Depository ("VSD")		1,668,000,840,000	1,652,187,760,000
022.1	<i>Unrestricted and non-traded financial assets deposited at VSD</i>		1,513,593,520,000	1,447,750,000,000
022.2	<i>Restricted and non-traded financial assets deposited at VSD</i>		52,267,670,000	102,298,110,000
022.3	<i>Mortgaged and non-traded financial assets deposited at VSD</i>		102,139,650,000	102,139,650,000
023	Financial assets awaiting for arrival of investors		659,869,740,000	277,151,500,000
024b	Financial assets unregistered at VSD of investors		36,445,590,000	40,192,750,000
025	Entitled financial assets of investors		60,741,180,000	49,722,960,000
026	Investors' deposits		3,308,577,381,578	1,630,987,771,952
027	Investors' deposits for securities trading activities managed by the Company		3,212,535,047,929	1,616,354,145,533
027.1	Investors' deposits at VSD		62,520,586,484	
028	Investors' synthesizing deposits for securities trading activities		30,892,244,851	5,034,657,285
030	Deposits of securities issuers		2,629,502,314	9,598,969,134
031	Payables to investors - investors' deposits for securities trading activities managed by the Company		3,275,055,634,413	1,616,354,145,533
031.1	- <i>Payables to domestic investors for securities trading activities managed by the Company</i>		3,172,180,404,105	1,509,185,425,722
031.2	- <i>Payables to foreign investors for securities trading activities managed by the Company</i>		102,875,230,308	107,168,719,811

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2017

**OFF-BALANCE SHEET ITEMS** (continued)

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS</b> (continued)			
032	Payables to securities issuers		512,205,060	8,894,522,160
034	Dividend, bond principal and interest payables		2,117,297,254	704,446,974



Ms. Nguyen Thi Hai Anh  
Prepared by



Ms. Hoang Thi Minh Thuy  
Chief Accountant



Mr. Nguyen Hong Nam  
Deputy Chief Executive Officer

Ho Chi Minh City, Vietnam

30 October 2017

# Saigon Securities Incorporation

B02-CTCK/HN

## 3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED INCOME STATEMENT for the three-month period ended 30 September 2017

Code	ITEMS	Notes	3 <sup>rd</sup> Quarter		Accumulated	
			Current year VND	Previous year (restated) VND	Current year VND	Previous year (restated) VND
	<b>I. OPERATING INCOME</b>					
01	1. Gain from financial assets at fair value through profit and loss (FVTPL)					
01.1	a. Gain from disposal of financial assets at FVTPL	29.1	138,256,042,562	200,922,368,242	478,606,660,899	559,018,483,388
01.2	b. Gain from revaluation of financial assets at FVTPL	29.2	53,997,518,050	134,586,230,779	171,736,658,944	263,534,393,217
01.3	c. Dividend, interest income from financial assets at FVTPL	29.3	53,118,766,986	54,369,913,964	263,581,298,979	258,499,999,871
02	2. Gain from held-to-maturity (HTM) investments	29.3	31,139,757,526	11,966,223,500	43,288,702,976	36,984,090,300
03	3. Gain from loans and receivables	29.3	117,501,736,538	100,121,923,822	316,481,000,747	250,011,330,803
04	4. Gain from available-for-sale (AFS) financial assets	29.3	131,458,267,138	113,502,967,745	368,796,700,974	319,620,278,141
06	5. Revenue from brokerage services	29.3	49,759,141,067	143,848,067,451	135,731,191,041	295,231,587,799
07	6. Revenue from underwriting and issuance agency services		168,755,188,198	124,288,922,312	469,275,442,858	295,822,127,111
08	7. Revenue from securities investment advisory services		-	1,000,000,000	6,250,000,000	10,200,000,000
09	8. Revenue from securities custodian services		9,512,272,513	2,144,586,453	16,982,216,646	9,311,218,215
10	9. Revenue from financial advisory services		3,459,184,384	2,254,136,802	9,738,821,419	6,698,940,424
11	10. Revenue from other operating activities	31	109,566,894	20,666,722,571	14,423,960,832	38,097,816,086
			13,231,605,781	19,381,116,167	55,576,844,002	32,901,797,748
20	<b>Total operating revenue</b>		<b>632,043,005,075</b>	<b>728,130,811,565</b>	<b>1,871,862,839,418</b>	<b>1,816,913,579,715</b>

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED INCOME STATEMENT (continued)  
for the three-month period ended 30 September 2017

Code	ITEMS	Notes	3 <sup>rd</sup> Quarter		Accumulated	
			Current year VND	Previous year (restated) VND	Current year VND	Previous year (restated) VND
	<b>II. OPERATING EXPENSES</b>					
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)					
21.1	1.1 Loss from disposal of financial assets at FVTPL	29.1	162,143,236,721	83,429,924,105	291,085,880,128	228,156,674,640
21.2	1.2 Loss from revaluation of financial assets at FVTPL	29.2	32,104,606,997	13,093,265,329	52,429,174,372	30,020,524,795
21.3	1.3 Transaction costs of acquisition of financial assets at FVTPL		129,885,480,659	70,006,718,760	238,143,105,580	197,326,856,085
23	2. Loss from revaluation of AFS financial assets arising from reclassification		153,149,065	329,940,016	513,600,176	809,293,760
24	3. Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans		51,304	-	1,468,135,635	76,201,778
26	4. Expenses for proprietary trading activities	30	16,663,944,590	-	(67,158,552,596)	31,150,434,842
27	5. Expenses for brokerage services	32	477,736,778	698,755,256	4,786,280,439	2,493,411,697
28	6. Expenses for underwriting and issuance agency services	32	118,251,125,134	90,999,004,080	337,207,784,308	229,008,783,784
29	7. Expenses for securities investment advisory services	32	-	-	110,277,956	-
30	8. Expenses for securities custodian services	32	3,716,511,662	2,809,928,908	12,717,405,394	9,594,752,893
31	9. Expenses for financial advisory services	32	4,734,819,378	3,664,475,731	13,354,888,729	10,519,271,990
32	10. Other operating expenses	32, 33	3,321,289,038	(1,212,817,820)	19,770,119,289	13,782,751,167
			22,003,751,389	15,270,870,171	54,117,408,152	44,297,913,272
40	<b>Total operating expenses</b>		<b>331,312,465,994</b>	<b>195,660,140,431</b>	<b>667,459,627,434</b>	<b>569,080,196,063</b>

# Saigon Securities Incorporation

B02-CTCK/HN

## 3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED INCOME STATEMENT (continued) for the three-month period ended 30 September 2017

Code	ITEMS	Notes	3 <sup>rd</sup> Quarter		Accumulated	
			Current year VND	Previous year (restated) VND	Current year VND	Previous year (restated) VND
	<b>III. FINANCE INCOME</b>					
41	1. Realized and unrealized gain from changes in foreign exchange rates		117,068,797	3,627,967	451,559,307	65,975,908
42	2. Dividend, interest income from demand deposits		7,819,428,860	6,340,712,212	31,656,487,990	16,782,794,825
43	3. Gain from disposal of investments in subsidiaries, associates and joint ventures		-	-	-	-
44	4. Other interest income (Share of profit in associates)	11	55,414,395,369	19,148,853,340	90,195,719,014	59,893,429,332
50	<b>Total finance income</b>	<b>34</b>	<b>63,350,893,026</b>	<b>25,493,193,519</b>	<b>122,303,766,311</b>	<b>76,742,200,065</b>
	<b>IV. FINANCE EXPENSES</b>					
51	1. Realized and unrealized loss from changes in foreign exchange rates		655,665,822	111,919,616	1,432,348,599	128,700,748
52	2. Borrowing costs		86,367,176,957	75,797,280,760	238,572,553,045	199,513,870,787
53	3. Loss from disposal of investments in subsidiaries, associates and joint ventures		-	-	-	-
60	<b>Total finance expenses</b>	<b>35</b>	<b>87,022,842,779</b>	<b>75,909,200,376</b>	<b>240,004,901,644</b>	<b>199,642,571,535</b>
61	<b>V. SELLING EXPENSES</b>		-	-	-	-
62	<b>VI. GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>36</b>	<b>33,643,177,061</b>	<b>35,442,175,307</b>	<b>109,617,604,110</b>	<b>103,291,478,397</b>
70	<b>VII. OPERATING PROFIT</b>		<b>243,415,412,267</b>	<b>446,612,488,971</b>	<b>977,084,472,541</b>	<b>1,021,641,533,785</b>

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED INCOME STATEMENT (continued)  
for the three-month period ended 30 September 2017

Code	ITEMS	Notes	3 <sup>rd</sup> Quarter		Accumulated	
			Current year VND	Previous year (restated) VND	Current year VND	Previous year (restated) VND
	<b>VIII. OTHER INCOME AND EXPENSES</b>					
71	Other income		985,822,604	589,513,962	2,381,190,390	1,581,680,472
72	Other expenses		190,400,653	3,320,138	296,292,866	65,929,568
80	<b>Total other operating profit</b>	37	<b>795,421,951</b>	<b>586,193,824</b>	<b>2,084,897,524</b>	<b>1,515,750,904</b>
90	<b>IX. PROFIT BEFORE TAX</b>		<b>244,210,834,218</b>	<b>447,198,682,795</b>	<b>979,169,370,065</b>	<b>1,023,157,284,689</b>
91	Realized profit		320,575,303,468	462,835,487,591	953,770,222,499	961,984,140,903
92	Unrealized profit		(76,364,469,250)	(15,636,804,796)	25,399,147,566	61,173,143,786
100	<b>X. CORPORATE INCOME TAX (CIT) EXPENSES</b>	38	<b>27,702,902,904</b>	<b>82,038,813,024</b>	<b>164,996,063,297</b>	<b>180,447,670,408</b>
100.1	Current CIT expense	38.1	35,557,777,033	79,881,183,448	144,929,564,201	172,365,219,225
100.2	Deferred CIT (income)/expense	38.2	(7,854,874,129)	2,157,629,576	20,066,499,096	8,082,451,183
200	<b>XI. PROFIT AFTER TAX</b>		<b>216,507,931,314</b>	<b>365,159,869,771</b>	<b>814,173,306,768</b>	<b>842,709,614,281</b>
201	Profit after tax attributable to the Parent Company's owners		217,030,606,183	365,771,899,541	815,973,998,243	844,133,432,033
202	Profit after tax attributable to reserves					
203	Profit after tax attributable to non-controlling interest		(522,674,869)	(612,029,770)	(1,800,691,475)	(1,423,817,752)

# Saigon Securities Incorporation

B02-CTCK/HN

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED INCOME STATEMENT (continued)  
for the three-month period ended 30 September 2017

Code	ITEMS	Notes	3 <sup>rd</sup> Quarter		Accumulated	
			Current year VND	Previous year (restated) VND	Current year VND	Previous year (restated) VND
300	<b>XII. OTHER COMPREHENSIVE INCOME AFTER TAX</b>					
301	1. Gain/(loss) from revaluation of AFS financial assets	39	(125,394,495,588)	(104,358,921,542)	215,603,550,974	(101,391,664,346)
400	<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>(125,394,495,588)</b>	<b>(104,358,921,542)</b>	<b>215,603,550,974</b>	<b>(101,391,664,346)</b>
401	Other comprehensive income attributable to the Parent Company's owners					
402	Other comprehensive income attributable to non-controlling interest					
500	<b>XIII. NET INCOME APPROPRIATED TO ORDINARY SHAREHOLDERS</b>					
501	Earnings per share (VND/share)					



Ms. Nguyen Thi Hai Anh  
Prepared by  
Ho Chi Minh City, Vietnam  
30 October 2017

Ms. Hoang Thi Minh Thuy  
Chief Accountant

Mr. Nguyen Hong Nam  
Deputy Chief Executive Officer

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED CASH FLOW STATEMENT  
for the nine-month period ended 30 September 2017

Code	ITEMS	Notes	Accumulated	
			Current year VND	Previous year (restated) VND
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	1. Profit before tax		979,169,370,065	1,023,157,284,689
02	2. Adjustments for:		(546,651,458,032)	(425,492,362,351)
03	Depreciation and amortization expense		14,707,145,506	13,850,946,467
04	Provisions		(343,931,342)	1,365,606,139
05	(Gain)/Loss from changes in unrealised foreign exchange rate		39,045,833	-
06	Interest expenses		238,800,053,042	199,550,537,453
07	Gain from investment activities		(363,841,737,812)	(218,300,647,707)
08	Accrued interest income		(435,434,547,050)	(420,640,778,919)
09	Other adjustments		(577,486,209)	(1,318,025,784)
10	3. Increase in non-monetary expenses		231,734,617,297	228,553,492,705
11	Loss from revaluation of financial assets at FVTPL		238,143,105,580	197,326,856,085
13	(Reversal of provision)/ Loss from impairment of loans		(7,876,623,918)	31,150,434,842
14	Loss from revaluation of AFS financial assets arising from reclassification		1,468,135,635	76,201,778
18	4. Decrease in non-monetary income		(375,963,346,920)	(489,711,610,192)
19	Gain from revaluation of financial assets at FVTPL		(263,581,298,979)	(258,499,999,871)
20	Gain from revaluation of AFS financial assets arising from reclassification		(112,382,047,941)	(231,211,610,321)
30	<b>Operating profit before changes in working capital</b>		<b>288,289,182,410</b>	<b>336,506,804,851</b>
31	Increase/ (decrease) in financial assets at FVTPL		(196,164,112,658)	(30,278,730,810)
32	Increase/ (decrease) in HTM investments		528,143,931,509	249,000,685,991
33	Increase/ (decrease) in loans		(949,898,724,794)	(348,509,624,237)
34	Increase/ (decrease) in AFS financial assets		116,299,293,913	87,826,548,915
35	(Increase)/ decrease in receivables from disposal of financial assets		50,672,500,000	(9,669,225,800)
37	(Increase)/decrease in receivables from services provided by the Company		6,698,373,199	(3,319,868,139)
39	(Increase)/ decrease in other receivables		(6,282,551,914)	(2,326,325,807)
40	Increase/ (decrease) in other assets		(65,857,181,765)	(7,815,486,304)
41	Increase/ (decrease) in payable expenses (excluding interest expenses)		2,213,842,913	12,816,442,696
42	Increase/ (decrease) prepaid expenses		(10,286,017,906)	(9,394,365,059)
43	Current income tax paid		(158,849,144,340)	(165,968,198,161)
44	Interest expenses paid		(237,783,798,492)	(225,936,234,033)
45	Increase/ (decrease) in trade payables		(5,594,673,948)	(3,263,779,985)
46	Increase/(decrease) in employees benefits		(159,188,000)	43,180,650
47	Increase/(decrease) in statutory obligations		(3,819,010,666)	(686,717,544)
48	Increase/ (decrease) in payables to employees		(311,358,824)	(351,750,001)
50	Increase/ (decrease) in other payables		139,913,435,979	(320,313,224,059)
51	Other receipts from operating activities		431,931,580,150	445,248,383,835
	- Interest received		431,814,838,450	431,414,690,035
	- Other receipts		116,741,700	13,833,693,800
52	Other payments for operating activities		(26,195,384,665)	(37,955,730,828)
60	<b>Net cash flows from/(used in) operating activities</b>		<b>(97,039,007,899)</b>	<b>(34,347,213,829)</b>

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF CASH FLOWS (continued)  
for the nine-month period ended 30 September 2017

Code	ITEMS	Notes	Accumulated	
			Current year VND	Previous year (restated) VND
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
61	Purchase and construction of fixed assets, investment properties and other long-term assets		(27,259,541,681)	(31,596,693,811)
62	Proceeds from disposal and sale of fixed assets, investment properties and other long-term assets		445,500,000	1,818,182
63	Cash payments for investment in subsidiaries, associates, joint ventures and other investments		(5,346,000,320,400)	(3,506,505,600,000)
64	Cash receipt from capital withdrawal from subsidiaries, associates, joint ventures and other investments		3,248,100,000,000	1,757,100,000,000
65	Dividends from long-term investments received		280,380,567,595	168,531,486,549
<b>70</b>	<b>Net cash flow used in investing activities</b>		<b>(1,844,333,794,486)</b>	<b>(1,612,468,989,080)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
71	Cash receipt from issuance of shares, or capital contributed by shareholders		397,000,000	-
72	Repayment of capital contributed by shareholders, repurchase of issued shares		-	(240,955,500)
73	Drawdown of borrowings		33,900,509,456,229	26,056,641,632,738
73.2	- Other borrowings		33,900,509,456,229	26,056,641,632,738
74	Repayment of borrowings		(31,708,981,286,127)	(24,708,589,312,870)
74.3	- Other borrowings		(31,708,981,286,127)	(24,708,589,312,870)
76	Dividends, profit distributed to shareholders		(393,320,000)	(91,845,000)
<b>80</b>	<b>Net cash flow from financing activities</b>		<b>2,191,531,850,102</b>	<b>1,347,719,519,368</b>

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF CASH FLOWS (continued)  
for the nine-month period ended 30 September 2017

Code	ITEMS	Notes	Accumulated	
			Current year VND	Previous year (restated) VND
<b>90</b>	<b>NET INCREASE/(DECREASE) IN CASH DURING THE PERIOD</b>		<b>250,159,047,717</b>	<b>(299,096,683,541)</b>
<b>101</b>	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>5</b>	<b>308,564,964,313</b>	<b>746,360,295,275</b>
101.1	Cash		198,889,751,419	505,442,808,091
101.2	Cash equivalents		107,413,029,168	235,000,000,000
102	Foreign exchange rate differences		2,262,183,726	5,917,487,184
<b>103</b>	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>5</b>	<b>558,724,012,030</b>	<b>447,263,611,734</b>
103.1	Cash		260,834,719,489	365,403,563,778
103.2	Cash equivalents		297,680,764,827	83,176,255,556
104	Foreign exchange rate differences		208,526,714	(1,316,207,601)

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF CASH FLOWS (continued)  
for the nine-month period ended 30 September 2017

**CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE CUSTOMERS**

Code	ITEMS	Notes	Accumulated	
			Current year VND	Previous year VND
	<b>I. Cash flows from brokerage and trust activities of the customers</b>			
01	1. Cash receipts from disposal of brokerage securities of customers		102,971,934,110,965	58,992,414,004,966
02	2. Cash payments for acquisition of brokerage securities of customers		(101,820,482,169,065)	(62,976,375,424,471)
07	3. Cash receipts for settlement of securities transactions of customers		1,209,655,671,198	5,999,811,753,865
07.1	4. Investor's deposit at VSD		62,520,586,483	-
09	5. Cash payments for custodian fees of customers		(8,558,487,255)	(7,171,531,946)
12	6. Cash receipt from securities issuers		969,414,676,000	94,724,878,200
13	7. Cash payment to securities issuers		(1,706,894,778,700)	(1,484,117,259,871)
<b>20</b>	<b>Net increase in cash during the period</b>		<b>1,677,589,609,626</b>	<b>619,286,420,743</b>
<b>30</b>	<b>II. Cash and cash equivalents of customers at the beginning of the year</b>		<b>1,630,987,771,952</b>	<b>1,244,049,806,891</b>
31	Cash at banks at the beginning of the year:		1,630,987,771,952	1,244,049,806,891
32	- Investors' deposits managed by the Company for securities trading activities		1,616,354,145,533	1,239,463,316,338
33	- Investors' synthesizing deposits for securities trading activities		5,034,657,285	2,192,903,193
35	- Deposits of securities issuers		9,598,969,134	2,393,587,360

3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF CASH FLOWS (continued)  
for the nine-month period ended 30 September 2017

**CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE CUSTOMERS (continued)**

Code	ITEMS	Notes	Accumulated	
			Current year VND	Previous year VND
40	<b>III. Cash and cash equivalents of the customers at the end of the period (40 = 20 + 30)</b>		<b>3,308,577,381,578</b>	<b>1,863,336,227,634</b>
41	Cash at banks at the end of the period:		3,308,577,381,578	1,863,336,227,634
42	- Investors' deposits managed by the Company for securities trading activities		3,275,055,634,413	1,854,520,159,918
43	- Investors' synthesizing deposits for securities trading activities		30,892,244,851	7,775,733,262
45	- Deposits of securities issuers		2,629,502,314	1,040,334,454



Ms. Nguyen Thi Hai Anh  
Prepared by



Ms. Hoang Thi Minh Thuy  
Chief Accountant



Mr. Nguyen Hong Nam  
Deputy Chief Executive Officer

Ho Chi Minh City, Vietnam

30 October 2017

# Saigon Securities Incorporation

B04-CTCK/HN

## 3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY for the nine-month period ended 30 September 2017

ITEMS	Notes	Beginning balance (restated)		Previous year (restated)		Increase/(decrease)		Current year		Ending balance							
		01/01/2016		01/01/2017		Increase		Decrease		30/09/2016(restated)							
		VND	1	VND	2	VND	3	VND	4	VND	5	VND	6	VND	7	VND	8
<b>I. CHANGES IN OWNERS' EQUITY</b>																	
1. Share capital		4,825,142,703,161		4,927,409,917,200		(240,955,500)		(4,002,070,842)		221,905,501		175,094,499		4,820,899,676,819		4,927,806,917,200	
1.1. Ordinary share	28.2	4,800,636,840,000		4,900,636,840,000		-		-		-		-		4,800,636,840,000		4,900,636,840,000	
1.2. Share premium		29,285,860,000		29,265,860,000		-		-		221,905,501		(34,000,000)		29,285,860,000		29,453,765,501	
1.3. Other capital		(4,609,514,439)		-		(240,955,500)		(4,002,070,842)		-		-		(8,611,585,281)		-	
1.4. Treasury share		(170,482,400)		(2,492,782,800)								209,094,499		(411,437,900)		(2,283,688,301)	
2. Charter capital supplementary reserve		268,076,952,217		311,560,605,893		43,483,653,676				43,851,792,903				311,560,605,893		355,412,398,796	
3. Operational risk and financial reserve		183,569,357,533		227,053,011,209		43,483,653,676				43,851,792,903				227,053,011,209		270,904,804,112	
4. Difference from revaluation of financial assets at fair value		646,562,943,060		652,792,875,374		355,803,102,792		(457,194,767,140)		468,476,892,069		(252,873,341,096)		545,171,278,712		868,396,426,348	
5. Foreign exchange rate differences		31,013,180,718		34,056,420,954				(4,477,972,815)		(477,648,444)				26,535,207,903		33,578,772,510	
6. Undistributed profit		1,370,885,005,982		1,674,837,853,150		1,041,460,288,107		(347,819,463,288)		1,082,516,465,295		(388,160,827,797)		2,064,525,830,801		2,369,193,490,649	
6.1. Realized profit	28.1	1,528,039,483,892		1,727,170,255,230		797,889,260,461		(150,492,607,203)		823,667,040,004		(149,096,095,871)		2,175,436,137,150		2,401,741,199,363	
6.2. Unrealized profit	28.1	(157,154,477,910)		(52,332,402,080)		243,571,027,646		(197,326,856,085)		258,849,425,291		(239,064,731,926)		(110,910,306,349)		(32,547,708,714)	
7. Non-controlling interest		81,140,362,365		79,101,184,212		-		(1,423,817,751)		-		(1,800,691,476)		79,716,544,614		77,300,492,736	
<b>TOTAL</b>		<b>7,406,390,505,036</b>		<b>7,906,811,867,992</b>		<b>1,483,989,742,751</b>		<b>(814,918,091,836)</b>		<b>1,638,918,848,672</b>		<b>(643,137,414,314)</b>		<b>8,075,462,155,951</b>		<b>8,902,593,302,351</b>	

# Saigon Securities Incorporation

B04-CTCK/HN

## 3<sup>rd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (continued) for the nine-month period ended 30 September 2017

Items	Notes	Beginning balance (restated)		Increase/(Decrease)				Ending balance							
		01/01/2016		Previous year (restated)		Current year		30/09/2016							
		VND	1	Increase	Decrease	Increase	Decrease	(restated)	30/09/2017						
A	B	VND	2	VND	3	VND	4	VND	5	VND	6	VND	7	VND	8
<b>II. OTHER COMPREHENSIVE INCOME</b>															
Gain/(loss) from revaluation of AFS financial assets	39	646,562,943,060	652,792,875,374	355,803,102,792	(457,194,767,140)	468,476,892,069	(252,873,341,096)	545,171,278,712	868,396,426,348						
<b>TOTAL</b>		<b>646,562,943,060</b>	<b>652,792,875,374</b>	<b>355,803,102,792</b>	<b>(457,194,767,140)</b>	<b>468,476,892,069</b>	<b>(252,873,341,096)</b>	<b>545,171,278,712</b>	<b>868,396,426,348</b>						



Ms. Nguyen Thi Hai Anh  
Prepared by



Ms. Hoang Thi Minh Thuy  
Chief Accountant



  
Mr. Nguyen Hong Nam  
Deputy Chief Executive Officer

Ho Chi Minh City, Vietnam

30 October 2017

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

## 1. CORPORATE INFORMATION

Saigon Securities Incorporation ("the Company") is a joint stock company established under the Corporate Law of Vietnam, Operating License No. 3041/GP-UB dated 27 December 1999 issued by Ho Chi Minh City People's Committee and the first Business Registration No. 056679 dated 30 December 1999 issued by Ho Chi Minh City Department of Planning and Investment. The Company operates under Securities Trading License No. 03/GPHDKD issued by the State Securities Commission on 5 April 2000 and subsequent amended licenses.

The Company's initial charter capital was VND 6,000,000,000. The charter capital has been supplemented from time to time in accordance with amended licenses. As at 30 September 2017, in accordance with the latest Amended License No. 02/GPDC-UBCK granted by the Chairman of State Securities Commission, which has been effective since 12 January 2017, the Company's total charter capital was VND 4,900,636,840,000.

The Company's primary activities are to provide brokerage service, securities trading, underwriting for securities issues, custodian service, finance and investment advisory service, margin lending services and derivative service. The Company's Head Office is located at 72 Nguyen Hue Boulevard, District 1, Ho Chi Minh City, Vietnam. As at 30 September 2017, the Company has branches located in Ho Chi Minh City, Hanoi, Hai Phong, Vung Tau and Nha Trang, and transaction offices located in Ho Chi Minh City and Hanoi.

The number of the Company's employees as at 30 September 2017 was 831 persons (31 December 2016: 720 persons).

### ***Company's operation***

#### *Capital*

As at 30 September 2017, total charter capital of the Company was VND 4,900,636,840,000 owners' equity including non-controlling interests was VND 8,902,593,302,351 and total assets is VND 17,352,425,870,701.

#### *Investment objectives*

As the biggest listed securities company in Vietnam stock market, the Company's principal activities are to provide brokerage service, securities trading, finance and investment advisory service, custodian service and underwriting for securities issues. The Company's goals are to become a partner with clients, to focus all resource and initiatives to bring success to all stakeholders.

#### *Investment restrictions*

The Company is required to comply with Article 44 under Circular No. 210/2012/TT-BTC dated 30 November 2012 providing guidance on establishment and operation of securities companies, Circular No. 07/2016/TT-BTC dated 18 January 2016 amended some articles of Circular No. 210/2012/TT-BTC and other applicable regulations on investment restrictions. The current applicable practices on investment restrictions are as follows:

- ▶ Securities company is not allowed to purchase, contribute capital to invest in real-estate assets except for the purpose of use for head office, branches, and transaction offices directly serving professional business activities of the securities company.
- ▶ Securities company may invest in real-estate investment and fixed assets on the principle that the carrying value of the fixed assets and real-estate investment should not exceed fifty percent (50%) of the total value of assets of the securities company.

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

- ▶ Securities company is not allowed to use more than seventy percent (70%) of its owners' equity to invest in corporate bonds. Securities company, licensed to engage in self-trading activity, is allowed to trade listed bonds in accordance with relevant regulation on trading Government bonds.
- ▶ Securities company must not by itself, or authorize another organization or individuals to: Invest in shares or contribute capital to companies that owned more than fifty percent (50%) of the charter capital of the securities company, except for purchasing of odd lots at the request of customers; Make joint investment with an affiliated person of five percent (5%) or more in the charter capital of another securities company; Invest more than twenty percent (20%) in the total currently circulating shares or fund certificates of a listing organization; Invest more than fifteen percent (15%) in the total currently circulating shares or fund certificates of an unlisted organization, this provision shall not apply to member fund certificates; Invest or contribute capital of more than ten percent (10%) in the total paid-up capital of a limited liability company or of a business project; Invest more than fifteen percent (15%) of its owners' equity in a single organization or of a business project; Invest more than seventy percent (70%) of its total equity in shares, capital contribution and a business project, specifically invest more than twenty percent (20%) of its total owners' equity in unlisted shares, capital contribution and a business project.
- ▶ Securities company is allowed to establish or purchase an asset management company as a subsidiary. In that case, securities company is not required to follow the above restrictions.

#### **Subsidiaries**

As at 30 September 2017, the Company had two (02) directly owned subsidiaries as follows:

<i>Company name</i>	<i>Established under</i>	<i>Business sector</i>	<i>Charter capital</i>	<i>% holding</i>
SSI Asset Management Company Ltd. (SSIAM)	Operating License No.19/UBCK- GP dated 03 August 2007	Investment fund management and investment portfolio management	VND30 billion	100%
SSI Investment Member Fund (SSI IMF)	Approval Letter of Member Fund Foundation No.130/TB-UBCK dated 27 July 2010	Investments in securities and other investible assets, including real estates	VND390 billion	80%

In addition, as at 30 September 2017, the Company had one (01) indirectly owned subsidiary named SSI International Corporation.

## Saigon Securities Incorporation

B05-CTCK/HN

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

### Associates

As at 30 September 2017, the Company had three (03) indirectly owned associates presented on the consolidated financial statements as follows:

Name	Business establishment	Sector	Charter capital (VND)
The Pan Group (PAN)	Business Registration No. 0301472704 dated 23 March 2016 issued by Ho Chi Minh City Department of Planning and Investment (13 <sup>th</sup> amended license). At the initial stage, the company operated under Business Registration No. 4103003790 dated 31 August 2005. The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.	Cultivation, farming; Livestock services; Post-harvest services; Cultivation services; activities; House cleaning services; Investment advisory services (except for financial advisory); Management advisory services (except for finance, economics and law); Market research services.	1,177,236,300,000
Vietnam Fumigation Joint Stock Company (VFG)	Vietnam Fumigation Joint Stock Company is transformed from a State - owned enterprise, so called Vietnam Fumigation Company under Ministry of Agriculture and Rural Development, in accordance with Decision No. 70/QĐ-TTĐ dated 3 May 2001 issued by Prime Minister of the Socialist Republic of Vietnam. The company operates under the first Business Registration No. 0302327629 dated 31 December 2001 issued by Ho Chi Minh City Department of Planning and Investment and the 23 <sup>th</sup> amended license dated 11 September 2015. The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.	Production, processing, carton boxes, packaging; plant protection products and fumigating materials; Rendering of fumigating services, eradication of harmful animals for agricultural and forestry products, and other materials; Trading of pesticide, plant protection materials, fumigation materials; Trading of materials and chemicals for agricultural production (except for toxic substances); Fertilizer wholesale; Handling, maintenance, sanitation in factories, warehouses, offices services; Anti - termite service; Anti-termite service for construction works; Renting office, warehouse; Goods inspection; Caring service for agricultural products; Wholesale corn and other grains.	237,701,890,000

## Saigon Securities Incorporation

B05-CTCK/HN

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

<u>Name</u>	<u>Business establishment</u>	<u>Sector</u>	<u>Charter capital (VND)</u>
Dong Nai Port Joint Stock Company	<p>The company was initially a State-owned enterprise, so called Dong Nai Port Company under Dong Nai Department of Transport, privatised under Decision No. 3004 dated 24 August 2005 issued by People's Committee of Dong Nai Province.</p> <p>The company operates under the first Business Registration No. 4703000301 dated 4 January 2006 and subsequent amended Business Registration No. 3600334112 dated 27 October 2009, 27 December 2010 and 19 March 2016 issued by Dong Nai Department of Planning and Investment.</p> <p>The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.</p>	Warehouses and wharf services; Loading and unloading, transportation of goods in and out of the port; Loading and unloading equipment and vehicles repairs services; Agents and maritime services; Fuel supply services; Building materials trading; Entertainment services for ship's crews; Infrastructure and real estate investment and business.	123,479,870,000

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

## 2. BASIS OF PRESENTATION

### 2.1 *Applied accounting standards and system*

The consolidated financial statements of the Company are prepared and presented in accordance with Vietnamese Enterprise Accounting System, the accounting regulation and guidance applicable to securities companies as set out in Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular No. 334/2016/TT-BTC dated 27 December 2016 amending, supplementing and replacing Appendices No. 02 and No. 04 of Circular No. 210/2014/TT-BTC, Circular No. 146/2014/TT-BTC dated 6 October 2014 providing guidance on financial regime applicable to securities companies and asset management companies and other Vietnamese Accounting Standards promulgated by the Ministry of Finance as per:

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

### 2.2 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of Saigon Securities Incorporation (the parent company) and its subsidiaries as at 30 September 2017.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the parent company obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the parent company and subsidiaries are prepared for the same reporting period using the consistent accounting policies.

All intra-company balances, incomes and expenses, and unrealized gains or losses resulting from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries which are not held by the Company, and are presented separately in the consolidated income statement and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

### 2.3 *Registered accounting documentation system*

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

### 2.4 *Fiscal year*

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

The Company also prepares its interim financial statements for the six-month period from 1 January to 30 June and its quarterly financial statements for the three-month periods ended 31 March, 30 June, 30 September and 31 December each year.

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

## 2.5 Accounting currency

The consolidated financial statements are prepared in Vietnam dong ("VND"), which is the accounting currency of the Company.

## 3. STATEMENT ON COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEMS

Management confirms that the Company has complied with Vietnamese Accounting Standards and Vietnamese Enterprise Accounting Systems in preparing the consolidated financial statements.

Accordingly, the accompanying 3<sup>rd</sup> Quarter of 2017 consolidated income statement, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in owners' equity and notes to the 3<sup>rd</sup> Quarter of 2017 consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 4.1 Changes in accounting policies and disclosures

On 20 November 2015, the National Assembly of Vietnam passed the Law on Accounting No. 88/2015/QH13 ("the new Accounting Law"). The new Accounting Law extends its governing scope to electronic accounting documents and allows the application of fair value basis for some types of assets and liabilities whose value frequently varies in line with market fluctuation, provided that the fair value of these assets and liabilities can be reliably determined. The new Accounting Law takes effect from 1 January 2017. Whereby, The Company has restated the comparative figures of previous period (compliance with fair value to financial assets) in accordance with requirements of Circular 210 and Circular 334, in detail:

Code	Items on consolidated balance sheet	Reported	Restated
112	Financial assets at fair value through profit and loss (FVTPL)	1,425,667,503,090	1,549,046,274,503
115	Available-for-sale (AFS) financial assets	959,826,110,723	1,615,308,476,240
356	Deferred income tax payable	57,285,850	24,673,711,470
412	Difference from revaluation of assets at fair value	(2,689,490,143)	652,792,875,374
417.2	Undistributed profit (unrealized)	(151,094,747,873)	(52,332,402,080)

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

Code	Items on consolidated income statement	Reported		Restated	
		3 <sup>rd</sup> Quarter of 2016	Accumulated	3 <sup>rd</sup> Quarter of 2016	Accumulated
01.1	Gain from disposal of financial assets at FVTPL	262,614,748,784	471,263,426,563	134,586,230,779	263,534,393,217
01.2	Gain from revaluation of financial assets at FVTPL	24,122,776,912	98,830,064,602	54,369,913,964	258,499,999,871
04	Gain from available-for-sale (AFS) financial assets	6,109,756,000	64,019,977,478	143,848,067,451	295,231,587,799
08	Revenue from securities investment advisory services			2,144,586,453	9,311,218,215
10	Revenue from financial advisory services			20,666,722,571	38,097,816,086
	Revenue from advisory services	22,811,309,024	47,409,034,300		
21.1	Loss from disposal of financial assets at FVTPL	3,383,471,883	6,537,947,820	13,093,265,329	30,020,524,795
21.2	Loss from revaluation of financial assets at FVTPL	46,687,925,612	111,680,531,940	70,006,718,760	197,326,856,085
24	Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	-	32,516,041,030	-	31,150,434,842
27	Expenses for brokerage services	93,808,932,988	238,603,536,677	90,999,004,080	229,008,783,784
29	Expenses for securities investment advisory services			2,809,928,908	9,594,752,893
32	Other operating expenses	15,270,870,171	42,932,307,135	15,270,870,171	44,297,913,272
92	Profit before tax (Unrealized profit)	(22,565,148,700)	(12,850,467,338)	(15,636,804,796)	61,173,143,786
100.2	Deferred CIT (income)/expense	732,910,795	(6,846,521,042)	2,157,629,576	8,082,451,183
200	Profit after tax	359,656,244,648	783,614,975,380	365,159,869,771	842,709,614,281
201	Profit after tax attributable to the Parent Company's owners	360,268,274,418	785,038,793,132	365,771,899,541	844,133,432,033
301	Gain/ (Loss) from revaluation of AFS financial assets	(577,333,222)	(469,732,934)	(104,358,921,542)	(101,391,664,346)

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

Code	Items on consolidated cash flow statement	Reported for the first 9 months of 2016	Restated for the first 9 months of 2016
1	Profit before tax	949,133,673,563	1,023,157,284,689
2	Adjustments for	(381,525,484,813)	(425,492,362,351)
4	Provisions	32,516,040,981	1,365,606,139
10	Increase in non-monetary expenses	111,756,733,718	228,553,492,705
11	Loss from revaluation of financial assets at FVTPL	111,680,531,940	197,326,856,085
13	Loss from impairment of loans		31,150,434,842
18	Decrease in non-monetary income	(98,830,064,601)	(489,711,610,192)
19	Gain from revaluation of financial assets at FVTPL	(98,830,064,601)	(258,499,999,871)
20	Gain from revaluation of AFS financial assets arising from reclassification	-	(231,211,610,321)
	Changes in operating assets and liabilities	(290,382,581,824)	
30	Operating profit before changes in working capital	290,152,276,043	336,506,804,851
31	(Increase)/decrease in financial assets at FVTPL	(261,490,341,131)	(30,278,730,810)
40	(Increase)/ decrease in other assets	(17,209,851,362)	(7,815,486,304)
42	Increase prepaid expenses		(9,394,365,059)
46	Increase in welfare benefits		43,180,650
48	Increase/ (decrease) in payables to employees		(351,750,001)
50	Increase/ (decrease) in other payables	(320,621,793,410)	(320,313,224,059)

#### 4.2 Cash and cash equivalents

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

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

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

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

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

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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Financial assets at FVTPL are initially recognized at cost (acquisition cost of the assets excluding transaction cost arising from the purchase) and subsequently recognized at fair value.

The decrease in difference arising from revaluation of FVTPL financial assets at fair value/market value in comparison with previous is recognized into the consolidated income statement under "Loss from revaluation of financial assets at FVTPL". The increase in difference arising from revaluation at fair value/market value in comparison with previous is recognized into the consolidated income statement under "Gain from revaluation of financial assets at FVTPL".

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

#### **4.4 Held-to-maturity investments (HTM)**

Held-to-maturity investments are non-derivative financial assets with determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity other than:

- a) those that the entity upon initial recognition designates as at fair value through profit or loss;
- b) those that the entity designates as available-for-sale; and
- c) those meet the definition of loans and receivables.

Held-to-maturity investments are initially recognized at cost (acquisition cost of the assets plus (+) transaction costs which are directly attributable to the investments such as brokerage fee, trading fee, issuance agency fee and banking transaction fee). After initial recognition, held-to-maturity financial investments are subsequently measured at amortized cost using the effective interest rate ("EIR").

Amortized cost of HTM financial investments is the amount at which the financial asset is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or irrecoverability (if any).

The effective interest rate method is a method of calculating the cost allocation on interest income or interest expense in the period of a financial asset or a group of HTM investments.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial assets or liabilities.

HTM investments are subject to an assessment of impairment at the consolidated financial statements date. Provision is made for an HTM investment when there is any objective evidence that the investment is unrecoverable or there is uncertainty of recoverability, resulting from one or more events that have occurred after the initial recognition of the investment and that event has an impact on the estimated future cash flows of the investment that can be reliably estimated. Evidence of impairment may include a drop in the fair value/market value of the investment, indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. When there is any evidence of impairment, provision for an HTM investment is determined as the negative difference between its fair value and amortized cost at the assessment date. Any increase/decrease in the balance of provision is recognized in the income statement under "Provision expense for diminution in value and impairment of financial assets and doubtful receivables, and borrowing costs of loans".

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

#### 4.5 Loans

Loans are non-derivative financial assets with fixed or identifiable payments and not listed on the market, with the exceptions of:

- a) The amounts the entity has the intent to immediately sell or will sell in a near future which are classified as assets held for trading, and like those which, upon initial recognition, the entity categorized as such recognized at fair, value through profit or loss statements;
- b) The amounts categorized by the entity as available-for-sale upon initial recognition; or
- c) The amounts whose holders cannot recover most of the initial investment value not due to credit quality impairment and which are categorized as available-for-sale.

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

Amortized cost of loans is the amount at which the loans is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or irrecoverability (if any).

Loans are subject to an assessment of impairment at the consolidated financial statements date. Provision is made for loan based on its estimated loss which is determined by the negative difference between the market value of securities used as collaterals for such loan and the loan balance. Any increase/decrease in the balance of provision is recognized in the income statement under "Provision expense for diminution in value and impairment of financial assets and doubtful receivables, and borrowing costs of loans".

#### 4.6 Available-for-sale (AFS)

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified as:

- a) loans and receivables;
- b) held-to-maturity investments; or
- c) financial assets at fair value through profit or loss.

AFS financial assets are recognized initially at cost (acquisition cost plus (+) transaction costs which are directly attributable to the purchase of the financial assets). After initial recognition, available-for-sale financial assets are subsequently measured at fair value.

Any difference arising from the revaluation of AFS financial assets at fair value/market value in comparison with previous is recognized under "Gain/(loss) from revaluation of AFS financial assets" in "Other comprehensive income after tax" which is a part of the consolidated income statement.

As at the consolidated financial statement date, the Company assessed whether there is any objective evidence that an AFS financial asset is impaired. Any increase/decrease in the balance of provision is recognized in the income statement under "Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans".

- ▶ Where an equity instrument is classified as available-for-sale, evidence of impairment includes a significant or prolonged decline in the fair value of the investment below its original cost. 'Significant' is to be evaluated against the original cost of the asset and 'prolonged' indicates the period in which the fair value has been below its original cost. When any evidence of impairment exists, provision is determined as the difference between the AFS asset's cost and fair value at the assessment date.

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

- ▶ Where a debt instrument is classified as available-for-sale, the assessment of impairment is conducted using the same criteria as those applied for HTM investments. When there is any evidence of impairment, provision for an AFS asset is determined as the negative difference between its fair value and amortized cost at the assessment date.

#### 4.7 **Fair value/market value of financial assets**

Fair value/market value of the securities is determined as follows:

- ▶ For securities listed on Hanoi Stock Exchange and Ho Chi Minh City Stock Exchange, their market prices are their closing prices on the trading day preceding the date of setting up the provision.
- ▶ For securities registered for trading on UPCOM, their market prices are their average closing prices on the trading day preceding the date of setting up the provision.
- ▶ For the delisted securities and suspended trading securities from the sixth day afterward, their prices are the book value at the latest financial report date.
- ▶ The market price for unlisted securities and securities unregistered for trading used as a basis for setting up the provision is the average of actual trading prices quoted by 3 securities companies conducting transactions at the latest date preceding the revaluation date.

For provision making purpose, fair value is the market price of the securities at the latest trading date which must be within one month to the date of provision making.

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

#### 4.8 **Derecognition of financial assets**

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

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

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

The continued participation in transferred assets in the form of guarantee will be recognized at smaller value between the initial carrying value of the assets and the maximum amount that the Company is required to pay.

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

#### 4.9 **Reclassification of financial assets**

##### *Reclassification when selling financial assets other than FVTPL*

When selling financial assets other than FVTPL, securities companies are required to reclassify those financial assets to financial assets at FVTPL. The difference arising from the revaluation of financial assets AFS which was recognized in "Gain/(loss) from revaluation of AFS financial assets" will be recognized as corresponding revenue or expenses at the date of reclassification of financial assets AFS.

##### *Reclassification due to change in purpose or ability to hold*

Securities companies are allowed to reclassify financial assets to their applicable categories if their purpose or ability to hold has changed, consequently:

- ▶ Non-derivative financial assets at FVTPL or financial assets that are not required to be classified as financial asset at FVTPL at the initial recognition can be classified as loans and other receivables or as cash and cash equivalents if the requirements are met. The gains or losses arising from revaluation of financial assets at FVTPL prior to the reclassification are not allowed to be reversed.
- ▶ Due to changes in purposes or ability to hold, some HTM investments are required to be reclassified into AFS financial assets and to be revaluated at fair value. The difference arising from revaluation between carrying value and fair value are recognized under "Gain/loss from revaluation at fair value".

#### 4.10 **Investments in associates**

An associate is an entity in which the Company has significant influence but that is neither subsidiaries nor joint ventures. The Company generally deems they have significant influence if they have over 20% of the voting rights.

The Company's investments in associates are accounted for using the equity method of accounting.

Under the equity method, the investment is initially carried in the consolidated statement of financial position at cost. In term of the acquisition, the difference between cost of the investment and the determinable net asset fair value in correspondence with the Company's shares in associate at the acquisition date is defined as goodwill. Negative goodwill is recognized in "Other investment revenue (share of profits/ (loss) in associates)" of the consolidated income statement. Positive goodwill will be reflected in the value of investment in associate of the consolidated statement of position.

When determining the determinable fair value of net assets in associates, the Company applies principles and suppositions as follows:

- ▶ Fair value of cash and short term deposit, payables to suppliers and other short term liabilities approximates their carrying value due to their short term;
- ▶ Fair value of receivables is determined based on estimation of recoverability, therefore, the Company estimates fair value at the cost less provisions for receivables;
- ▶ Fair value of financial investments is determined at market prices;
- ▶ Fair value of fixed assets approximates their cost less accumulated depreciation
- ▶ Fair value of the qualification in the auditors' report in the audited financial statements of associates is determined as zero (0); and
- ▶ Fair value of other immaterial assets and debts is determined as their carrying value.

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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After the initial recognition, the investment is adjusted to changes of the Company's share in associates' post-acquisition net assets. The consolidated income statement reflects the share of the post-acquisition results of operation of the associates. Changes in net asset value of associates, including changes arisen from revaluation of fixed assets and investments, foreign exchange differences and differences arisen from consolidation of associates are not reflected in the consolidated income statement, but recognized directly in "Undistributed profit" in the consolidated statement of financial position.

The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend receivable from associates is deducted from the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period as the Company, using the same accounting policies. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

#### 4.11 Recognition of mortgaged financial assets

During the period, the Company had mortgaged/pledged financial assets which are used as collaterals for financial obligations of the Company.

According to the terms and conditions of the mortgage/pledge contracts, during the valid period of the contracts, the Company is not allowed to sell, transfer or use the mortgaged/pledged assets under repurchase or swap contracts with any other third party.

In case the Company is unable to fulfil its obligations, the mortgagee/pledgee is allowed to use the mortgaged/pledged assets to settle the obligations of the Company after a period specified in the mortgage/pledge contracts, since the obligations due date.

The mortgaged/pledged assets are monitored in the Company's consolidated statement of financial position in accordance with accounting principles relevant to the assets' classification.

#### 4.12 Receivables

Receivables are initially recorded at cost and subsequently always presented at cost.

Receivables are subject to review for impairment based on their overdue status or estimated loss arising from undue debts of corporate debtors who have bankruptcy or are under liquidation; or of individual debtors who are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased. Increases or decreases to the provision balance are recorded as "Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans" in the consolidated income statement.

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

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

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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#### **4.13 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

#### **4.14 Intangible fixed assets**

Intangible assets are stated at cost less accumulated amortization.

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

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

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

#### **4.15 Depreciation and amortisation**

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

Buildings and architectures	6 years
Office machineries	3 years
Means of transportation	6 years
Office equipment	3 - 5 years
Software	3 years
Land use rights with indefinite life	not amortised
Other intangible fixed assets	2 years

#### **4.16 Investment properties**

Investment properties are stated at cost, inclusive of related transaction fees less accumulated depreciation.

Subsequent expenditure relating to an investment property that has already been recognized is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Company.

Depreciation and amortisation of the property is calculated on a straight-line basis over the estimated useful life of each asset. The depreciation period is 27.5 years.

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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#### **4.17 Operating lease**

Whether an agreement is determined as a property lease agreement depends on the nature of the agreement at the beginning: whether the implementation of the agreement depends on the use of a certain asset and whether the agreement includes clauses on the use rights of the asset.

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

#### **4.18 Prepaid expenses**

Prepaid expenses, including short-term prepaid expenses and long-term prepaid expenses in the statement of financial position, are amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

The following types of expenses are recorded as prepaid expenses and are amortised over the period from one (1) year to three (3) years to the income statement:

- ▶ Office renovation expenses;
- ▶ Office rental expenses; and
- ▶ Office tools and consumables

#### **4.19 Repurchase agreements**

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

#### **4.20 Borrowings and bonds issuance**

Borrowings and bonds issued by the Company are recorded and stated at cost of the balance at the end of the accounting period.

#### **4.21 Payables and accrued expenses**

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

#### **4.22 Employee benefits**

##### **4.22.1 Post-employment benefits**

Post-employment benefits are paid to retired employees of the Company by the Social Insurance Agency, which belongs to the Ministry of Labour and Social Affairs. The Company is required to contribute to these post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 18% of an employee's basic salary on a monthly basis. The Company has no further obligation to fund the post-employment benefits of its employees, other than the liability to pay Social Insurance Agency on a monthly basis.

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#### 4.22.2 *Severance pay*

The severance pay to employee is made in accordance with the guidance of Circular 180/2012/TT-BTC dated 24 October 2012 and is taken to the income statement at the time of arising.

The severance pay will be used to perform payment to employee when terminating labour contract in accordance with the Labour Code.

#### 4.22.3 *Unemployment allowance*

According to prevailing regulations, the Company is required to pay the unemployment insurance at 1% of salary fund of employees who engage in the unemployment insurance program and to deduct 1% from each employer's basic salary to contribute to the Unemployment Insurance Fund.

#### 4.23 **Foreign currency transactions**

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

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

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

#### 4.24 **Treasury shares**

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

#### 4.25 **Conversion of subsidiaries' financial statements into parent company's accounting currency**

Subsidiaries' financial statements which are prepared in the foreign currency that is different from the Parent Company's accounting currency are converted into the Parent Company's accounting currency for consolidation purpose. Actual transaction exchange rates used for converting subsidiaries' financial statements are determined as follows:

- ▶ For assets, the exchange rate used for translation is the banking buying rate at the reporting date;
- ▶ For liabilities, the exchange rate for translation is the banking selling rate at the reporting date.
- ▶ If the gap between the banking buying rate and banking selling rate does not exceed 0.2%, the Company is allowed to apply the average exchange rate.
- ▶ All items on the income statement and cash flow statement are converted using the actual exchange rate at the time of the transaction. Average exchange rate is allowed to be applied if it approximates the actual exchange rate at the time of the transaction (the difference is 2% or less). If the gap between the exchange rate at the beginning of the period and at the end of the period is higher than 20%, the Company shall apply the exchange rate at the end of the period.

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Foreign exchange rate difference arising from the translation of subsidiary's financial statements is accumulatively reflected in "Foreign exchange rate difference" item of the Owners' Equity section of the consolidated financial statements.

#### **4.26 Revenue recognition**

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

##### *Revenue from brokerage services*

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

##### *Revenue from trading of securities*

Revenue from trading of securities is determined by the difference between the selling price and the weighted average cost of securities sold.

##### *Other income*

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

##### *Interest income*

Revenue is recognized on accrual basis (taking into account the effective yield on the asset) unless collectability is in doubt.

##### *Dividends*

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

##### *Properties leasing revenue*

Properties leasing revenue is recognized into operational result on a straight-line basis over the leasing contract life.

##### *Other revenues from rendering services*

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

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

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#### **4.27 Borrowing costs**

Borrowing costs include accrued interest and other expenses which are directly attributable to the Company's borrowings and bonds issued.

#### **4.28 Cost of securities sold**

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

#### **4.29 Corporate income tax**

##### *Current income tax*

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

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

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

##### *Deferred income tax*

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

Deferred tax liabilities are recognized for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profits will be available against which deductible temporary differences, carry forward of unused tax credits and unused tax losses can be utilized, except where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to a certain extent that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Previously unrecognized deferred income tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset realized or the liability is settled based on tax rates and tax laws that have been enacted at the reporting date. Deferred tax is recorded to the income statement, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxable entity and the same

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taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

#### 4.30 *Owners' equity*

##### *Contributed capital from shareholders*

Contributed capital from stock issuance is recorded in Charter Capital at par value.

##### *Undistributed profit*

Undistributed profit comprises of realised and unrealised undistributed profit.

- ▶ Unrealised profit of the period is the difference between gain and loss arisen from revaluation of financial assets at FVTPL or other financial assets through profit and loss in the consolidated income statement and deferred corporate income tax payables arise from increase in revaluation of FVTPL financial assets.
- ▶ Realised profit during the period is the net difference between total revenue and income, and total expenses in the income statement of the Company, except for gain or loss arisen from revaluation of financial assets recognized in unrealised profit.

##### *Reserves*

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

	<u>Percentage of profit after tax</u>	<u>Maximum balance</u>
Charter Capital Supplementary Reserve	5%	10% of charter capital
Operational risk and finance Reserve	5%	10% of charter capital

Other reserves are appropriated in accordance with the Resolution of the General Meeting of Shareholder.

#### 4.31 *Appropriation of net profits*

Net profit after tax is available for appropriation to shareholders after being approved by the General Meeting of Shareholders and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

#### 4.32 *Nil balances*

Items or balances required by, Circular 334/2016/TT-BTC dated 27 December 2016 and Circular No. 146/2014/TT-BTC dated 6 October 2014 issued by the Ministry of Finance that are not shown in these financial statements indicate nil balance.

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#### 5. CASH AND CASH EQUIVALENTS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
<b>Cash</b>	<b>261,043,247,203</b>	<b>201,151,935,146</b>
Cash on hand	352,070,011	286,126,343
Cash at banks for the operation of the Company	260,691,177,192	200,865,808,803
<b>Cash equivalents</b>	<b>297,680,764,827</b>	<b>107,413,029,168</b>
<b>Total</b>	<b>558,724,012,030</b>	<b>308,564,964,314</b>

#### 6. VALUE AND VOLUME OF TRADING DURING THE PERIOD

	<i>Volume of trading</i> <i>during Q3/2017</i> <i>(Unit)</i>	<i>Value of trading during</i> <i>Q3/2017</i> <i>(VND)</i>
a. The Company	<b>48,310,249</b>	<b>4,992,705,854,500</b>
- Shares	2,130,249	44,947,844,500
- Bonds	46,180,000	4,947,758,010,000
- Other securities	-	-
b. Investors	<b>3,932,254,848</b>	<b>89,291,382,365,576</b>
- Shares	3,924,700,318	88,537,472,949,576
- Bonds	7,000,000	746,893,000,000
- Other securities	554,530	7,016,416,000
<b>Total</b>	<b>3,980,565,097</b>	<b>94,284,088,220,076</b>

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## 7. FINANCIAL ASSETS

### Concepts of financial assets

#### *Cost*

Cost of a financial asset is the amount of cash or cash equivalents paid, disbursed or payable of such financial asset at its initial recognition. The transaction costs incurred directly from the purchase of financial asset might be included in the cost of the financial asset or not depending on the category that the financial asset is classified in.

#### *Fair value/market value*

The fair value or market value of a financial asset is the price at which the financial asset would be traded voluntarily between knowledgeable parties on an arm's length basis.

The fair value/market value of securities is determined in Note 4.7.

#### *Amortised cost*

Amortized cost of a financial investment (which is debt instrument) is the amount at which the financial asset is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or irrecoverability (if any).

For presentation purpose, provision for diminution in value or irrecoverability of financial assets is recognised in "Provision for impairment of financial assets and mortgage assets" in the statement of financial position.

#### *Carrying amount*

Carrying amount of a financial asset is the amount at which the financial asset is recognized in the statement of financial position. Carrying amount of a financial asset might be recognised at the fair value or market value (for FVTPL and AFS financial assets) or at amortised cost (for HTM investments and loans).

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

	Ending balance		Beginning balance (restated)	
	Cost	Fair value	Cost	Fair value
	VND	VND	VND	VND
<b>Listed shares (1)</b>	<b>1,229,776,378,030</b>	<b>1,231,320,344,410</b>	<b>1,192,233,668,924</b>	<b>1,182,661,089,550</b>
HPG	118,755,072,479	141,882,148,400	62,389,734,766	62,883,142,250
SSC	89,052,898,063	101,283,138,000	165,218,161,649	116,537,119,900
FPT	13,472,063,466	13,407,030,000	183,082,847,113	183,665,416,000
PVS	65,438,050,342	63,029,100,800	77,970,999,907	63,439,447,600
DBC	286,494,198,091	282,718,790,800	251,288,227,278	291,843,753,000
ELC	206,857,597,895	149,209,408,800	206,857,447,945	235,373,954,000
PET	45,055,975,339	30,998,177,400	45,060,789,684	31,305,912,700
LAS	466,508,691	363,246,000	41,063,264,511	43,837,664,000
VAF	66,339,779,235	42,474,527,200	67,766,775,917	45,253,072,700
PLX	255,081,641,691	325,958,635,700		
Other listed shares	82,762,592,738	79,996,141,310	91,535,420,154	108,521,607,400
<b>Unlisted shares</b>	<b>134,268,418,880</b>	<b>130,446,669,437</b>	<b>82,191,081,939</b>	<b>64,047,684,853</b>
Viglacera Dap Cau Sheet Glass JSC.	15,200,000,000	-	15,200,000,000	-
Sunway Investment JSC.	15,000,000,000	46,258,949,161	15,000,000,000	44,021,457,129
Descon Construction Corporation JSC.	17,456,571,492	9,337,620,500	17,456,571,492	9,337,620,500
Other unlisted shares and fund certificated	86,611,847,388	74,850,099,776	34,534,510,447	10,688,607,224
<b>Listed Bonds</b>	<b>218,640,000,000</b>	<b>218,640,000,000</b>		
<b>Unlisted Bonds</b>	<b>301,155,479,500</b>	<b>301,155,479,500</b>	<b>302,337,500,100</b>	<b>302,337,500,100</b>
<b>Total</b>	<b>1,883,840,276,410</b>	<b>1,881,562,493,347</b>	<b>1,576,762,250,963</b>	<b>1,549,046,274,503</b>

(1) As at 30 September 2017, among the listed shares classified as financial assets at FVTPL, there are 11,400,000 shares with par value of VND 114,000,000,000 used as collaterals for bond issuance by the Company in phase 1 of 2016, and 2,781,088 shares with par value of VND 27,810,880,000 used as collaterals for short-term borrowings of the Company.

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## 7.2 Available-for-sale (AFS) financial assets

	Ending balance		Beginning balance (restated)	
	Cost VND	Carrying value VND	Cost VND	Fair value VND
<b>Listed shares (1)</b>	<b>688,044,779,653</b>	<b>1,539,518,806,000</b>	<b>814,610,060,866</b>	<b>1,450,302,936,240</b>
VSC	81,714,222,987	106,162,227,600	175,885,933,796	204,374,352,000
TMS	110,702,221,259	301,853,073,600	113,028,048,762	246,273,781,100
OPC	113,376,260,629	215,461,519,000	113,218,396,107	151,464,696,600
DHC	41,912,907,432	57,852,102,000	42,189,091,850	64,455,037,500
SGN	204,121,265,063	683,256,717,000	204,116,454,286	562,729,138,440
HAH	26,089,446,970	22,112,108,000	26,089,635,366	24,868,239,200
SGC	1,514,960,064	4,820,400,000	1,524,936,566	4,622,340,000
CTD	107,469,672,611	145,606,448,000	107,474,155,061	127,765,695,000
Other listed shares	1,143,822,639	2,394,210,800	31,083,409,072	63,749,656,400
<b>Unlisted shares</b>	<b>158,182,027,300</b>	<b>175,104,427,300</b>	<b>147,905,540,000</b>	<b>165,005,540,000</b>
Vietnam Engine and Agriculture Machinery Corporation JSC.	37,725,600,000	54,648,000,000	142,900,000,000	160,000,000,000
Pan Farm Join stock Company	53,408,921,300	53,408,921,300		
Other unlisted shares	67,047,506,000	67,047,506,000	5,005,540,000	5,005,540,000
<b>Total</b>	<b>846,226,806,953</b>	<b>1,714,623,233,300</b>	<b>962,515,600,866</b>	<b>1,615,308,476,240</b>

(1) As at 30 September 2017, among the listed shares classified as AFS financial assets, there are 7,489,600 shares with par value of VND 74,896,000,000 used as collaterals for bond issuance by the Company in phase 2 of 2017 and phase 1 of 2016, and 2,809,818 shares with par value of VND 28,098,180,000 used as collaterals for short-term borrowings of the Company.

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### 7.3 Held-to-maturity investments (HTM)

	<i>Ending Balance</i> VND	<i>Beginning balance</i> VND
Unlisted bonds	-	11,603,575,929
- TMS convertible bonds	-	11,603,575,929
Term deposits with original maturity of over 3 months to 1 year	6,708,782,064,177	5,232,140,149,255
<b>Total</b>	<b>6,708,782,064,177</b>	<b>5,243,743,725,184</b>

As at 30 September 2017, there are term deposits with original maturity of over 3 months to 1 year with balance of VND 2,316 billion that are used as collateral for bank overdraft, and VND 4,349 billion that are used as collaterals for short-term borrowings of the Company respectively.

### 7.4 Loans

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i> VND	<i>Fair value (3)</i> VND	<i>Cost</i> VND	<i>Fair value (3)</i> VND
Loans from margin activities (1)	4,436,000,183,607	4,415,445,802,592	3,564,875,010,978	3,536,444,006,045
Advances to investors	284,476,083,150	284,476,083,150	214,303,031,818	214,303,031,818
Advances under securities brokerage contract (2)	8,600,500,833	8,600,500,833	-	-
<b>Total</b>	<b>4,729,076,767,590</b>	<b>4,708,522,386,575</b>	<b>3,779,178,042,796</b>	<b>3,750,747,037,863</b>

(1) Securities under margin transaction are used as collaterals for the loans granted by the Company to investors. As at 30 September 2017 and 31 December 2016, the par value of those securities that are used as collaterals for margin trading was VND 5,201,259,845,000 and VND 5,207,197,455,000 respectively.

(2) These relate to brokerage contracts for selling bonds held by customers; whereby the Company advances to customers for the period that bonds are awaiting to be sold..

(3) The fair value of loans are measured at book value less provision for doubtful debt.

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## 7.5 Change in market values of financial assets

Financial assets	Ending balance				Beginning balance (restated)			
	Cost (VND)	Revaluation difference		Revaluated value (VND)	Cost (VND)	Revaluation difference		Revaluated value (VND)
		Increase (VND)	Decrease (VND)			Increase (VND)	Decrease (VND)	
<b>FVTPL</b>	<b>1,883,840,276,410</b>	<b>152,239,319,480</b>	<b>(154,517,102,543)</b>	<b>1,881,562,493,347</b>	<b>1,576,762,250,963</b>	<b>123,378,771,491</b>	<b>(151,094,747,873)</b>	<b>1,549,046,274,503</b>
Listed shares	1,229,776,378,030	112,657,060,336	(111,113,093,956)	1,231,320,344,410	1,192,233,668,924	91,209,567,974	(100,782,147,828)	1,182,661,089,550
Unlisted shares	134,268,418,880	39,582,259,144	(43,404,008,587)	130,446,669,437	82,191,081,939	32,169,203,517	(50,312,600,045)	64,047,684,853
Listed bonds	218,640,000,000	-	-	218,640,000,000	-	-	-	-
Unlisted bonds	301,155,479,500	-	-	301,155,479,500	302,337,500,100	-	-	302,337,500,100
<b>AFS</b>	<b>846,226,806,953</b>	<b>872,424,226,098</b>	<b>(4,027,799,751)</b>	<b>1,714,623,233,300</b>	<b>962,515,600,866</b>	<b>655,482,365,517</b>	<b>(2,689,490,143)</b>	<b>1,615,308,476,240</b>
Listed shares	688,044,779,653	855,501,826,098	(4,027,799,751)	1,539,518,806,000	814,610,060,866	638,382,365,517	(2,689,490,143)	1,450,302,936,240
Unlisted shares	158,182,027,300	16,922,400,000	-	175,104,427,300	147,905,540,000	17,100,000,000	-	165,005,540,000
<b>Total</b>	<b>2,730,067,083,363</b>	<b>1,024,663,545,578</b>	<b>(158,544,902,294)</b>	<b>3,596,185,726,647</b>	<b>2,539,277,851,829</b>	<b>778,861,137,008</b>	<b>(153,784,238,016)</b>	<b>3,164,354,750,743</b>

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**8. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND MORTGAGE ASSETS**

	<i>Ending balance</i> <u>VND</u>	<i>Beginning balance</i> <u>VND</u>
Loans	(20,554,381,015)	(28,431,004,933)

The provision is made for impairment of loans from margin activities.

**9. RECEIVABLES**

	<i>Ending balance</i> <u>VND</u>	<i>Beginning balance</i> <u>VND</u>
1. Receivables from disposal of investments	2,813,847,570	53,486,347,570
<i>In which: doubtful debts</i>	2,531,847,570	2,531,847,570
2. Receivables and accruals from dividend and interest income	3,752,708,600	133,000,000
<i>In which: doubtful debts</i>	133,000,000	133,000,000
3. Advances to suppliers	23,506,518,057	21,135,273,595
4. Receivables from services provided by the Company	29,407,626,454	36,101,403,942
<i>In which: doubtful debts</i>	12,596,693,312	12,971,609,076
5. Other receivables	6,107,239,736	3,002,523,445
<i>In which: doubtful debts</i>	388,517,477	388,517,477
6. Provision for impairment of receivables	(15,578,561,312)	(15,922,492,654)
<b>Total</b>	<b><u>50,009,379,105</u></b>	<b><u>97,936,055,898</u></b>

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### Details of provision for impairment of receivables

	Ending balance of doubtful debts VND	Beginning balance of provision VND	Addition VND	Reversal VND	Ending balance of provision VND	Beginning balance of doubtful debts VND
Provision for doubtful receivables from disposal of financial assets	2,531,847,570	2,531,847,570	-	-	2,531,847,570	2,531,847,570
- <i>Dang Van Sy</i>	2,531,847,570	2,531,847,570	-	-	2,531,847,570	2,531,847,570
Provision for doubtful dividend, interest income receivables	133,000,000	133,000,000	-	-	133,000,000	133,000,000
- <i>Dividend receivable from Pyramid New Technology Trade Corporation</i>	133,000,000	133,000,000	-	-	133,000,000	133,000,000
Doubtful receivables from services provided by the Company	12,596,693,312	12,869,127,607	119,498,819	463,430,161	12,525,196,265	12,971,609,076
- <i>Pyramid New Technology Trade Corporation – advisory fee</i>	525,000,000	525,000,000	-	-	525,000,000	525,000,000
- <i>Thai Hoa JSC.</i>	80,000,000	80,000,000	-	-	80,000,000	80,000,000
- <i>Eloge France Vietnam JV Pharmaceuticals Company</i>	80,000,000	80,000,000	-	-	80,000,000	80,000,000
- <i>Saigon Maritime JSC.</i>	270,000,000	270,000,000	-	-	270,000,000	270,000,000
- <i>VIGLACERA Dong Trieu JSC.</i>	-	101,000,000	-	101,000,000	-	101,000,000
- <i>Vietnam Electricity Construction Joint-stock Corporation</i>	150,000,000	150,000,000	-	-	150,000,000	150,000,000
- <i>Que Phong Hydropower JSC.</i>	142,994,095	42,898,229	28,598,819	-	71,497,048	142,994,095
- <i>KSA POLYMER Hanoi JSC</i>	100,000,000	30,000,000	30,000,000	30,000,000	150,000,000	142,994,095
- <i>Deo Ca Investment JSC</i>	203,000,000	60,900,000	60,900,000	60,900,000	270,000,000	270,000,000
- <i>Overdue receivables from margin activities – retail investors</i>	11,348,699,217	11,620,229,378	-	271,530,161	11,348,699,217	11,622,614,981
Other doubtful receivables	388,517,477	388,517,477	-	-	388,517,477	388,517,477
- <i>Proceeds from disposal of assets</i>	309,521,422	309,521,422	-	-	309,521,422	309,521,422
- <i>Other receivables</i>	78,996,055	78,996,055	-	-	78,996,055	78,996,055
<b>Total</b>	<b>15,650,058,359</b>	<b>15,922,492,654</b>	<b>119,498,819</b>	<b>463,430,161</b>	<b>15,578,561,312</b>	<b>16,024,974,123</b>

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

#### 10. OTHER SHORT-TERM ASSETS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Advances	13,594,162,490	9,231,952,863
Short-term prepaid expenses	8,400,303,673	7,665,228,021
- <i>Prepayment for office tools</i>	2,763,883,478	1,694,143,977
- <i>Prepayment for services</i>	5,636,420,195	5,971,084,044
Short-term deposits, collaterals and pledges	931,833,660	893,430,260
Other current assets	127,109,566,100	80,713,062,323
- <i>Investment of which pay-back receipt is in progress (*)</i>	125,639,376,100	80,305,580,600
- <i>Company's Derivative deposit</i>	476,190,000	
- <i>Other</i>	994,000,000	407,481,723
Tools and supplies	98,468,357	-
<b>Total</b>	<b>150.134.334.280</b>	<b>98,503,673,467</b>

(\*) These represent short-term cost of investment relating to the contract between the Company and its customers for selling the shares of Hoang Anh Gia Lai International Agriculture JSC, previously known as Hoang Anh Gia Lai Rubber JSC. Accordingly, the customer will make payments to the Company in accordance with the payment schedule specified in the contract. The control of shares will be transferred to the buyer in line with the payment schedule. The underlying shares after transfer will be blocked and used as collateral assets for the contract. The value of investment awaiting for payback is determined as the difference between original costs of the investment sold, awaiting for payback and the provision for diminution in value of collaterals based on their market value at reporting date.

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

## 11. LONG-TERM INVESTMENTS

	Voting right of the Company	Ownership rate of the Company	Ending balance VND	Beginning balance VND
Held-to-maturity investments			155,399,552,630	41,007,379,429
- Term deposits with maturity of more than 1 year (1)			55,259,589,907	41,007,379,429
- Bonds held-to-maturity			100,139,962,723	
Investments in associates (2)			810,590,868,962	709,336,586,920
- Pan Group (PAN)	20.10%	20.02%	567,708,774,766	478,275,257,353
- Dong Nai Port JSC. (PDN)	20.01%	20.00%	81,666,680,876	74,703,544,923
- Vietnam Fumigation JSC. (VFG)	20.01%	20.00%	161,215,413,321	156,357,784,644
<b>Total</b>			<b>965,990,421,592</b>	<b>750,343,966,349</b>

(1) As at 30 September 2017, term deposits with balance of VND 55 billion and maturity of more than 1 year are used as collaterals for short-term borrowings .

(2) As at 30 September 2017, among the investments in associates, 12,960,666 shares with par value of VND 129,606,660,000 are used as collaterals for bond issuance in phase 2 of 2017 and 7,987,271 shares with par value of VND 79,872,710,000 are used as collaterals for short-term borrowings of the Company.

Movements of investments in associates of the Company for the period ended 30 September 2017 and 30 September 2016 are as follows:

	Nine-month period ended 30 September 2017 VND	Nine-month period ended 30 September 2016 VND
Beginning balance	709,336,586,920	637,417,114,391
Purchase	320,400	8,405,600,000
Adjustment made due to change in ownership rate of associates in their subsidiaries	27,477,735,128	(3,891,899,609)
Gain from associates recognized in the consolidated income statement during the period	90,195,719,014	59,893,429,330
- Goodwill amortisation	-	-
- Share of profit during the period	90,195,719,014	59,893,429,330
Dividend received	(16,419,492,500)	(14,922,198,700)
Other capital		(4,002,070,842)
<b>Ending balance</b>	<b>810,590,868,962</b>	<b>682,899,974,570</b>

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

## 12. TANGIBLE FIXED ASSETS

	<i>Buildings and architectures VND</i>	<i>Office machineries VND</i>	<i>Means of transportation VND</i>	<i>Office equipment VND</i>	<i>Total VND</i>
<b>Cost</b>					
Beginning balance	2,609,391,520	71,546,030,857	14,504,261,403	1,293,553,642	89,953,237,422
Increase	-	16,546,467,757	5,241,004,000	-	21,787,471,757
<i>Purchases</i>	-	16,546,467,757	5,241,004,000	-	21,787,471,757
Decrease	-	(150,191,000)	(2,193,848,703)	-	(2,344,039,703)
<i>Disposals</i>	-	(150,191,000)	(2,193,848,703)	-	(2,344,039,703)
Closing balance	<b>2,609,391,520</b>	<b>87,942,307,614</b>	<b>17,551,416,700</b>	<b>1,293,553,642</b>	<b>109,396,669,476</b>
<b>Accumulated depreciation</b>					
Beginning balance	2,609,391,520	62,871,311,680	10,728,739,431	1,174,346,307	77,383,788,938
Increase	-	4,003,271,522	915,599,587	49,801,335	4,968,672,444
<i>Depreciation</i>	-	4,003,271,522	915,599,587	49,801,335	4,968,672,444
Decrease	-	(150,191,000)	(2,193,848,703)	-	(2,344,039,703)
<i>Disposals</i>	-	(150,191,000)	(2,193,848,703)	-	(2,344,039,703)
Closing balance	<b>2,609,391,520</b>	<b>66,724,392,202</b>	<b>9,450,490,315</b>	<b>1,224,147,642</b>	<b>80,008,421,679</b>
<b>Net book value</b>					
Beginning balance	-	8,674,719,177	3,775,521,972	119,207,335	12,569,448,484
Closing balance	-	<b>21,217,915,412</b>	<b>8,100,926,385</b>	<b>69,406,000</b>	<b>29,388,247,797</b>

### Additional information on tangible fixed assets:

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Cost of tangible fixed asset which are fully depreciated but still in active use	<b>64,216,579,438</b>	<b>64,947,047,965</b>

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

**13. INTANGIBLE FIXED ASSETS**

	Software VND	Land use rights VND	Other intangible fixed assets VND	Total VND
<b>Cost</b>				
Beginning balance	56,887,231,019	109,671,558,000	6,649,215,842	173,208,004,861
Increase	2,328,304,000	-	75,000,000	2,403,304,000
<i>Purchases</i>	2,328,304,000	-	75,000,000	2,403,304,000
Decrease	-	-	-	-
Closing balance	<b>59,215,535,019</b>	<b>109,671,558,000</b>	<b>6,724,215,842</b>	<b>175,611,308,861</b>
<b>Accumulated amortisation</b>				
Beginning balance	50,188,404,092	-	4,172,166,570	54,360,570,662
Increase	1,993,072,813	-	755,927,916	2,749,000,729
<i>Amortisation</i>	1,993,072,813	-	755,927,916	2,749,000,729
Decrease	-	-	-	-
Closing balance	<b>52,181,476,905</b>	<b>-</b>	<b>4,928,094,486</b>	<b>57,109,571,391</b>
<b>Net book value</b>				
Beginning balance	6,698,826,927	109,671,558,000	2,477,049,272	118,847,434,199
Closing balance	<b>7,034,058,114</b>	<b>109,671,558,000</b>	<b>1,796,121,356</b>	<b>118,501,737,470</b>

**Additional information on intangible fixed assets:**

	Ending balance VND	Beginning balance VND
Land use rights used as collaterals for bond issuance	109,671,558,000	109,671,558,000
Cost of intangible fixed asset which are fully depreciated but still in active use	48,505,076,411	48,118,076,411
<b>Total</b>	<b>158,176,634,411</b>	<b>157,789,634,411</b>

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

#### 14. INVESTMENT PROPERTIES

	<i>Buildings and lands</i> <i>VND</i>
<b>Cost</b>	
Beginning balance	314,275,801,824
Decrease	(414,976,851)
- Exchange rate difference arising from conversion of subsidiary's financial statements	<u>(414,976,851)</u>
Closing balance	<u><b>313,860,824,973</b></u>
<b>Accumulated amortisation</b>	
Beginning balance	52,934,629,860
Depreciation	6,989,472,332
Dcrease	(69,382,682)
- Exchange rate difference arising from conversion of subsidiary's financial statements	<u>(69,382,682)</u>
Closing balance	<u><b>59,854,719,510</b></u>
<b>Net book value</b>	
Beginning balance	261,341,171,964
Closing balance	<u><b>254,006,105,463</b></u>

Investment properties are six (06) buildings in the United States of America which were bought by SSI International Company for leasing purpose. As at 30 September 2017, the cost of those assets was recorded in USD and converted into VND in SSIC financial statements using transfer exchange rate of commercial bank where the Company maintains bank account. Difference arising from the conversion is to be presented in the "Foreign exchange difference" item in Owners' equity. Rental revenue for period ended at 30 September 2017 amounted to VND 804,220,550.

#### 15. CONSTRUCTION IN PROGRESS

	<i>Ending balance</i> <i>VND</i>	<i>Beginning balance</i> <i>VND</i>
Software development	24,681,379,804	20,770,698,684
Other expenses (Office machineries)	<u>26,006,810,328</u>	<u>26,006,810,328</u>
<b>Total</b>	<u><b>50,688,190,132</b></u>	<u><b>46,777,509,012</b></u>

#### 16. LONG-TERM PREPAID EXPENSES

	<i>Ending balance</i> <i>VND</i>	<i>Beginning balance</i> <i>VND</i>
Other long-term prepaid expenses	<u>35,444,700,128</u>	<u>25,895,763,102</u>

Long-term prepaid expenses include cost of furniture, office equipment, repair and exterior decoration of the Company. These expenses are amortized to the income statement for the maximum period of 36 months.

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

#### 17. DEFERRED INCOME TAX ASSETS AND PAYABLES

Deferred corporate income tax assets and deferred corporate income tax payables arise due to following temporary differences that are non-deductible in term of corporate income tax:

	<i>Ending balance</i> VND	<i>Beginning balance</i> <i>(restated)</i> VND
<b>Deferred income tax asset</b>		
Provision for unlisted share arising from temporary non-deductible taxable in the period	6,236,942,201	7,567,907,481
Provision for diminution in value of the temporary non-deductible taxable investment awaiting for payback	27,875,030,855	39,731,416,589
Provision for impairment of temporary non-deductible taxable loans	6,380,616,046	8,010,246,862
Temporary taxable income incurred in 2015	25,774,769,047	27,131,335,840
Unrealised revenue resulting from consolidated financial statement	5,658,251,567	5,658,251,567
Temporary taxable expenses incurred in 2016	1,262,123	-
<b>Total</b>	<b><u>71,926,871,839</u></b>	<b><u>88,099,158,339</u></b>
<b>Deferred income tax payable</b>		
Gain from revaluation of FVTPL financial assets	30,230,879,818	24,616,425,620
Deferred income tax payable from income of subsidiary	<u>(1,662,955,752)</u>	<u>57,285,850</u>
<b>Total</b>	<b><u>28,567,924,066</u></b>	<b><u>24,673,711,470</u></b>

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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#### 18. PAYMENT FOR SETTLEMENT ASSISTANCE FUND

Payment for settlement assistance fund represents the amounts deposited at Vietnam Securities Depository.

According to Decision No. 57/QĐ-VSD dated 28 May 2012 issued by the General Director of the Vietnam Securities Depository, Decision No. 87/2007/QĐ-BTC dated 22 October 2007 by the Minister of Finance regarding the issuance of regulations on registration, custody, clearing and settlement of securities, Circular No. 43/2010/TT-BTC dated 25 March 2010 amending and supplementing the regulations on registration, custody, clearing and settlement of securities, Decision No. 27/QĐ-VSD dated 13 March 2015 on the promulgation of regulations on management and use of the settlement assistance fund by the General Director of the Vietnam Securities Depository; the Company must deposit an initial amount of VND120 million at the Vietnam Securities Depository and pay an addition of 0.01% of the total amount of brokered securities in the previous year, but not over VND 2.5 billion per annum.

Details of the settlement assistance fund are as follows:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Initial payment	6,087,814,535	6,087,814,535
Addition	7,872,720,527	7,872,720,527
Accrued interest	6,039,464,938	6,039,464,938
<b>Total</b>	<b>20,000,000,000</b>	<b>20,000,000,000</b>

#### 19. COLLATERALS AND PLEDGED ASSETS

As at the date of these consolidated financial statements, the following assets have been used as collaterals for borrowings:

<i>Assets</i>	<i>Ending balance</i> VND	<i>Beginning balance</i> VND	<i>Purposes</i>
<b>Short-term</b>			
- Financial assets at FVTPL (par value)	141,810,880,000	130,810,880,000	Collaterals for bond issuance and short-term borrowings
- AFS financial assets (par value)	102,994,180,000	98,494,180,000	Collaterals for bond issuance and short-term borrowings
- Term deposits with maturity of 3 months to 1 year	6,665,000,000,000	5,168,100,000,000	Collaterals for short-term borrowings and bank overdraft
<b>Long-term</b>			
- Term deposits with maturity of more than 1 year	55,000,000,000	41,000,000,000	Collaterals for short-term borrowings
- Investments in associates (par value)	209,479,370,000	185,139,370,000	Collaterals for bond issuance and short-term borrowings
- Intangible fixed assets	109,671,558,000	109,671,558,000	Collaterals for bond issuance
<b>Total</b>	<b>7,283,955,988,000</b>	<b>5,733,215,988,000</b>	

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**20. SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES**

	Interest rate % per annum	Beginning balance VND	Addition during the period VND	Repayment during the period VND	Ending balance VND
<b>Short-term borrowings</b>		<b>4,819,340,678,085</b>	<b>33,300,809,456,229</b>	<b>31,302,481,286,127</b>	<b>6,817,668,848,187</b>
Bank overdrafts	0.8 – 7	1,254,340,678,085	22,638,279,456,229	21,791,481,286,127	2,101,138,848,187
Short-term borrowings from banks	1.5 – 7	3,565,000,000,000	10,662,530,000,000	9,511,000,000,000	4,716,530,000,000
- JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank)		2,971,000,000,000	6,866,000,000,000	6,337,000,000,000	3,500,000,000,000
- Vietnam International Commercial JS Bank (VIB)		247,000,000,000	570,000,000,000	627,000,000,000	190,000,000,000
- Sinopac-Hongkong Bank (*)		-	136,530,000,000	-	136,530,000,000
- Vietnam Technological and Commercial Joint- stock Bank		-	1,120,000,000,000	880,000,000,000	240,000,000,000
- National citizen Join-Stock Bank (NBB)		-	200,000,000,000	-	200,000,000,000
- Hochiminh House Development Join Stock Commercial Bank (HDBank)		-	530,000,000,000	530,000,000,000	-
- Petrolimex Group Commercial JS Bank (PG Bank)		347,000,000,000	1,240,000,000,000	1,137,000,000,000	450,000,000,000
<b>Short-term finance lease liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>		<b>4,819,340,678,085</b>	<b>33,300,809,456,229</b>	<b>31,302,481,286,127</b>	<b>6,817,668,848,187</b>

(\*) The borrowing from Sinopac- Hong Kong Bank No BFL/HK/161019/238 valued 6 millions USD with 2.97%, 3 months from 19/5/2017 to 18/8/2017 which was recorded at 22.755 VND/USD exchange rate, and was extended to 31/10/2017 with 3.12%. This borrowing was hedged by a currency forward contract to BIDV dated 18/8/2017 at 6,038,436 USD. The different exchange rate between forward contract and the incurred borrowing date was amortized and recognized as an unrealized loss from foreign exchange rate difference.

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 21. BOND ISSUANCE

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
<b>Short-term bond issuance</b>	<b>199,816,666,662</b>	<b>376,000,000,000</b>
SSIBOND012015	-	76,000,000,000
SSIBOND022015	-	300,000,000,000
SSIBOND012016	200,000,000,000	-
Cost to issue SSIBOND012016	(183,333,338)	-
<b>Long-term bond issuance</b>	<b>569,262,500,000</b>	<b>199,651,666,665</b>
SSIBOND012016	-	200,000,000,000
SSIBOND012017	269,500,000,000	-
SSIBOND022017	300,000,000,000	-
Cost to issue SSIBOND012016 bonds	-	(348,333,335)
Cost to issue SSIBOND022017 bonds	(237,500,000)	-
<b>Total</b>	<b>769,079,166,662</b>	<b>575,651,666,665</b>

SSIBOND012015 are ordinary bonds, issued in phase 1 in January 2015 under Resolution No. 02/2014/NQ/DHDCD dated 22 December 2014 with quantity of 1000 bonds and par value of VND500 million per bond. These are unsecured bonds, with a 2 year-term and a commitment to repurchase on every 6-month basis. Its interest rate, which was 8.2% per annum in the first year, will be adjusted in the subsequent year. In January 2017, SSIBOND012015 was matured.

SSIBOND022015 are the ordinary bonds, which were issued in phase 2 in April 2015 under Resolution No. 02/2014/NQ/DHDCD dated 22 December 2014 with quantity of 600 bonds and par value of VND500 million per bond. These bonds are collateralized using the Company's listed shares and land use rights in accordance with the bond contracts. These bonds are secured in 2 years which bear interest at rate which is the maximum of 1.5% and the average interest rate of 12 months savings deposit denominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam International Commercial Joint Stock Bank (Ly Thuong Kiet branch, Hanoi). In April 2017, SSIBOND022015 was matured.

SSIBOND012016 are ordinary bonds, which were issued in phase 1 in August 2016 under Resolution No. 03/2016/NQ/HDQT dated 28 July 2016 with quantity of 200 bonds and par value of VND 1 billion per bond. These bonds are collateralized using the Company's listed shares in accordance with the bond contracts. These bonds are secured in 2 years which bear interest at rate which is maximum of 1.2% per year and the average interest rate of 12 months savings deposit dominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam International Commercial Joint Stock Bank (Ly Thuong Kiet branch, Hanoi).

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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SSIBOND012017 are ordinary bonds, which were issued in phase 1 in January 2017 under Resolution No. 01/2017/NQ-HĐQT dated 16 January 2017 with quantity of 600 bonds and par value of VND 500 million per bond. These are unsecured bonds with interest rate for the first year (12 months from issuing date) is 8.5% per annum. For the subsequent year, the interest rate is defined equivalent to maximum of 2% per year and the average interest rate of 12 months or 364 days savings deposit dominated in VND ("reference interest") will be published at determined-interest date and by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam Bank for Agriculture and Rural Development (operation center). In case any of those 4 banks does not publish the reference rate, the reference rate will be the average interest rate of the others published at the determined-interest date. In 2017, the Company repurchased 61 bonds with total par value of VND 30,500,000,000

SSIBOND022017 are ordinary bonds, which were issued in phase 2 in April 2017 under Resolution No. 05/2017/NQ-HĐQT dated 21 April 2017 with quantity of 600 bonds and par value of VND 500 million per bond. These bonds are collateralized using the Company's listed shares and real estate in accordance with the bond contracts. These bonds are secured in 2 years which bear interest at rate which is maximum of 1.2% per year and the average interest rate of 12 months savings deposit dominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch), Vietnam Bank for Agriculture and Rural Development (operation center branch), and Vietnam International Commercial JS Bank (Head office)

## 22. PAYABLES FOR SECURITIES TRADING ACTIVITIES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Payables to Stock Exchange (payables for purchases of financial assets)	271,794,358,226	39,617,787,653
<b>Total</b>	<b><u>271,794,358,226</u></b>	<b><u>39,617,787,653</u></b>

## 23. PAYABLES TO SUPPLIERS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
<b>Short-term</b>	<b>3,703,342,540</b>	<b>9,261,510,278</b>
Services fee payables	-	2,261,250,000
TTT Trading and Construction JSC.	2,418,020,814	2,418,020,814
Other payables	1,285,321,726	4,582,239,464
<b>Long-term</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b><u>3,703,342,540</u></b>	<b><u>9,261,510,278</u></b>

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

#### 24. TAXATION AND STATUTORY OBLIGATIONS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Value added tax	118,622,328	5,482,965,448
Corporate income tax	37,561,827,703	51,481,407,842
Personal income tax	16,156,784,462	14,280,175,092
Other taxes (foreign contractors withholding tax)	2,242,351,427	2,572,254,856
<b>Total</b>	<b>56,079,585,920</b>	<b>73,816,803,238</b>

#### 25. ACCRUED EXPENSES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
<b>Short-term</b>	<b>66,000,740,201</b>	<b>62,998,576,869</b>
Accrued payable to Stock Exchange and Vietnam Securities Depository	9,632,745,016	6,468,105,688
Interest payable for bonds issued by the Company	28,567,472,793	28,295,676,827
Interest payable for borrowings	6,185,521,505	5,667,044,384
Accrued expenses on securities brokerage contracts	247,777,778	981,350,992
Accrued services fee	775,000,000	630,000,000
Commission payable to counter parties	3,717,658,172	2,212,907,642
Accrued a part of 13 <sup>th</sup> month salary	8,254,378,000	
Others	8,620,186,937	18,743,491,336
<b>Long-term</b>	-	-
<b>Total</b>	<b>66,000,740,201</b>	<b>62,998,576,869</b>

#### 26. OTHER SHORT-TERM PAYABLES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Deposits from customers under securities purchase contracts (*)	200,000,000,000	262,800,421,276
Dividend, bond coupon payables	5,797,361,240	6,192,199,774
<i>Dividend payables to the Company's shareholders</i>	5,097,240,750	5,490,560,750
<i>Coupon payables for bonds issued by the Company</i>	700,120,490	701,639,024
Payables to customers relating for the proceeds from purchase/sale of securities	-	28,354,700,000
Other payables	1,485,561,675	2,768,579,757
<b>Total</b>	<b>207,282,922,915</b>	<b>300,115,900,807</b>

(\*) Deposits from customers under securities purchase contracts represent cash deposits of customers related to securities brokerage and securities purchase contracts. The Company has commitment to use these deposits for purchasing securities as requested by customers.

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

## 27. LONG-TERM UNREALISED REVENUE

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Unrealized revenue from:		
Disposal of an associate (BBC)	8,144,100,724	8,144,100,724
Disposal of an associate (SSC)	19,186,831,881	19,186,831,881
Disposal of an associate (LAF)	1,688,248,597	1,688,248,597
Disposal of other associate	4,491,927,766	4,491,927,766
<b>Total</b>	<b><u>33,511,108,968</u></b>	<b><u>33,511,108,968</u></b>

Unrealised profit is recorded when the Company sells shares to an associate. The above figures are presented in correspondence to the Company's ownership rate in the associates which purchased those shares.

## 28. OWNERS' EQUITY

### 28.1 Undistributed profit

	<i>Ending balance</i> VND	<i>Beginning balance</i> <i>(restated)</i> VND
Realized profit (Undistributed)	2,401,741,199,363	1,727,170,255,230
Unrealized profit	(32,547,708,714)	(52,332,402,080)
Unrealized profit and Deferred tax on FVTPL financial assets revaluation	(32,508,662,881)	(52,332,402,080)
Difference in exchange rate of currency forward contract	(39,045,833)	-
<b>Total</b>	<b><u>2,369,193,490,649</u></b>	<b><u>1,674,837,853,150</u></b>

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

**28.2 Changes in owners' equity**

	Share capital VND	Share premium VND	Treasury shares VND	Other capital VND	Difference from revaluation of assets at fair value VND	Foreign exchange rate differences VND	Charter capital supplementary reserve VND	Operational and financial reserve VND	Undistributed profit VND	Non-controlling interests VND	Total VND
Beginning balance (restated)	4,900,636,840,000	29,265,860,000	(2,492,782,800)	-	652,792,875,374	34,056,420,954	311,560,605,893	227,053,011,209	1,674,837,853,150	79,101,184,212	7,906,811,867,992
Profit after tax	-	-	-	-	-	-	-	-	815,973,998,243	-	815,973,998,243
Cost to issue share	-	(34,000,000)	-	-	-	-	-	-	-	-	(34,000,000)
Revaluation of AFS financial assets	-	-	-	-	215,603,550,974	-	-	-	-	-	215,603,550,974
Selling treasury shares	-	221,905,501	209,094,499	-	-	-	-	-	-	-	431,000,000
Foreign exchange rate differences arising from conversion of subsidiary's financial statements	-	-	-	-	-	(477,648,444)	-	-	-	-	(477,648,444)
Charter capital supplementary reserve	-	-	-	-	-	-	43,851,792,903	-	(43,851,792,903)	-	-
Operational and financial reserve	-	-	-	-	-	-	-	43,851,792,903	(43,851,792,903)	-	-
Bonus, welfare and charity funds under Resolution of the General Meeting of Shareholders	-	-	-	-	-	-	-	-	(61,392,510,065)	-	(61,392,510,065)
Difference arising from associates' changes of investment portion in their subsidiaries	-	-	-	-	-	-	-	-	27,477,735,126	-	27,477,735,126
Non-controlling interest	-	-	-	-	-	-	-	-	-	(1,800,691,476)	(1,800,691,476)
<b>Ending balance</b>	<b>4,900,636,840,000</b>	<b>29,453,765,501</b>	<b>(2,283,686,301)</b>	<b>-</b>	<b>868,396,426,348</b>	<b>33,578,772,510</b>	<b>355,412,398,796</b>	<b>270,904,804,112</b>	<b>2,369,193,490,649</b>	<b>77,300,492,736</b>	<b>8,902,693,302,351</b>

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

**28.3 Shares**

	<i>Ending balance (shares)</i>	<i>Beginning balance (shares)</i>
<b>Authorized shares</b>	<b>490,063,684</b>	<b>490,063,684</b>
<b>Issued shares</b>	<b>490,063,684</b>	<b>490,063,684</b>
Shares issued and fully paid	490,063,684	490,063,684
- <i>Ordinary shares</i>	490,063,684	490,063,684
- <i>Preference shares</i>	-	-
<b>Treasury shares</b>	<b>(218,434)</b>	<b>(238,434)</b>
Treasury shares held by the Company	(218,434)	(238,434)
- <i>Ordinary shares</i>	(218,434)	(238,434)
- <i>Preference shares</i>	-	-
<b>Outstanding shares</b>	<b>489,845,250</b>	<b>489,825,250</b>
- <i>Ordinary shares</i>	489,845,250	489,825,250
- <i>Preference shares</i>	-	-

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

## 29. GAIN/ (LOSS) FROM FINANCIAL ASSETS

### 29.1. Gain/(loss) from disposal of financial assets at FVTPL

No	Financial assets	Quantity Unit	Selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Gain from disposal in Q3/2017 VND	Gain from disposal in Q3/2016 (restated) VND
<b>I</b>	<b>Gain from disposal</b>						
<b>1</b>	<b>Listed shares</b>	<b>6,422,361</b>		<b>199,580,016,530</b>	<b>159,252,118,480</b>	<b>40,327,898,050</b>	<b>104,362,018,676</b>
	PLX	681,620	67,918	46,294,598,118	31,408,321,647	14,886,276,471	
	SSC	1,346,890	70,000	94,282,300,000	76,165,263,586	18,117,036,414	
	LAS	3,075,300	13,285	40,856,678,912	37,207,495,527	3,649,183,385	1,870,522,042
	ABC	143,100	47,437	6,788,300,000	4,650,750,000	2,137,550,000	101,180,000
	ACB	37,500	25,874	970,270,000	691,346,779	278,923,221	
	HPG	9,650	32,024	309,027,500	274,313,231	34,714,269	47,250,919,539
	GIL						18,180,147,226
	Other listed shares	1,128,301		10,078,842,000	8,854,627,711	1,224,214,289	36,959,249,869
<b>2</b>	<b>Unlisted shares</b>	<b>2,500,000</b>		<b>55,283,400,000</b>	<b>52,483,400,000</b>	<b>2,800,000,000</b>	
	Vietnam Engine and Agriculture Machinery Corporation JSC.	2,500,000	22,113	55,283,400,000	52,483,400,000	2,800,000,000	
<b>3</b>	<b>Listed bonds</b>	<b>22,840,000</b>		<b>2,449,168,940,000</b>	<b>2,438,316,070,000</b>	<b>10,852,870,000</b>	<b>30,224,212,103</b>
	TP_TD1727397	2,500,000	103,138	257,845,000,000	252,687,500,000	5,157,500,000	
	TP_TD1724416	500,000	102,785	51,392,500,000	51,013,500,000	379,000,000	
	TP_TD1727396	1,000,000	104,386	104,386,000,000	102,093,000,000	2,293,000,000	
	TP_TD1732404	1,000,000	108,863	108,863,000,000	106,464,000,000	2,399,000,000	
	TP_TD1518355	2,000,000	106,479	212,958,000,000	212,908,000,000	50,000,000	3,497,500,000
	TP_TD1518356	2,500,000	106,016	265,040,000,000	264,977,500,000	62,500,000	1,706,833,333
	Other listed bonds	13,340,000		1,448,684,440,000	1,448,172,570,000	511,870,000	25,019,878,770
<b>4</b>	<b>Derivative contract</b>				<b>16,750,000</b>		-
	<b>Total</b>	<b>31,762,361</b>		<b>2,704,032,356,530</b>	<b>2,650,051,588,480</b>	<b>53,997,518,050</b>	<b>134,586,230,779</b>

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

**29.1. Gain/(loss) from disposal of financial assets at FVTPL (continued)**

No	Financial assets	Quantity Unit	Selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Loss from disposal in Q3/2017 VND	Loss from disposal in Q3/2016 (restated) VND
<b>II</b>	<b>Loss from disposal</b>						
<b>1</b>	<b>Listed shares</b>	<b>7,343,665</b>		<b>180,351,546,280</b>	<b>212,316,853,277</b>	<b>(31,965,306,997)</b>	<b>(9,709,836,303)</b>
	ABC	1,161,302	19,836	23,035,240,000	36,275,250,000	(13,240,010,000)	
	PVS	3,860,000	16,800	64,848,000,000	77,810,665,580	(12,962,665,580)	
	VSC	979,210	57,557	56,360,449,480	61,831,497,477	(5,471,047,997)	
	Other listed shares	1,343,153		36,107,856,800	36,399,440,220	(291,583,420)	(9,709,836,303)
<b>2</b>	<b>Unlisted shares</b>	<b>370,000</b>		<b>7,659,000,000</b>	<b>7,770,000,000</b>	<b>(111,000,000)</b>	
<b>3</b>	<b>Bonds</b>						<b>(3,383,429,026)</b>
<b>4</b>	<b>Derivative contract</b>					<b>(28,300,000)</b>	
	<b>Total</b>	<b>7,713,665</b>	<b>-</b>	<b>188,010,546,280</b>	<b>220,086,853,277</b>	<b>(32,104,606,997)</b>	<b>(13,093,265,329)</b>

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended

## 29.2. Gain/ (loss) from revaluation of financial assets

No.	Financial assets	Cost VND	Carrying value VND	Revaluation difference at the end of the period (2) VND	Revaluation difference at the beginning of the period(1) (restated) VND	Gain/(loss) recorded in Q3/2017(2)-(1) VND	Increase VND	Decrease VND
<b>I</b>	<b>FVTPL</b>	<b>1,883,840,276,410</b>	<b>1,881,562,493,347</b>	<b>(2,277,783,063)</b>	<b>74,488,930,610</b>	<b>(76,766,713,673)</b>	<b>53,118,766,986</b>	<b>(129,885,480,659)</b>
1	Listed shares	1,229,776,378,030	1,231,320,344,410	1,543,966,380	84,275,101,408	(82,731,135,028)	47,154,345,631	(129,885,480,659)
	PVS	65,438,050,342	63,029,100,800	(2,408,949,542)	(12,984,000,407)	10,575,050,865	10,575,658,108	(607,243)
	ELC	206,857,597,895	149,209,408,800	(57,648,189,095)	(2,570,619,545)	(55,077,569,550)	-	(55,077,569,550)
	SSC	89,052,898,063	101,283,138,000	12,230,239,937	(695,168,849)	12,925,408,786	12,925,408,786	-
	DBC	286,494,198,091	282,718,790,800	(3,775,407,291)	(3,761,140,666)	(14,266,625)	1,170,300	(15,436,925)
	VAF	66,339,779,235	42,474,527,200	(23,865,252,035)	(15,655,889,635)	(8,209,362,400)	-	(8,209,362,400)
	LAS	466,508,691	363,246,000	(103,262,691)	5,332,895,794	(5,436,158,485)	39,707,900	(5,475,866,385)
	PLX	255,081,641,691	325,958,635,700	70,876,994,009	97,130,421,702	(26,253,427,693)	-	(26,253,427,693)
	HPG	118,755,072,479	141,882,148,400	23,127,075,921	1,643,989,024	21,483,086,897	21,507,322,537	(24,235,640)
	Other listed shares	141,290,631,543	124,401,348,710	(16,889,282,833)	15,834,613,990	(32,723,896,823)	2,105,078,000	(34,828,974,823)
2	Unlisted shares	134,268,418,880	130,446,669,437	(3,821,749,443)	(9,786,170,798)	5,964,421,355	5,964,421,355	-
	DCC	17,456,571,492	9,337,620,500	(8,118,950,992)	(8,118,950,992)	-	-	-
	Other unlisted shares	116,811,847,388	121,109,048,937	4,297,201,549	(1,667,219,806)	5,964,421,355	5,964,421,355	-
3	Listed Bonds	218,640,000,000	218,640,000,000	-	-	-	-	-
4	Unlisted Bonds	301,155,479,500	301,155,479,500	-	-	-	-	-

Saigon Securities Incorporation

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3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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No.	Financial assets	Cost VND	Carrying value VND	Revaluation difference at the end of the period (2) VND	Revaluation difference at the beginning of the period (1) (restated) VND	Gain/(loss) recorded in Q3/2017 (2) –(1) VND	Increase VND	Decrease VND
<b>II</b>	<b>AFS</b>	<b>846,226,806,953</b>	<b>1,714,623,233,300</b>	<b>868,396,426,347</b>	<b>993,790,921,935</b>	<b>(125,394,495,588)</b>	<b>11,939,786,510</b>	<b>(137,334,282,098)</b>
1	Listed shares	688,044,779,653	1,539,518,806,000	851,474,026,347	956,818,821,935	(105,344,795,588)	11,939,786,510	(117,284,582,098)
	VSC	81,714,222,987	106,162,227,600	24,448,004,613	46,954,304,999	(22,506,300,386)	-	(22,506,300,386)
	TMS	110,702,221,259	301,853,073,600	191,150,852,341	199,200,752,144	(8,049,899,803)	-	(8,049,899,803)
	OPC	113,376,260,629	215,461,519,000	102,085,258,371	92,758,275,493	9,326,982,878	9,338,656,000	(11,673,122)
	CTD	107,469,672,611	145,606,448,000	38,136,775,389	44,098,289,539	(5,961,514,150)	775,389	(5,962,289,539)
	DHC	41,912,907,432	57,852,102,000	15,939,194,568	13,582,851,041	2,356,343,527	2,356,419,000	(75,473)
	HAH	26,089,446,970	22,112,108,000	(3,977,338,970)	(3,785,132,166)	(192,206,804)	69,196	(192,276,000)
	SGN	204,121,265,063	683,256,717,000	479,135,451,937	556,784,145,914	(77,648,693,977)	-	(77,648,693,977)
	Other shares	2,658,782,703	7,214,610,800	4,555,828,097	7,225,334,970	(2,669,506,873)	243,866,925	(2,913,373,798)
2	Unlisted shares	158,182,027,300	175,104,427,300	16,922,400,000	36,972,100,000	(20,049,700,000)	-	(20,049,700,000)
	VEAM	37,725,600,000	54,648,000,000	16,922,400,000	36,972,100,000	(20,049,700,000)	-	(20,049,700,000)
	Other shares	120,456,427,300	120,456,427,300	-	-	-	-	-
<b>Total</b>		<b>2,730,067,083,363</b>	<b>3,596,185,726,647</b>	<b>866,118,643,284</b>	<b>1,068,279,852,545</b>	<b>(202,161,209,261)</b>	<b>65,058,553,496</b>	<b>(267,219,762,757)</b>

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**29.3. Dividend, interest income from financial assets at FVTPL, HTM investments, loans and receivables, AFS financial assets**

	Q3/2017 VND	Q3/2016 (restated) VND	Nine-month period ended 30 September 2017 VND	Nine-month period ended 30 September 2016 (restated) VND
From financial assets at FVTPL	31,139,757,526	11,966,223,500	43,288,702,976	36,984,090,300
From HTM financial assets	117,501,736,538	100,121,923,822	316,481,000,747	250,011,330,803
From loans and receivables	131,458,287,138	113,502,967,745	368,796,700,974	319,620,278,141
From AFS financial assets	49,759,141,067	143,848,067,451	135,731,191,041	295,231,587,799
Dividend, interest arising from AFS financial assets	19,030,536,400	6,109,756,000	23,349,143,100	64,019,977,478
Difference arising from revaluation of AFS financial assets at fair value when reclassification for selling purpose	30,728,604,667	137,738,311,451	112,382,048,441	231,211,610,321
VSC	9,706,913,186	10,078,647,212	12,742,020,330	10,078,647,212
TMS	310,164,922	38,526,871,340	15,702,372,699	111,791,980,359
VEAM	19,257,700,000	-	49,435,600,000	-
VHL	9,359,999	19,845,459,962	32,744,864,591	40,053,191,710
Others	1,444,466,560	69,287,332,937	1,757,190,821	69,287,791,040
<b>Total</b>	<b>329,858,902,269</b>	<b>369,439,182,518</b>	<b>864,297,595,738</b>	<b>901,847,287,043</b>

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as at 30 September 2017 and for the three-month period then ended

### 30. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND DOUBTFUL DEBTS

	Q3/2017 VND	Q3/2016 (restated) VND	Nine-month period ended 30 September 2017 VND	Nine-month period ended 30 September 2016 (restated) VND
(Reversal)/Provision for impairment of loans (Reversal)/Provision for impairment of assets used as collaterals for the investment awaiting for payback (Note 10)	3,063,805,940	-	(7,876,623,918)	31,150,434,842
	13,600,138,650	-	(59,281,928,678)	-
<b>Total</b>	<b>16,663,944,590</b>	<b>-</b>	<b>(67,158,552,596)</b>	<b>31,150,434,842</b>

### 31. OTHER OPERATING REVENUE

	Q3/2017 VND	Q3/2016 (restated) VND	Nine-month period ended 30 September 2017 VND	Nine-month period ended 30 September 2016 (restated) VND
Revenue from leasing assets	181,344,490	1,535,005,597	1,351,840,382	4,590,602,661
Revenue from other financial services	325,528,578	11,320,734,354	2,821,127,667	16,639,476,748
Revenue from fund management	6,711,424,407	2,484,862,224	18,440,216,858	5,561,086,309
Revenue from trusted portfolio management	4,914,154,373	3,020,704,335	9,676,291,617	3,909,377,089
Revenue from interest on investment awaiting for payback due to late payment	143,965,049	-	20,874,932,183	-
Other revenues	955,188,884	1,019,809,657	2,412,435,295	2,201,254,941
<b>Total</b>	<b>13,231,605,781</b>	<b>19,381,116,167</b>	<b>55,576,844,002</b>	<b>32,901,797,748</b>

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3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 32. EXPENSES FOR OPERATING ACTIVITIES

	Q3/2017 VND	Q3/2016 (restated) VND	Nine-month period ended 30 September 2017 VND	Nine-month period ended 30 September 2016 (restated) VND
Expenses for securities brokerage activities (payables to Stock Exchanges, payroll, employees and others)	118,251,125,134	90,999,004,080	337,207,784,308	229,008,783,784
Expenses for securities underwriting activities and securities issuance agency services	-	-	110,277,956	-
Expenses for financial advisory activities	3,321,289,038	(1,212,817,820)	19,770,119,289	13,782,751,167
Expenses for securities investment advisory activities	3,716,511,662	2,809,928,908	12,717,405,394	9,594,752,893
Expenses for securities custodian activities	4,734,819,378	3,664,475,731	13,354,888,729	10,519,271,990
Other operating expenses (Note 33)	22,003,751,389	15,270,870,171	54,117,408,152	44,297,913,272
<b>Total</b>	<b>152,027,496,601</b>	<b>111,531,461,070</b>	<b>437,277,883,828</b>	<b>307,203,473,106</b>

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### EXPENSES FOR OPERATING ACTIVITIES DETAIL BY ITEMS

	Q3/2017 VND	Q3/2016 (restated) VND	Nine-month period ended 30 September 2017 VND	Nine-month period ended 30 September 2016 (restated) VND
Brokerage expenses	42,592,462,496	27,806,915,184	118,584,532,093	74,343,155,999
Expenses for securities custodian activities	4,734,819,378	3,664,475,731	13,354,888,729	10,519,271,990
Salary expenses and other	59,832,523,236	43,600,163,245	174,950,744,473	117,411,536,518
Statutory social security, health insurance, union fee and unemployment insurance expenses	3,256,618,250	2,672,965,000	9,278,862,500	7,671,775,500
Office supplies expenses	240,984,749	168,031,489	673,234,946	462,081,385
Instruments and tools expenses	1,589,233,522	719,251,510	3,987,250,122	2,206,820,641
Depreciation of fixed assets and Investment properties	3,728,498,377	3,051,959,172	10,703,620,370	9,629,886,830
Expenses of provision	(196,523,724)	-	(343,931,342)	1,365,606,139
Outsourced services	18,881,262,183	14,574,985,760	61,758,500,486	44,988,924,292
Capital expenses	13,086,187,375	8,252,551,996	27,838,731,359	23,216,653,439
Expenses of shared profit on portfolio management activities	2,938,841,234	982,106,147	8,433,189,238	2,032,062,629
Other expenses	1,342,589,525	6,038,055,836	8,058,260,854	13,355,697,744
<b>Total</b>	<b>152,027,496,601</b>	<b>111,531,461,070</b>	<b>437,277,883,828</b>	<b>307,203,473,106</b>

### 33. OTHER OPERATING EXPENSES

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	Q3/2017 VND	Q3/2016 (restated) VND	Nine-month period ended 30 September 2017 VND	Nine-month period ended 30 September 2016 (restated) VND
Expenses for funds management activities	2,422,592,445	1,667,879,965	6,712,880,673	4,722,491,859
Expense for trusted portfolios management activities	854,969,554	105,292,332	1,032,805,346	174,482,720
Expense for securities investment advisory services	4,176,524,234	1,383,196,071	12,045,389,958	4,806,044,385
Expenses for securities repurchase agreements	-	135,706,230	-	2,586,478,392
Expenses for deposits of investors for securities brokerage activities	10,100,904,001	6,366,911,660	19,899,002,778	15,898,768,249
Office rental expense	3,489,069,748	4,675,692,589	11,591,806,394	12,154,126,058
Provision for doubtful debts	(196,523,724)	-	(343,931,342)	1,365,606,139
Provision for receivables from services provided by the Company	(196,523,724)	-	(343,931,342)	1,365,606,139
Other expenses	1,156,215,131	936,191,324	3,179,454,345	2,589,915,470
<b>Total</b>	<b>22,003,751,389</b>	<b>15,270,870,171</b>	<b>54,117,408,152</b>	<b>44,297,913,272</b>

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## 34. FINANCE INCOME

	Q3/2017 VND	Q3/2016 VND	Nine-month period ended 30 September 2017 VND	Nine-month period ended 30 September 2016 VND
Foreign exchange rate differences	117,068,797	3,627,967	451,559,307	65,975,908
Interest income from demand deposits	7,819,428,860	6,340,712,212	31,656,487,990	16,782,794,825
Share of profit in associates	55,414,395,369	19,148,853,340	90,195,719,014	59,893,429,332
<b>Total</b>	<b>63,350,893,026</b>	<b>25,493,193,519</b>	<b>122,303,766,311</b>	<b>76,742,200,065</b>

## 35. FINANCE EXPENSES

	Q3/2017 VND	Q3/2016 VND	9 months period ended 30 September 2017 VND	9 months period ended 30 September 2016 (restated) VND
Unrealized loss from foreign exchange rate difference	39,045,833	-	39,045,833	-
Realized loss from foreign exchange rate difference	616,619,989	111,919,616	1,393,302,766	128,700,748
Interest expenses on bonds issued	15,659,602,900	11,254,240,953	44,373,510,992	37,101,685,385
Interest expenses on short-term borrowings	70,707,574,057	64,543,039,807	194,199,042,053	162,412,185,402
<b>Total</b>	<b>87,022,842,779</b>	<b>75,909,200,376</b>	<b>240,004,901,644</b>	<b>199,642,571,535</b>

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## 36. GENERAL AND ADMINISTRATIVE EXPENSES

	Q3/2017 VND	Q3/2016 VND	nine-months period ended 30 September 2017 VND	nine-months period ended 30 September 2016 (restated) VND
Exposure on payroll and bonus	16,912,452,726	18,150,559,648	54,818,800,508	50,671,831,840
Social security, health insurance, union fee and unemployment insurance	1,047,062,000	1,009,467,000	3,118,694,000	2,865,586,939
Office supplies	220,287,872	258,977,744	855,075,121	629,933,730
Tools	357,156,604	542,924,065	1,133,452,802	1,252,911,365
Depreciation expenses	1,501,202,208	1,272,693,465	3,983,689,406	4,133,433,193
External service expenses	12,720,361,120	11,781,994,070	41,411,202,475	37,394,617,477
Other expenses	884,654,531	2,425,559,315	4,296,689,798	6,343,163,853
<b>Total</b>	<b>33,643,177,061</b>	<b>35,442,175,307</b>	<b>109,617,604,110</b>	<b>103,291,478,397</b>

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**37. OTHER INCOME AND EXPENSES**

	Q3/2017 VND	Q3/2016 VND	nine-months period ended 30 September 2017 VND	nine-months period ended 30 September 2016 VND
<b>Other income</b>				
Income from disposal of fixed assets	449,454,545	4,545,455	449,454,545	4,545,455
Other incomes	536,368,059	584,968,507	1,931,735,845	1,577,135,017
<b>Total other incomes</b>	<b>985,822,604</b>	<b>589,513,962</b>	<b>2,381,190,390</b>	<b>1,581,680,472</b>
<b>Other expenses</b>				
Expense from disposal of fixed assets	(190,400,653)	(3,320,138)	(296,292,866)	(65,929,568)
Other expenses	(190,400,653)	(3,320,138)	(296,292,863)	(65,929,568)
<b>Total other expenses</b>	<b>795,421,951</b>	<b>586,193,824</b>	<b>2,084,897,527</b>	<b>1,515,750,904</b>
<b>Total</b>				

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**38. CORPORATE INCOME TAX**

**38.1 Corporate income tax ("CIT")**

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

The current tax payable is based on taxable profit for the year. The taxable profit of the Company for the year differs from the profit as reported in the comprehensive income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the reporting date. The Company is subject to CIT rate of 20% over taxable income in accordance to Circular 78/2014/TT-BTC with validity from 02 August 2014.

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The estimated current corporate income tax is represented in the table below:

	Nine-month period ended 30 September 2017 VND	Nine-month period ended 30 September 2016 (restated) VND
<b>Profit before tax</b>	<b>979,169,370,065</b>	<b>1,023,157,284,689</b>
Adjustments to increase/(decrease) accounting profit:		
Adjustments to increase accounting profit:		
- Provision for diminution in value of unlisted shares at the end of period	31,184,711,000	37,839,537,400
- Provision for impairment of investment awaiting for payback at the end of period	139,375,154,267	49,994,489,716
- Loss from revaluation of FVTPL financial assets	238,143,105,580	197,326,856,085
- Provision for impairment of loans and receivables at the end of period	31,903,080,232	31,150,434,842
Adjustments to decrease accounting profit:		
- Income from tax exempted activities – dividends	(63,038,121,326)	(63,055,083,500)
- Reversal of provision for securities for nine months	(4,642,758,185)	(13,443,521,643)
- Reversal of provision expenses for unlisted shares at the beginning of the year	(37,839,537,400)	(40,956,993,400)
- Reversal of provision for investment awaiting for payback at the beginning of the year	(198,657,082,945)	(49,994,489,716)
- Reversal of provision for impairment of loans and receivables at the beginning of the year	(40,051,234,311)	-
- Gain from revaluation of FVTPL financial assets	(263,581,298,979)	(258,499,999,871)
- Revenue from investment awaiting for payback calculated tax in 2015	(6,782,833,960)	(553,825,937)
- Temporary difference taxable previous year		(45,365,282,268)
- Profit before tax from subsidiaries	(69,887,978,174)	(59,893,429,333)
- Gain from investments in associates	(90,195,719,014)	(59,893,429,333)
<b>Estimated current taxable income</b>	<b>645,098,856,850</b>	<b>807,705,977,064</b>
Corporate income tax rate	20%	20%
<b>Estimated CIT expenses</b>	<b>129,019,771,370</b>	<b>161,541,195,413</b>
<b>Estimated CIT expenses in subsidiaries</b>	<b>15,680,806,745</b>	<b>10,642,706,540</b>
CIT payable at the beginning of the year	51,481,407,842	75,215,403,673
CIT adjustment in accordance with tax finalization	37,959,054	181,317,272
CIT adjustment in accordance with tax inspection	191,027,032	
CIT paid in the period	(158,849,144,340)	(165,968,198,161)
<b>CIT payable at the end of the period</b>	<b>37,561,827,703</b>	<b>81,612,424,737</b>

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### 38.2 Deferred corporate income tax

Movement of deferred CIT assets during the period is as follows:

	Nine-month period ended 30 September 2017 VND	Nine-month period ended 30 September 2016 (restated) VND
<b>Deferred income tax assets</b>		
<b>Beginning balance</b>	<b>88,099,158,339</b>	<b>50,979,884,031</b>
(Decrease)/ Increase of non deductible provision for diminution in value of unlisted shares in the period	(1,330,965,280)	(623,491,200)
Provision for impairment of investment awaiting for payback in the period	(11,856,385,736)	
Temporary taxable income in 2015 from investment awaiting for payback incurred	(1,356,566,792)	
Temporary taxable difference in previous year	1,262,123	-
Provision for impairment of non-deductible taxable loans in the period	(1,629,630,816)	6,230,086,968
<b>Ending balance</b>	<b>71,926,871,839</b>	<b>56,586,479,799</b>
<b>Payable income tax deferred</b>		
Beginning balance	<b>24,673,711,470</b>	<b>8,859,594,297</b>
Gain from revaluation of FVTPL financial assets	5,614,454,199	14,928,972,225
Temporary non-taxable income from subsidiary	(1,720,241,602)	(1,239,925,274)
<b>Ending balance</b>	<b>28,567,924,066</b>	<b>22,548,641,248</b>

Deferred tax (income)/expense are charged to the income statement for the period ended 30 September 2017 and 30 September 2016 as follows:

	Nine-month period ended 30 September 2017 VND	Nine-month period ended 30 September 2016 (restated) VND
<b>Deferred tax (income)/expense</b>		
Provision for diminution in value of unlisted shares	1,330,965,280	623,491,200
Provision for impairment of investment awaiting for payback	11,856,385,736	-
Deferred CIT expense/(income) arising from provision for impairment of loans	1,629,630,816	(6,230,086,968)
Temporary non-taxable income from subsidiary	(1,720,241,601)	(1,239,925,274)
Deferred income tax from revenue for investment awaiting for payback calculated tax in 2015	1,356,566,792	-
Gain from revaluation of FVTPL financial assets	5,614,454,199	14,928,972,225
Deferred CIT income arising from temporary taxable difference of which tax has been paid in previous year	(1,262,123)	-
<b>Deferred tax (income)/expense</b>	<b>20,066,499,098</b>	<b>8,082,451,183</b>

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### 39. ACCUMULATED OTHER COMPREHENSIVE INCOME

<i>Item</i>	<i>Beginning balance (restated)</i>	<i>Movement during the period</i>	<i>Changes in owners' equity recorded in income statement</i>	<i>Ending balance</i>
Gain/(loss) from revaluation of AFS finance assets	652,792,875,374	326,517,463,780	(110,913,912,806)	868,396,426,348

### 40. ADDITIONAL INFORMATION FOR STATEMENT OF CHANGES IN OWNERS' EQUITY

Incomes and expenses, gains or losses which are recorded directly to owners' equity:

	Nine-month period ended 30 September 2017 VND	Nine-month period ended 30 September 2016 (restated) VND
Income recorded directly to owners' equity	243,081,286,100	-
- Gain from revaluation of AFS financial assets and reclassification as selling	215,603,550,974	-
- Gain from associate' changes of investment portion in its subsidiaries	27,477,735,126	-
Expense recorded directly to owners' equity	-	(105,283,563,954)
- Loss from revaluation of AFS financial assets and reclassification as selling	-	(101,391,664,346)
- Loss arising from associates' changes of investment portion in its subsidiaries	-	(3,891,899,608)
<b>Total</b>	<b>243,081,286,100</b>	<b>(105,283,563,954)</b>

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#### 41. OTHER INFORMATION

##### 41.1 *Transactions with related parties*

List of related parties and relationships with the Company is as follows:

<u>Related parties</u>	<u>Relationships</u>
NDH Invest Ltd. and its subsidiaries	SSI's Chairman is the owner of NDH Invest Ltd.
Daiwa Securities Group Inc.	Strategic shareholder
The PAN Group JSC. and its subsidiaries	Chairman of SSI is also the Chairman of the PAN Group, Associate
Vietnam Fumigation JSC	Associate
Dong Nai Port JSC	Associate
Saigon Dan Linh Real Estate Co., Ltd	Deputy CEO of SSI is also the Chairman of Saigon Dan Linh Real Estate Co.
Nguyen Saigon Co., Ltd	The Chairman of Nguyen Saigon Co., is the brother of SSI's Chairman

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Significant balances and transactions with related parties as at 30 September 2017 and for the period then ended are as follows:

Parties	Transaction	Receivables/(Payables)			Revenues/ (Expenses) VND
		Beginning VND	Increase VND	Decrease VND	
The PAN Group JSC. and its subsidiaries	Advance for selling securities, securities transaction fee and custodian fee	-	322,995,897	(322,995,897)	-
	Consultant fee	6,000,000,000	-	(6,000,000,000)	-
	Storage and service expenses	-	(249,433,800)	249,433,800	-
	Deposit for securities brokerage services	-	(599,705,641,700)	599,705,641,700	-
	Interest payable for securities brokerage deposit	-	(7,457,292,890)	7,457,292,890	-
NDH invest Company Ltd. and its subsidiaries	Expense for commodity purchase	(151,152,000)	(54,320,000)	205,472,000	(7,457,292,890)
	Capital contribution under the equity method	501,355,459,256	52,981,492,789	-	(54,320,000)
					554,336,952,045
DAIWA SECURITIES GROUP INC	Advance for selling securities, securities transaction fee and service fees	-	4,875,000	(4,875,000)	-
	Portfolio management fee	9,178,208	27,534,624	(18,356,416)	18,356,416
	Advisory and service fee	-	1,183,050,000	(1,183,050,000)	-
	Consulting service expense	(233,475,000)	-	233,475,000	-
Saigon Dan Linh Real Estate Co., Ltd	Service fee	-	296,535,403	(296,535,403)	-
	Fund management fee	5,446,259,592	872,463,854	(2,399,233)	6,316,324,213
Vietnam Furnigation JSC.	Advance for selling securities, securities transaction fee and custodian fee	-	40,203,208	(40,203,208)	-
	Capital contribution under the equity method	157,635,613,255	4,954,136,330	(4,756,079,000)	157,833,670,585
Dong Nai Port JSC.	Capital contribution under the equity method	76,148,007,630	5,518,673,246	-	81,666,680,876
					40,203,208
					269,577,639
					872,463,854
					4,953,815,930
					5,518,673,246

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Parties	Transaction	Receivables/(Payables)		Ending VND	Revenues/ (Expenses) VND
		Beginning VND	Increases VND		
Nguyen Saigon Co., Ltd	Advance for selling securities, securities transaction fee and custodian fee Receivable from margin trading	- -	179,091,415 9,654,382,850	(179,091,415) (9,654,382,850)	179,089,815 27,950,768
Other parties	Purchase of bonds issued by SSI Payables for bond interest issued by SSI	(60,000,000,000) (2,295,000,000)	- (1,303,333,333)	- (3,598,333,333)	- (1,303,333,333)

Total remuneration of members of the Board of Directors and the Board of Management:

	Q3/2017 (VND)	Q3/2016 (VND)
Salary and bonus	2,551,400,000	2,475,400,000
Other benefits	-	-
<b>Total</b>	<b>2,551,400,000</b>	<b>2,475,423,000</b>

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#### 41.2 Segment information

##### Segment information by business lines

	Brokerage and customer services VND	Proprietary trading VND	Treasury VND	Portfolio Management VND	Investment banking and others VND	Total VND
<b>3<sup>rd</sup> Quarter of 2017</b>						
1. Direct income	310,900,288,302	246,127,438,483	122,763,673,021	15,492,931,401	109,566,894	695,393,898,101
2. Direct expenses	137,506,508,862	189,694,345,484	82,551,474,083	1,863,521,558	6,719,458,786	418,335,308,773
3. Depreciation and allocated expenses	19,051,697,964	4,680,805,103	2,627,820,409	1,560,268,368	4,927,163,267	32,847,755,110
<b>Profit before tax</b>	<b>154,342,081,476</b>	<b>51,752,287,896</b>	<b>37,584,378,529</b>	<b>12,069,141,475</b>	<b>(11,537,055,159)</b>	<b>244,210,834,218</b>
<b>Ending balance</b>						
1. Direct segment assets	4,743,862,500,902	4,961,860,014,160	7,061,722,418,911	35,433,845,169	4,053,754,034	16,806,932,533,176
2. Allocated segment assets	158,986,175,128	39,061,258,544	21,929,127,604	13,020,419,515	41,117,114,257	274,114,095,048
3. Unallocated assets						271,379,242,477
<b>Total assets</b>	<b>4,902,848,676,030</b>	<b>5,000,921,272,704</b>	<b>7,083,651,546,515</b>	<b>48,454,264,684</b>	<b>45,170,868,291</b>	<b>17,352,425,870,701</b>
1. Direct segment liabilities	413,492,836,006	706,145,661,960	7,024,841,313,793	6,541,868,976	5,502,831,157	8,156,524,511,892
2. Allocated segment liabilities	115,748,096,694	28,438,109,964	15,965,254,716	9,479,369,988	29,934,852,593	199,565,683,955
3. Unallocated liabilities						93,742,372,502
<b>Total liabilities</b>	<b>529,240,932,700</b>	<b>734,583,771,924</b>	<b>7,040,806,568,509</b>	<b>16,021,238,964</b>	<b>35,437,683,750</b>	<b>8,449,832,568,349</b>

##### Segment information by geographic area

Company's activities are mainly in the territory of Vietnam.

The Company has a subsidiary, SSI International Incorporated ("SSIIC"), which operates in the US real estate business. However, SSIIC's total revenue, expenses and total assets are very low compared to its total revenue, expense and total assets (about 2% to 4%). As a result, the Company does not present segmental reports by geographical area in the notes to the consolidated financial statements

3<sup>rd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 September 2017 and for the three-month period then ended


#### 42. KEY OPERATIONAL FACTORS WHICH IMPACTED THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's 3<sup>rd</sup> Quarter of 2017 consolidate accounting profit after tax is VND 216,507,931,314, making a decrease of 41% (equivalent to VND 148,651,938,457) in comparison with 3<sup>rd</sup> Quarter of 2016. Such decrease mainly resulted from decreases in gain from disposal of financial assets at FVTPL (VND 80,588,712,729), decrease in gain from available-for-sale (AFS) (VND 94,088,926,384) and increase in loss from revaluation of financial assets at FVTPL (VND 59,878,761,899) of 3<sup>rd</sup> Quarter of 2017 in comparison with 3<sup>rd</sup> Quarter of 2016.

#### 43. EVENT AFTER THE REPORTING DATE

Resolution No. 68/2017/NQ-HĐQT dated 21 September 2017 of the Company's Board of Directors was issued with the plan of dividend payment for the year 2016 as follows: the record date for dividend payment: October 10<sup>th</sup>, 2017; the payment date: October 20<sup>st</sup>, 2017 and amount of payment: VND1,000 per share.

Except for the aforementioned events, there has been no matter or circumstance that has arisen since the reporting date that has affected or may significantly affect the operations of the Company and the 3<sup>rd</sup> Quarter of 2017 results of its operations which is required to be disclosed in the 3<sup>rd</sup> Quarter of 2017 consolidated financial statements.

  
Ms. Nguyen Thi Hai Anh  
Prepared by

  
Ms. Hoang Thi Minh Thuy  
Chief Accountant

  
Mr. Nguyen Hong Nam  
Deputy Chief Executive  
Officer

Ho Chi Minh City, Vietnam

30 October 2017