



Ho Chi Minh City, April 27, 2020

Ref. 653/2020/CV-SSIHO

Re: Disclosure of audited Consolidated FS, Separate FS and FSR report 2019 in English

**INFORMATION DISCLOSURE ON ELECTRONIC PORTAL
OF THE STATE SECURITIES COMMISSION AND HO CHI MINH
STOCK EXCHANGE**

To: - The State Securities Commission
- Ho Chi Minh Stock Exchange
- Hanoi Stock Exchange

Name of the Company: **SSI SECURITIES CORPORATION**
Ticker: SSI
Address: 72 Nguyen Hue Street, Ben Nghe Ward, District 1, HCMC, Vietnam
Telephone: (84-28) 38242897
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Spokesman: Nguyen Hong Nam
Address: 72 Nguyen Hue Street, Ben Nghe Ward, District 1, HCMC, Vietnam
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Type of information 24 hours 72 hours irregular info. on demand periodic info.

Information disclosure:

English version of the audited Consolidated Financial Statements, Separate Financial Statements, and Financial Safety Ratio Report, as at December 31, 2019.

This information was posted on SSI website on April 27, 2020 at this link www.ssi.com.vn.

The Company undertakes and bears full responsibilities for accuracy and completeness of the information above.

On behalf of the Company
Party authorized to information disclosure



Nguyen Hong Nam
Deputy Chief Executive Officer

SSI Securities Corporation

Consolidated financial statements

For the year ended 31 December 2019



SSI Securities Corporation

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SSI Securities Corporation

GENERAL INFORMATION

THE COMPANY

SSI Securities Corporation ("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 the 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 31 December 2019, in accordance with the latest Amended License No. 03/GPDC-UBCK granted by the Chairman of State Securities Commission, which has been effective since 23 January 2019, the Company's total charter capital was VND 5,100,636,840,000.

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 service and derivatives trading. The Company's Head Office is located at 72 Nguyen Hue Boulevard, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam. As at 31 December 2019, 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.

As at 31 December 2019, the Company has two (02) directly owned subsidiaries, one (01) indirectly owned subsidiary and one (01) associate.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of the consolidated financial statements are as follows:

<u>Name</u>	<u>Title</u>	<u>Election/Resignation</u>
Mr. Nguyen Duy Hung	Chairman	Re-elected on 23 April 2015
Mr. Nguyen Hong Nam	Member	Re-elected on 25 April 2019
Mr. Ngo Van Diem	Member	Re-elected on 21 April 2017
Mr. Bui Quang Nghiem	Member	Resigned on 25 April 2019
Mr. Nguyen Duy Khanh	Member	Elected on 23 April 2015
Mr. Hironoki Oka	Member	Elected on 23 April 2015
Mr. Pham Viet Muon	Member	Elected on 25 April 2019

BOARD OF SUPERVISION

Members of Board of Supervision during the year and at the date of the consolidated financial statements are as follows:

<u>Name</u>	<u>Title</u>	<u>Election</u>
Mr. Nguyen Van Khai	Head of the Board of Supervision	Re-elected on 25 April 2016
Mr. Dang Phong Luu	Member	Re-elected on 23 April 2015
Ms. Le Cam Binh	Member	Elected on 20 April 2018

SSI Securities Corporation

GENERAL INFORMATION (continued)

MANAGEMENT

Members of the Management during the year and at the date of the consolidated financial statements are as follows:

<u>Name</u>	<u>Title</u>	<u>Appointment/Reappointment</u>
Mr. Nguyen Duy Hung	Chief Executive Officer	Appointed on 5 March 2007
Mr. Nguyen Hong Nam	Deputy Chief Executive Officer	Re-appointed on 5 September 2003

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of the consolidated financial statements is Mr. Nguyen Duy Hung, Chairman of the Board of Directors cum Chief Executive Officer.

AUDITORS

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

SSI Securities Corporation

REPORT OF MANAGEMENT

Management of SSI Securities Corporation (“the Company”) is pleased to present its report and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2019.

MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Company and its subsidiaries and of the consolidated results of its operations, its consolidated cash flows and its consolidated changes in owners’ equity for the year. In preparing those consolidated financial statements, Management is required to:

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

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

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company and its subsidiaries as at 31 December 2019 and of the consolidated results of its operations, its consolidated cash flow statement and its consolidated statement of changes in owners’ equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and statutory requirements relevant to preparation and presentation of the consolidated financial statements.

For and on behalf of Management:




Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam

24 March 2020

Reference No.: 60755007/21213723-HN

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders of
SSI Securities Corporation**

We have audited the accompanying consolidated financial statements of SSI Securities Corporation ("the Company") and its subsidiaries as prepared on 24 March 2020 and set out on pages 6 to 90 which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated income statement, the consolidated cash flow statement and the consolidated statement of changes in owners' equity for the year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Company and its subsidiaries as at 31 December 2019, and of the consolidated results of their operations, their consolidated cash flows and their consolidated changes in owners' equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and statutory requirements relevant to preparation and presentation of consolidated financial statements.

Ernst & Young Vietnam Limited




Trinh Hoang Anh
Deputy General Director
Audit Practising Registration
Certificate No. 2071-2018-004-1



Tran Thi Thu Hien
Auditor
Audit Practising Registration
Certificate No. 2487-2018-004-1

Ha Noi, Vietnam

24 March 2020

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2019

Currency: VND

Code	ITEMS	Notes	Ending balance	Opening balance
100	A. CURRENT ASSETS		22,290,867,181,933	22,270,357,215,928
110	I. Financial assets		22,255,950,496,752	22,237,874,265,510
111	1. Cash and cash equivalents	5	1,040,782,610,354	612,880,138,860
111.1	1.1. Cash		260,631,829,536	312,863,700,842
111.2	1.2. Cash equivalents		780,150,780,818	300,016,438,018
112	2. Financial assets at fair value through profit and loss (FVTPL)	7.1	4,315,244,773,067	2,039,985,819,918
113	3. Held-to-maturity (HTM) investments	7.3	10,721,931,457,865	12,326,240,312,685
114	4. Loans	7.4	5,359,342,228,084	5,966,651,185,939
115	5. Available-for-sale (AFS) financial assets	7.2	760,042,115,504	1,265,085,272,300
116	6. Provision for impairment of financial assets and mortgage assets	8	(41,167,505,065)	(29,666,132,207)
117	7. Receivables		350,542,969,287	301,712,370,797
117.1	7.1. Receivables from disposal of financial assets	9	330,068,529,950	300,141,137,920
117.2	7.2. Receivables and accruals from dividend and interest income	9	20,474,439,337	1,571,232,877
117.4	7.2.1. Accruals for undue dividend and interest income		20,474,439,337	1,571,232,877
118	8. Advances to suppliers	9	10,347,795,737	31,348,740,192
119	9. Receivables from services provided by the Company	9	43,254,069,829	31,161,533,678
122	10. Other receivables	9	3,903,875,134	4,513,763,962
129	11. Provision for impairment of receivables	9	(308,273,893,044)	(312,038,740,614)
130	II. Other current assets	10	34,916,685,181	32,482,950,418
131	1. Advances		8,518,495,603	3,843,488,923
132	2. Office supplies, tools and materials		1,265,969,684	2,959,982,619
133	3. Short-term prepaid expenses		20,490,357,667	21,364,723,566
134	4. Short-term deposits, collaterals and pledges		967,194,260	856,602,610
137	5. Other current assets		3,674,667,967	3,458,152,700

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2019

Currency: VND

Code	ITEMS	Notes	Ending balance	Opening balance
200	B. NON-CURRENT ASSETS		4,753,247,842,980	1,555,269,509,433
210	I. Long-term financial assets		4,238,855,852,478	1,065,902,838,568
212	1. Long-term investments	11	4,238,855,852,478	1,065,902,838,568
212.1	1.1. HTM investments		3,444,540,512,534	301,622,077,596
212.3	1.2. Investment in associates		794,315,339,944	764,280,760,972
220	II. Fixed assets		147,012,729,467	118,742,648,730
221	1. Tangible fixed assets	12	96,560,532,972	84,097,724,124
222	1.1. Cost		205,908,680,507	175,652,952,614
223a	1.2. Accumulated depreciation		(109,348,147,535)	(91,555,228,490)
227	2. Intangible fixed assets	13	50,452,196,495	34,644,924,606
228	2.1. Cost		128,489,848,227	101,372,221,724
229a	2.2. Accumulated amortisation		(78,037,651,732)	(66,727,297,118)
230	III. Investment properties	14	205,776,532,750	214,561,642,609
231	1. Cost		278,276,169,317	278,818,031,178
232a	2. Accumulated depreciation		(72,499,636,567)	(64,256,388,569)
240	IV. Construction in progress	15	29,450,054,289	4,923,184,107
250	V. Other long-term assets		132,152,673,996	151,139,195,419
251	1. Long-term deposits, collaterals and pledges		28,140,461,156	23,978,605,906
252	2. Long-term prepaid expenses	16	37,088,043,669	40,312,468,926
253	3. Deferred income tax assets	17	31,924,169,171	51,848,120,587
254	4. Payment for Settlement Assistance Fund	18	20,000,000,000	20,000,000,000
255	5. Other non-current assets		15,000,000,000	15,000,000,000
270	TOTAL ASSETS		27,044,115,024,913	23,825,626,725,361

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2019

Currency: VND

Code	ITEMS	Notes	Ending balance	Opening balance
300	C. LIABILITIES		17,643,055,244,708	14,669,962,197,728
310	I. Current liabilities		16,409,540,660,284	13,469,410,255,114
311	1. Short-term borrowings and financial leases	20	15,550,226,155,457	11,193,158,753,866
312	1.1. Short-term borrowings		15,550,226,155,457	11,193,158,753,866
316	2. Short-term bonds	21	-	255,000,000,000
318	3. Payables for securities trading activities	23	30,254,764,400	20,890,746,200
320	4. Short-term trade payables	24	30,031,870,403	9,871,570,085
321	5. Short-term advance from customers		5,121,736,077	56,096,109,184
322	6. Statutory obligation	25	59,461,134,912	69,950,280,972
323	7. Payables to employees		27,172,101,519	42,813,281,214
324	8. Employee benefits		398,826,652	60,982,952
325	9. Short-term accrued expenses	26	98,991,141,743	113,892,022,048
327	10. Short-term unrealized revenue		335,220,000	-
328	11. Short-term deposits received		1,231,190,000	1,255,230,000
329	12. Other short-term payables	27	343,356,873,373	1,490,328,981,368
331	13. Bonus and welfare fund		262,959,645,748	216,092,297,225
340	II. Non-current liabilities		1,233,514,584,424	1,200,551,942,614
345	1. Long term convertible bonds- Debt component	22	1,105,937,946,170	1,068,320,391,534
348	2. Long-term advance from customers		-	2,415,081,980
351	3. Long-term unrealized revenue	28	51,187,159,357	51,187,159,357
352	4. Long-term deposits received		-	255,695,000
356	5. Deferred income tax payable	17	76,389,478,897	78,373,614,743
400	D. OWNERS' EQUITY	29	9,401,059,780,205	9,155,664,527,633
410	I. Owners' equity		9,401,059,780,205	9,155,664,527,633
411	1. Share capital		5,224,760,213,535	5,235,152,952,935
411.1	1.1. Capital contribution		5,100,636,840,000	5,100,636,840,000
411.1a	a. Ordinary shares		5,100,636,840,000	5,100,636,840,000
411.2	1.2. Share premium		29,470,756,034	29,470,756,034
411.3	1.3. Convertible bond - Equity component		113,779,095,785	113,779,095,785
411.5	1.4. Treasury shares		(19,126,478,284)	(8,733,738,884)
412	2. Difference from revaluation of assets at fair value	41	259,495,169,033	277,801,019,026
413	3. Foreign exchange rate differences		40,382,194,252	41,038,039,125
414	4. Charter capital supplementary reserve		477,303,674,335	412,057,165,307
415	5. Operational risk and financial reserve		392,796,079,651	327,549,570,623
417	6. Undistributed profit	29.1	2,941,467,041,881	2,795,105,924,402
417.1	6.1 Realised profit		3,194,600,794,526	3,056,176,268,973
417.2	6.2 Unrealised profit		(253,133,752,645)	(261,070,344,571)
418	7. Non-controlling interests		64,855,407,518	66,959,856,215
440	TOTAL LIABILITIES AND OWNERS' EQUITY		27,044,115,024,913	23,825,626,725,361

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2019

OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	Ending balance	Opening balance
	A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
004	Bad debts written-off (VND)		3,769,847,570	-
005	Foreign currencies	30.1		
	<i>USD</i>		6,838,499.50	6,556,662.33
	<i>EUR</i>		34,334.41	84,345.41
	<i>GBP</i>		37,140.64	37,151.64
006	Outstanding shares (number of shares)	29.4	508,054,676	509,170,307
007	Treasury shares (number of shares)	29.4	2,009,008	893,377
008	Financial assets listed/registered for trading at Vietnam Securities Depository ("VSD") of the Company (VND)	30.2	996,565,190,000	872,947,970,000
009	Non-traded financial assets deposited at VSD of the Company (VND)	30.3	10,480,260,000	10,482,230,000
010	Awaiting financial assets of the Company (VND)	30.4	2,370,800,000	10,135,100,000
012	Financial assets which have not been deposited at VSD of the Company (VND)	30.5	4,689,910,260,000	913,425,310,000
013	Entitled financial assets of the Company (VND)		60,000	39,095,130,000
014	Covered warrants (number of covered warrants)		6,440,710	-
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS			
021	Financial assets listed/registered for trading at VSD of investors (VND)	30.6	47,970,765,433,700	42,493,662,500,000
021.1	<i>Unrestricted financial assets</i>		40,264,432,904,400	34,656,128,250,000
021.2	<i>Restricted financial assets</i>		609,448,260,000	548,270,620,000
021.3	<i>Mortgaged financial assets</i>		6,311,732,090,000	6,641,685,800,000
021.4	<i>Blocked financial assets</i>		457,518,280,000	305,694,280,000
021.5	<i>Financial assets awaiting for settlement</i>		327,633,899,300	341,883,550,000

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2019

OFF-BALANCE SHEET ITEMS (continued)

Currency: VND

Code	ITEMS	Notes	Ending balance	Opening balance
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)			
022	Non-traded financial assets deposited at VSD of investors	30.7	382,623,990,000	376,706,850,000
022.1	<i>Unrestricted and non-traded financial assets deposited at VSD</i>		330,441,990,000	324,305,840,000
022.2	<i>Restricted and non-traded financial assets deposited at VSD</i>		52,037,000,000	52,256,010,000
022.4	<i>Mortgaged and non-traded, blocked financial assets deposited at VSD</i>		145,000,000	145,000,000
023	Awaiting financial assets of investors	30.8	278,568,854,100	248,603,350,000
024b	Financial assets unlisted/unregistered at VSD of investors	30.9	35,217,990,000	66,834,410,000
025	Entitled financial assets of investors	30.10	97,275,710,000	161,868,940,000
026	Investors' deposits		2,531,793,630,697	3,283,456,420,063
027	Investors' deposits for securities trading activities managed by the Company	30.11	2,065,881,233,987	2,666,193,777,876
027.1	Investor's deposits at VSD	30.11	415,120,594,227	610,905,763,675
028	Investor's synthesizing deposits for securities trading activities	30.11	3,790,098,239	4,553,932,668
030	Deposits of securities issuers	30.12	47,001,704,244	1,802,945,844
031	Payables to investors - investors' deposits for securities trading activities managed by the Company	30.13	2,481,001,828,214	3,277,099,541,551
031.1	<i>Payables to domestic investors for securities trading activities managed by the Company</i>		1,986,051,905,846	2,769,817,505,805
031.2	<i>Payables to foreign investors for securities trading activities managed by the Company</i>		494,949,922,368	507,282,035,746

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2019

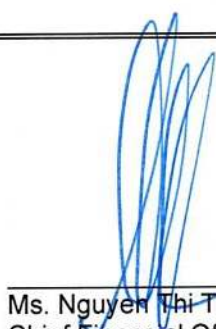
OFF-BALANCE SHEET ITEMS (continued)

Currency: VND

Code	ITEMS	Notes	Ending balance	Opening balance
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)			
032	Payables to securities issuers	30.14	46,112,406,060	101,060
034	Dividend, bond principal and interest payables	30.15	889,298,184	1,802,844,784



Ms. Hoang Thi Minh Thuy
Chief Accountant



Ms. Nguyen Thi Thanh Ha
Chief Financial Officer




Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam

24 March 2020

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2019

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	I. OPERATING INCOME			
01	1. Gain from financial assets at fair value through profit and loss (FVTPL)		699,017,696,118	646,758,445,125
01.1	1.1. Gain from disposal of financial assets at FVTPL	31.1	342,884,965,809	309,260,483,503
01.2	1.2. Gain from revaluation of financial assets at FVTPL		247,811,017,254	249,068,059,560
01.3	1.3. Dividend, interest income from financial assets at FVTPL	31.4	82,344,443,777	88,429,902,062
01.4	1.4. Gain from revaluation of outstanding covered warrants payables	31.3	25,977,269,278	-
02	2. Gain from held-to-maturity (HTM) investments	31.4	991,168,158,800	716,061,639,277
03	3. Gain from loans and receivables	31.4	677,893,533,729	710,869,164,035
04	4. Gain from available-for-sale (AFS) financial assets	31.4	83,305,018,553	209,534,611,481
06	5. Revenue from brokerage services		582,055,105,212	1,130,951,456,889
07	6. Revenue from underwriting and issuance agency services		28,835,160,883	2,294,659,091
08	7. Revenue from securities investment advisory services		11,896,315,358	27,181,454,886
09	8. Revenue from securities custodian services		33,598,654,678	16,196,356,140
10	9. Revenue from financial advisory services		59,178,614,910	125,202,889,557
11	10. Revenue from other operating activities	33	68,029,860,956	87,787,382,263
20	Total operating revenue		3,234,978,119,197	3,672,838,058,744
	II. OPERATING EXPENSES			
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		382,539,570,887	622,002,974,602
21.1	1.1 Loss from disposal of financial assets at FVTPL	31.1	133,240,447,325	110,639,931,937
21.2	1.2 Loss from revaluation of financial assets at FVTPL		232,329,833,598	510,162,874,917
21.3	1.3 Transaction costs of acquisition of financial assets at FVTPL		2,045,881,138	1,200,167,748
21.4	1.4 Loss from revaluation of outstanding covered warrants payables	31.3	14,923,408,826	-
23	2. Loss and difference from revaluation of AFS financial assets arising from reclassification		93,932,433	974,544,960
24	3. Provision expense for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	32	11,501,372,858	39,672,379,770
26	4. Expenses for proprietary trading activities		11,147,672,149	8,175,909,551
27	5. Expenses for brokerage services	34	555,493,733,108	772,657,137,549
28	6. Expenses for underwriting and issuance agency services	34	15,040,853,528	644,244,526
29	7. Expenses for securities investment advisory services	34	21,502,445,834	20,611,871,141
30	8. Expenses for securities custodian services	34	27,540,046,739	22,252,011,562
31	9. Expenses for financial advisory services	34	17,444,386,941	52,479,927,302
32	10. Other operating expenses	34, 35	128,703,913,660	111,558,768,564
40	Total operating expenses		1,171,007,928,137	1,651,029,769,527

CONSOLIDATED INCOME STATEMENT (continued)
for the year ended 31 December 2019

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	III. FINANCE INCOME			
41	1. Realized and unrealized gain from changes in foreign exchange rates		435,548,098	3,303,149,879
42	2. Dividend from investment in subsidiaries, associates and interest income from demand deposits		20,355,221,628	23,823,241,348
43	3. Gain from disposal of investments in subsidiaries and associates		-	164,457,327,326
44	4. Other investment income		45,715,512,161	74,240,555,353
50	Total finance income	36	66,506,281,887	265,824,273,906
	IV. FINANCE EXPENSES			
51	1. Realized and unrealized loss from changes in foreign exchange rates		19,611,726,414	4,697,732,904
52	2. Borrowing costs		804,176,964,572	536,540,563,261
55	3. Other finance expenses		14,832,880,334	5,680,695,698
60	Total finance expenses	37	838,621,571,320	546,918,991,863
62	V. GENERAL AND ADMINISTRATIVE EXPENSES	38	193,238,253,772	173,683,645,242
70	VI. OPERATING PROFIT		1,098,616,647,855	1,567,029,926,018
	VII. OTHER INCOME AND EXPENSES			
71	Other income		7,067,722,985	58,417,373,996
72	Other expenses		160,809,383	2,233,836,059
80	Total other operating profit	39	6,906,913,602	56,183,537,937
90	VIII. PROFIT BEFORE TAX		1,105,523,561,457	1,623,213,463,955
91	Realized profit		1,096,044,544,091	1,883,886,823,081
92	Unrealized profit		9,479,017,366	(260,673,359,126)
100	IX. CORPORATE INCOME TAX (CIT) EXPENSES	40	198,426,585,426	320,276,221,397
100.1	Current CIT expense	40.1	178,677,854,956	319,845,580,653
100.2	Deferred CIT expense	40.2	19,748,730,470	430,640,744
200	X. PROFIT AFTER TAX		907,096,976,031	1,302,937,242,558
201	Profit after tax attributable to the Parent Company's owners		909,201,424,728	1,304,930,180,565
202	Profit after tax attributable to reserves		63,212,220,608	91,345,112,639
203	Profit after tax attributable to non-controlling interest		(2,104,448,697)	(1,992,938,007)

CONSOLIDATED INCOME STATEMENT (continued)
for the year ended 31 December 2019

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
300	XI. OTHER COMPREHENSIVE GAIN/(LOSS) AFTER TAX			
301	1. Loss from revaluation of AFS financial assets	41,42	(18,305,849,993)	(360,095,225,041)
400	TOTAL COMPREHENSIVE INCOME		(18,305,849,993)	(360,095,225,041)
401	Other Comprehensive income attributable to the Parent Company's owners		(18,305,849,993)	(360,062,946,570)
402	Other Comprehensive income attributable to non-controlling interest		-	(32,278,471)
500	XII. NET INCOME APPROPRIATED TO ORDINARY SHAREHOLDERS		845,989,204,120	1,213,585,067,924
501	Earnings per share (VND/share)	43	1,663	2,428
502	Diluted earnings per share (VND/share)	44	1,658	2,417



Ms. Hoang Thi Minh Thuy
Chief Accountant



Ms. Nguyen Thi Thanh Ha
Chief Financial Officer




Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam

24 March 2020

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2019

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Net profit before tax		1,105,523,561,457	1,623,213,463,955
02	2. Adjustments for:		(678,421,272,086)	(988,899,808,584)
03	Depreciation and amortization expense		42,893,121,783	30,828,467,858
04	Provisions		11,018,850,000	32,917,256,564
05	Unrealized loss/(gain) from exchange rate difference		17,056,026,742	(421,456,231)
06	Interest expenses		804,176,964,572	536,868,896,600
07	Gain from investment activities (investment in subsidiaries, associates and long-term HTM financial assets)		(774,694,168,490)	(763,332,907,195)
08	Accrued interest income		(778,607,342,006)	(829,220,813,597)
09	Other adjustments		(264,724,687)	3,460,747,417
10	3. Increase in non-monetary expenses		247,834,697,715	517,731,974,584
11	Loss from revaluation of financial assets at FVTPL and outstanding covered warrants payables		247,253,242,424	510,162,874,917
13	Loss from impairment of loans		487,522,858	6,594,554,707
14	Loss from revaluation to fair value of AFS financial assets when reclassification		93,932,433	974,544,960
18	4. Decrease in non-monetary income		(338,723,940,585)	(428,680,923,541)
19	Gain from revaluation of financial assets at FVTPL and outstanding covered warrants payables		(273,788,286,532)	(249,068,059,560)
20	Gain from revaluation to fair value of AFS financial assets when reclassification		(64,935,654,053)	(179,612,863,981)
30	5. Operating profit before changes in working capital		336,213,046,501	723,364,706,414
31	Increase in financial assets at FVTPL		(729,085,956,938)	(346,083,790,863)
32	Decrease/(increase) in HTM investments		4,229,718,616,954	(4,083,037,234,365)
33	Decrease/(increase) in loans		607,308,957,855	(202,578,855,841)
34	Decrease/(increase) in AFS financial assets		78,382,883,185	(445,708,310,733)
35	(Increase)/decrease in receivables from disposal of financial assets		(32,459,239,600)	15,429,702,300
37	(Increase)/decrease in receivables from services provided by the Company		(13,207,552,407)	24,323,340,163
39	Decrease in other receivables		7,289,774,317	20,336,239,684
40	(Increase)/decrease in other assets		(3,197,509,012)	80,690,619,476
41	Increase/(decrease) in payable expenses (excluding interest expenses)		4,016,053,385	(13,942,799,723)
42	Increase/(decrease) in prepaid expenses		4,098,023,681	(15,524,532,352)
43	Current income tax paid		(188,842,598,770)	(363,396,519,872)
44	Interest expenses paid		(785,493,060,119)	(469,660,001,949)
46	Increase in trade payables		13,783,587,876	1,701,043,929
47	Increase in welfare benefits		337,843,700	52,320,600
48	Decrease in statutory obligations		(381,456,456)	(18,161,381,502)
49	(Decrease)/increase in payables to employees		(15,641,179,696)	3,690,731,953
51	(Decrease)/increase in other payables		(1,174,336,966,748)	1,373,712,132,778
52	Other receipts from operating activities		759,147,775,250	829,878,907,015
	- Interest received		758,905,743,250	829,611,523,015
	- Other receipts		242,032,000	267,384,000
53	Other payments for operating activities		(48,988,451,366)	(53,255,868,974)
60	Net cash flows from/(used in) operating activities		3,048,662,591,592	(2,938,169,551,862)

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2019

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
61	Purchase and construction of fixed assets, investment properties and other assets		(66,733,065,297)	(57,359,665,687)
62	Proceeds from disposal and sale of fixed assets, investment properties and other assets		195,590,907	207,083,032,942
63	Cash payments for investment in subsidiaries, associates, joint ventures and other investments		(14,361,716,475,830)	(7,310,033,500,304)
64	Cash receipt from capital withdrawal from subsidiaries, associates, joint ventures and other investments		7,535,549,999,996	7,059,305,313,000
65	Interest and dividends from long-term investments received		689,687,634,935	433,034,276,448
70	Net cash flow (used in)/from investing activities		(6,203,016,315,289)	332,029,456,399
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
71	Cash receipt from issuance of shares, capital contributed by shareholders		-	213,767,095,785
72	Repayment of capital contributed by shareholders, repurchase of issued shares		(10,392,739,400)	(53,493,124,050)
73	Drawdown of borrowings		99,271,540,327,215	85,775,993,676,758
73.2	- Other borrowings		99,271,540,327,215	85,775,993,676,758
74	Repayment of borrowings		(95,172,222,925,624)	(82,565,001,682,361)
74.3	- Other repayment of borrowings		(95,172,222,925,624)	(82,565,001,682,361)
76	Dividends, profit distributed to shareholders		(506,668,467,000)	(498,231,445,000)
80	Net cash flow from financing activities		3,582,256,195,191	2,873,034,521,132
90	NET INCREASE IN CASH DURING THE YEAR		427,902,471,494	266,894,425,669
101	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5	612,880,138,860	345,985,713,191
101.1	Cash		309,402,953,426	231,375,853,648
101.2	Cash equivalents		300,016,438,018	114,481,402,776
102	Exchange rate differences		3,460,747,416	128,456,767
103	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	1,040,782,610,354	612,880,138,860
103.1	Cash		260,896,554,224	309,402,953,426
103.2	Cash equivalents		780,150,780,818	300,016,438,018
104	Exchange rate differences		(264,724,688)	3,460,747,416

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2019

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF CUSTOMERS

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	I. Cash flows from brokerage and trust activities of customers			
01	1. Cash receipts from disposal of brokerage securities of customers		111,778,721,464,215	233,089,481,103,978
02	2. Cash payments for acquisition of brokerage securities of customers		(116,443,977,480,681)	(197,409,880,869,375)
07	3. Cash receipts for settlement of securities transactions of customers		142,304,726,898,463	194,868,357,805,337
07.1	4. Investors' deposits at VSD ((decrease)/increase)		(195,785,169,452)	465,830,714,626
08	5. Cash payment for securities transactions of customers		(136,436,782,295,947)	(231,704,962,865,131)
09	6. Cash payments for custodian fees of customers		(24,180,754,186)	(14,784,414,818)
12	7. Cash receipt from securities issuers		1,146,416,738,816	2,943,124,849,302
13	8. Cash payment to securities issuers		(2,880,802,190,594)	(2,970,388,386,490)
20	Net decrease in cash during the year		(751,662,789,366)	(733,222,062,571)
30	II. Cash and cash equivalents of customers at the beginning of the year		3,283,456,420,063	4,016,678,482,634
31	Cash at banks at the beginning of the year:		3,283,456,420,063	4,016,678,482,634
32	- Investors' deposits managed by the Company for securities trading activities		3,277,099,541,551	3,980,030,174,992
	<i>In which: Investors' deposits at VSD</i>		610,905,763,675	145,075,049,043
33	- Investors' synthesizing deposits for securities trading activities		4,553,932,668	17,567,220,094
35	- Deposits of securities issuers		1,802,945,844	19,081,087,548

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2019

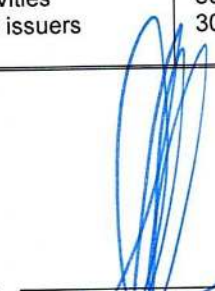
CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF CUSTOMERS (continued)

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
40	III. Cash and cash equivalents of the customers at the end of the year (40 = 20 + 30)		2,531,793,630,697	3,283,456,420,063
41	Cash at banks at the end of the year:		2,531,793,630,697	3,283,456,420,063
42	- Investors' deposits managed by the Company for securities trading activities			
	<i>In which: Investors' deposits at VSD</i>			
43	- Investors' synthesizing deposits for securities trading activities	30.11	2,481,001,828,214	3,277,099,541,551
			415,120,594,227	610,905,763,675
45	- Deposits of securities issuers	30.12	3,790,098,239	4,553,932,668
			47,001,704,244	1,802,945,844



Ms. Hoang Thi Minh Thuy
Chief Accountant



Ms. Nguyen Thi Thanh Ha
Chief Financial Officer




Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam


24 March 2020

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY
for the year ended at 31 December 2019

ITEMS	Notes	Opening balance		Increase/Decrease				Ending balance	
		01 January 2018		01 January 2019		Previous year		Current year	
		VND	VND	Increase	Decrease	Increase	Decrease	Increase	Decrease
A	B	1	2	3	4	5	6	7	8
I. CHANGES IN OWNERS' EQUITY									
1. Share capital		5,027,878,981,200	5,235,152,952,935	207,285,971,735	(12,000,000)	(10,392,739,400)	-	5,235,152,952,935	
1.1. Ordinary share	29.2	5,000,636,840,000	5,100,636,840,000	100,000,000,000	-	-	-	5,100,636,840,000	
1.2. Share premium		29,482,756,034	29,470,756,034	-	(12,000,000)	-	-	29,470,756,034	
1.3. Convertible bond - Equity component		-	113,779,095,785	113,779,095,785	-	-	-	113,779,095,785	
1.4. Treasury share		(2,240,614,834)	(8,733,738,884)	(6,493,124,050)	-	(10,392,739,400)	-	(8,733,738,884)	
2. Charter capital supplementary reserve		355,412,398,796	412,057,165,307	56,644,766,511	-	65,246,509,028	-	412,057,165,307	
3. Operational risk and financial reserve		270,904,804,112	327,549,570,623	56,644,766,511	-	65,246,509,028	-	327,549,570,623	
4. Difference from revaluation of financial assets at fair value		637,896,244,067	277,801,019,026	36,935,488,132	(397,030,713,173)	99,860,975,189	(118,166,825,182)	277,801,019,026	
5. Foreign exchange rate differences		33,179,513,213	41,038,039,125	7,858,525,912	-	-	(655,844,873)	41,038,039,125	
6. Undistributed profit		2,212,624,960,292	2,795,105,924,402	1,796,597,754,474	(1,214,116,790,364)	1,177,293,799,693	(1,030,932,682,214)	2,795,105,924,402	
6.1. Realized profit	29.1	2,235,685,451,553	3,056,176,268,973	1,543,064,033,874	(722,573,216,454)	901,594,482,802	(763,169,957,249)	3,056,176,268,973	
6.2. Unrealized profit	29.1	(23,060,491,261)	(261,070,344,571)	253,533,720,600	(491,543,573,910)	275,699,316,891	(267,762,724,965)	(261,070,344,571)	
7. Non-controlling interest		78,352,794,222	66,959,856,215	-	(11,392,938,007)	-	(2,104,448,697)	66,959,856,215	
TOTAL		8,616,249,695,902	9,155,664,527,633	2,161,967,273,275	(1,622,552,441,544)	1,397,255,053,538	(1,151,859,800,966)	9,155,664,527,633	9,401,059,780,205

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (continued)
for the year ended 31 December 2019

ITEMS	Notes	Opening balance		Increase/Decrease				Ending balance	
		01 January 2018		Previous year		Current year		31 December	
		VND	01 January 2019	Increase	Decrease	Increase	Decrease	2018	31 December 2019
A	B	1	2	3	4	5	6	7	8
II. OTHER COMPREHENSIVE INCOME									
1. Gain/(loss) from revaluation of AFS financial assets	41	637,896,244,067	277,801,019,026	36,935,488,132	(397,030,713,173)	99,860,975,189	(118,166,825,182)	277,801,019,026	259,495,169,033
TOTAL		637,896,244,067	277,801,019,026	36,935,488,132	(397,030,713,173)	99,860,975,189	(118,166,825,182)	277,801,019,026	259,495,169,033


Ms. Hoang Thi Minh Thuy
Chief Accountant


Ms. Nguyen Thi Thanh Ha
Chief Financial Officer


Mr. Nguyen Duy Hung
Chief Executive Officer



Ho Chi Minh City, Vietnam

24 March 2020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2019 and for the year then ended

1. CORPORATE INFORMATION

SSI Securities Corporation ("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 31 December 2019, in accordance with the latest Amended License No. 03/GPDC-UBCK granted by the Chairman of State Securities Commission, which has been effective since 23 January 2019, the Company's total charter capital was VND 5,100,636,840,000.

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 service and derivatives trading. The Company's Head Office is located at 72 Nguyen Hue Boulevard, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam. As at 31 December 2019, 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 31 December 2019 was 966 persons (31 December 2018: 1026 persons).

Company's operation

Capital

As at 31 December 2019, total charter capital of the Company is VND 5,100,636,840,000, owners' equity including non-controlling interests is VND 9,401,059,780,205 and total assets are VND 27,044,115,024,913.

Investment objectives

As the biggest listed securities company in Vietnam stock market, the Company's principal activities are to provide brokerage service, securities trading, underwriting for securities issues, custodian service, finance and investment advisory service, margin lending service and derivatives trading. 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:

- ▶ A 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.
- ▶ A 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

1. CORPORATE INFORMATION (continued)

Company's operation (continued)

Investment restrictions (continued)

- ▶ A 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.
- ▶ A 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, ETF fund or open-end fund certificates; Invest or contribute capital of more than ten percent (10%) in the total paid-up capital of a limited 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.
- ▶ A securities company is allowed to establish or purchase an asset management company as a subsidiary. In that case, the securities company is not required to follow the above restrictions.

Subsidiaries

As at 31 December 2019, 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 and the latest amended Operating License No.38/GPDC-UBCK dated 26 December 2013	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 and amended license No. 4557/UBCK-QLQ dated 24 July 2018	Investments in securities and other investible assets, including real estates	VND343 billion	80%

Besides, as at 31 December 2019, the Company had one (01) indirectly owned subsidiary by SSI IMF named SSI International Corporation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

1. CORPORATE INFORMATION (continued)

Associates

As at 31 December 2019, the Company had one (01) associate presented on the consolidated financial statements as follows:

<u>Name</u>	<u>Business establishment</u>	<u>Sector</u>	<u>Charter capital (VND)</u>
The Pan Group (PAN)	Business Registration No. 0301472704 dated 20 December 2019 issued by Long An Department of Planning and Investment (20 th 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.	1,731,011,410,000

Key characteristics of the Company's operation which affect the Company's consolidated financial statements

The Company's profit after tax for the year 2019 was VND 907,096,976,031, which made a decrease of 30% (amounted to VND 395,840,266,527) in comparison to the year 2018 owing to the following reasons:

- ▶ Due to the decline of the market's transaction volume, securities brokerage revenue decreased by 49%, equivalent to VND 548,896,351,677, while securities brokerage expenses decreased corresponding to VND 217,163,404,441. Besides, revenue from financial advisory services decreased by 53%, equivalent to VND 66,024,274,647.
- ▶ Financial income decreased by 75%, corresponding to VND 199,317,992,019, mainly due to in 2018, the Company had gain from disposal of the investment in associates.

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 fund 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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

2. BASIS OF PRESENTATION (continued)

2.2 Basis on consolidation

The consolidated financial statements comprise the financial statements of SSI Securities Corporation (the parent company) and its subsidiaries as at 31 December 2019.

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 year using 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 owners' 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.

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, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and statutory requirements relevant to preparation and presentation of the consolidated financial statements.

Accordingly, the accompanying consolidated statement of financial position, consolidated income statement, consolidated statement of cash flows, consolidated statement of changes in owners' equity and notes to the 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 consolidated financial position and consolidated results of operations, consolidated cash flows and consolidated changes in owners' equity in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 *Cash and cash equivalents*

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

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

4.2 *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 assets are part of a group of financial assets which are managed and their performance is evaluated on a fair value basis, in accordance with the Company's risk management policy or investment strategy.

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.

Increase in the difference arising from revaluation of financial assets at FVTPL in comparison with the previous year is recognized into the consolidated income statement under "Gain from revaluation of financial assets at FVTPL". Decrease in the difference arising from revaluation of financial assets at FVTPL in comparison with the previous year is recognized into the consolidated income statement under "Loss 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 *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 year 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 financial 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 irrecoverable 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 debt, 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 consolidated income statement under "Provision expense for diminution in value and impairment of financial assets and doubtful receivables, and borrowing costs of loans".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 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 Company 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 Company categorized as such recognized at fair value through profit or loss;
- b) The amounts categorized by the Company 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 consolidated income statement under "Provision expense for diminution in value and impairment of financial assets and doubtful receivables, and borrowing costs of loans".

4.5 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.

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

Difference arising from the revaluation of AFS financial assets in comparison with previous year 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.

At the consolidated financial statements 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 consolidated income statement under "Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 Available-for-sale (AFS) (continued)

- ▶ 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.
- ▶ 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.

4.6 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 revaluation.
- ▶ For unlisted securities registered for trading on the Unlisted Public Company Market ("UPCOM"), their market prices are their closing prices on the trading day preceding the date of setting up the revaluation.
- ▶ For 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 on the Unlisted Public Company Market ("UPCOM") used as a basis for setting up the revaluation is the trading prices of the latest transaction on over-the-counter ("OTC") market.

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

For the purpose of determining CIT taxable profit, the tax bases for financial assets are determined by cost minus (-) provision for diminution in value. Accordingly, market value of securities for provision purpose is determined in accordance with the Circular No.146/2014/TT-BTC and Circular No.48/2019/TT- BTC.

4.7 Derecognition of financial assets

A financial asset (or, where applicable a part of 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;
- ▶ 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 *Derecognition of financial assets* (continued)

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.

4.8 *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 "*Difference from revaluation of assets at fair value*" will be recognized as corresponding revenue or expenses at the date of reclassification of financial assets AFS for selling purpose.

Reclassification due to change in purpose or ability to hold

Securities companies are required 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 reassessed at fair value. The difference arising from revaluation between carrying value and fair value are recognized under "*Difference from revaluation of assets at fair value*" in Owners' equity.

4.9 *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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.9 Investments in associates (continued)

Under the equity method, the investment is initially carried in the consolidated statement of financial position at cost. In the case of 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 financial 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 qualified items 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.

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 consistent accounting policies. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.10 Recognition of mortgaged financial assets

During the year, 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.

4.11 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" and "Other operating expenses" in the consolidated income statement.

The Company has made provision for doubtful receivables and handling irrecoverable receivables in accordance with Circular No. 48/2019/TT-BTC dated 8 August 2019 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%

4.12 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 consolidated 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 consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.13 *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 consolidated 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 consolidated income statement.

4.14 *Depreciation and amortisation*

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

Office machineries	3 - 5 years
Means of transportation	6 years
Office equipment	3 - 5 years
Software	3 - 5 years
Other intangible fixed assets	2 - 5 years

4.15 *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 recognised 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.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.17 *Prepaid expenses*

Prepaid expenses, including short-term prepaid expenses and long-term prepaid expenses in the consolidated 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 consolidated income statement:

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

4.18 *Repurchase agreements*

Securities sold under the agreements to be repurchased at a specified future date ("repos") are not derecognized from the consolidated statement of financial position. The corresponding cash received is recognized in the consolidated 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 consolidated income statement over the life of the agreement using the straight-line method.

4.19 *Borrowings and non-convertible bonds issued*

Borrowings and non-convertible bonds issued by the Company are recorded and stated at cost of the balance at the end of the accounting year.

4.20 *Convertible bonds*

Bonds that are convertible by the holder into a fixed number of ordinary shares of the entity are separated into financial liability and equity instrument based on the terms of the contract.

On issuance of the convertible bond, the fair value of the liability component is determined by discounting the future payment (including principal and interest) to present value at the market rate for an equivalent non-convertible bond less issuance cost.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in owners' equity. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs related to convertible bond issuance are amortised during the lifetime of the bond using the effective rate method. At initial recognition, convertible bond issuance costs are deducted from the liability component of the bond.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.21 *Payables and accrued expenses*

Covered warrants payables

Covered warrants are secured securities with collaterals issued by the Company which gives its holder the right to buy an amount of an underlying security at an exercise price or to receive a sum of money equal to the difference between the price (index) of the underlying securities and the exercise price (exercise index), when the former is higher than the latter, at the strike time.

When covered warrants are issued, the Company record an increase in covered warrant payables, at the same time monitoring the number of covered warrants still allowed to be issued. At the end of the year, the Company revaluates the covered warrants at fair value. The decrease in difference arising from revaluation of outstanding covered warrants at fair value in comparison with previous is recognized in "Gain from financial assets at FVTPL" (line "Gain from revaluation of outstanding covered warrant payable"). The increase in difference arising from revaluation of outstanding covered warrants at fair value in comparison with previous is recognized in "Loss from financial assets at FVTPL" (line "Loss from revaluation of outstanding covered warrant payable").

The transaction costs relating to the purchase and issuance of covered warrants are recognized when incurred as purchase costs of financial assets in the consolidated income statement. Profit or loss resulted from covered warrants when repurchase, upon the maturity of covered warrants or when covered warrant is recalled, are recognized under "Gain from disposal of financial assets at FVTPL" or "Loss from disposal of financial assets at FVTPL" in the consolidated income statement.

The securities used as hedging for the covered warrants are monitored by the Company. At the end of the year, securities used as hedging for the covered warrants are revaluated at fair value and the differences arising from revaluation is recorded like the revaluation of financial assets at FVTPL.

Other payables and accrued expenses

Other 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 17.5% of an employee's basic salary, salary-related allowances and other supplements. Other than that, the Company has no further obligation relating to post-employment benefits.

4.22.2 *Severance pay*

The Company has the obligation, under Section 48 of the Vietnam Labor Code 10/2012/QH13 effective from 1 May 2013, to pay allowance arising from voluntary resignation of employees, equal to one-half month's salary for each year of employment up to 31 December 2008 plus salary allowances (if any). From 1 January 2009, the average monthly salary used in this calculation is the average monthly salary of the latest six-month period up to the resignation date.

4.22.3 *Unemployment insurance*

According to Circular No. 32/2010/TT-BLDTBXH providing guidance for Decree No. 127/2008/ND-CP on unemployment insurance, from 1 January 2009, the Company is required to contribute to the unemployment insurance at the rate of 1% of salary and wage fund of unemployment insurance joiners and deduct 1% of monthly salary and wage of each employee to contribute to the unemployment insurance fund.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 year, monetary balances denominated in foreign currencies are determined as follows:

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

All foreign exchange differences incurred during the year and arisen from the revaluation of monetary accounts denominated in foreign currencies at the end of the year are taken to the 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 owners' equity. No gain or loss is recognised upon purchase, sale, issue or cancellation of the Company's owners' 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;
- ▶ In case the difference between bank purchasing and selling rate at the reporting date is not over 0.2%, the applied exchange rate will be the average of purchasing and selling 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 1% or less). If the gap between the exchange rate at the beginning of the year and at the end of the year is higher than 20%, the Company shall apply the exchange rate at the end of the year.

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 statement of financial position.

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:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.26 Revenue recognition (continued)

Revenue from brokerage services

When 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 year 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 dividends is established, except for stock dividend 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 proprietary securities sold.

4.29 Corporate income tax

Current income tax

Current income tax assets and liabilities for the current and prior year 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 reporting date.

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

Current income tax assets and liabilities are offset only 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 for temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except when 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.29 Corporate income tax (continued)

Deferred income tax (continued)

The carrying amount of deferred income tax assets is reviewed at the reporting date and reduced to a certain extent that sufficient taxable profits will be available to allow all or part of the deferred income tax assets 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 year when the asset is 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 consolidated income statement, except when it relates to items recognized directly to owners' equity, in which case the deferred tax is also dealt with in owners' equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxable entity and the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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 during the year is the difference between gain and loss arisen from revaluation of financial assets at FVTPL or others through profit and loss in the consolidated income statement, and the deferred income tax related to the increase in revaluation of FVTPL financial assets and others.

Realised profit during the year is the net difference between total revenue and income, and total expenses in the consolidated income statement of the Company, except for gain or loss 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 Shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.29 Corporate income tax (continued)

Deferred income tax (continued)

The carrying amount of deferred income tax assets is reviewed at the reporting date and reduced to a certain extent that sufficient taxable profits will be available to allow all or part of the deferred income tax assets 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 year when the asset is 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 consolidated income statement, except when it relates to items recognized directly to owners' equity, in which case the deferred tax is also dealt with in owners' equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxable entity and the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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 during the year is the difference between gain and loss arisen from revaluation of financial assets at FVTPL or others through profit and loss in the consolidated income statement, and the deferred income tax related to the increase in revaluation of FVTPL financial assets and others.

Realised profit during the year is the net difference between total revenue and income, and total expenses in the consolidated income statement of the Company, except for gain or loss 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 Shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 No. 210/2014/TT-BTC dated 30 December 2014, Circular No. 334/2016/TT-BTC dated 27 December 2016 and Circular No. 146/2014/TT-BTC dated 6 October 2014 issued by the Ministry of Finance that are not shown in these consolidated financial statements indicate nil balances.

5. CASH AND CASH EQUIVALENTS

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Opening balance</i>
Cash	260,631,829,536	312,863,700,842
- Cash on hand	263,347,161	280,482,251
- Cash at banks	260,368,482,375	312,583,218,591
Cash equivalents	780,150,780,818	300,016,438,018
- Cash at banks with initial maturity of less than 3 months	780,150,780,818	300,016,438,018
Total	<u>1,040,782,610,354</u>	<u>612,880,138,860</u>

6. VALUE AND VOLUME OF TRADING DURING THE YEAR

	<i>Volume of trading during the year (Unit)</i>	<i>Value of trading during the year (VND)</i>
a. The Company	672,360,946	106,001,515,712,485
- Shares	186,201,948	5,203,731,234,588
- Bonds	474,169,006	98,694,274,946,338
- Other securities	11,989,992	2,103,509,531,559
b. Investors	10,929,862,618	593,617,191,211,377
- Shares	10,771,512,471	301,516,848,509,384
- Bonds	19,969,007	2,285,750,603,093
- Other securities	138,381,140	289,814,592,098,900
Total	<u>11,602,223,564</u>	<u>699,618,706,923,862</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

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 for such financial asset at its initial recognition. The transaction costs incurred directly from the purchase of financial asset might or might not be included in the cost of the financial asset 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 using the method described in *Note 4.6*.

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 consolidated statement of financial position.

Carrying amount

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

7. FINANCIAL ASSETS (continued)

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

Currency: VND

	Ending balance		Opening balance	
	Cost	Fair value	Cost	Fair value
Listed shares and other listed securities (1)	1,672,963,319,466	1,447,285,043,650	1,611,962,128,767	1,371,412,475,370
HPG	179,508,676,258	183,250,791,000	117,763,041,323	102,632,180,800
GEX	132,827,558,855	104,727,985,650	276,761,361,866	217,207,440,750
DBC	253,101,130,155	233,814,891,600	253,132,982,078	227,429,176,000
ELC	191,238,144,589	52,962,725,140	191,789,331,478	68,215,027,200
FPT	159,446,563,013	178,218,144,500	190,787,384,353	169,652,186,800
OPC	163,914,646,949	157,071,600,000	163,962,651,004	169,413,760,000
MBB	72,715,536,508	69,127,156,800	77,175,940,115	73,441,566,200
PLX	370,076,019,330	341,475,456,000	70,261,715,727	67,150,258,000
Other listed shares and securities	150,135,043,809	126,636,292,960	270,327,720,823	276,270,879,620
Listed shares used as hedging for covered warrants	147,825,259,973	148,166,359,500	-	-
HPG	18,404,132,189	18,814,335,000	-	-
FPT	25,783,439,996	28,818,914,300	-	-
REE	15,912,611,872	15,723,708,000	-	-
VNM	33,601,112,644	32,003,715,000	-	-
VIC	3,829,766,027	3,798,450,000	-	-
VJC	10,515,409,420	10,788,098,000	-	-
VHM	15,560,689,439	15,196,160,000	-	-
MBB	24,218,098,386	23,022,979,200	-	-
Unlisted shares and fund certificates	399,114,275,313	386,642,357,221	120,582,017,570	112,889,392,928
SSIBF fund certificates	40,000,000,000	47,085,000,000	40,000,000,000	44,449,000,000
SSISCA fund certificates	-	-	26,500,000,000	33,915,293,454
Other unlisted shares and fund certificates	359,114,275,313	339,557,357,221	54,082,017,570	34,525,099,474
Other unlisted bonds and securities (2)	2,333,151,012,696	2,333,151,012,696	560,731,951,620	555,683,951,620
Total	4,553,053,867,448	4,315,244,773,067	2,293,276,097,957	2,039,985,819,918

(1) As at 31 December 2019, among the listed shares classified as financial assets at FVTPL, there are 8,217,818 shares with par value of VND 82,178,180,000 used as collaterals for short-term borrowings of the Company.

(2) As at 31 December 2019, among unlisted bonds and other securities classified as financial assets at FVTPL, there are 13 certificates of deposit with the par value of VND billion 1,300 used as collaterals for short-term borrowings of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

7. FINANCIAL ASSETS (continued)

7.2 Available-for-sale (AFS) financial assets

Currency: VND

	Ending balance		Opening balance	
	Cost	Fair value	Cost	Fair value
Listed shares	251,088,814,728	591,104,213,600	486,920,806,635	837,473,225,400
SGN	172,712,731,397	447,423,470,000	186,719,487,791	514,959,000,000
DHC	52,055,700,788	131,244,668,000	52,055,585,738	86,572,890,000
Other listed shares	26,320,382,543	12,436,075,600	248,145,733,106	235,941,335,400
Unlisted shares	178,515,646,904	168,937,901,904	388,517,146,900	388,517,146,900
PAN Farm JSC.	53,408,921,300	53,408,921,300	53,408,921,300	53,408,921,300
ConCung JSC.	42,241,999,000	42,241,999,000	42,241,999,000	42,241,999,000
Other unlisted shares	82,864,726,604	73,286,981,604	292,866,226,600	292,866,226,600
Unlisted bonds	-	-	39,094,900,000	39,094,900,000
Total	429,604,461,632	760,042,115,504	914,532,853,535	1,265,085,272,300

7.3 Held-to-maturity investments (HTM)

Currency: VND

	Ending balance	Opening balance
Term deposits and certificates of deposits with remaining maturity of less than 1 year	10,721,931,457,865	12,326,240,312,685

As at 31 December 2019, among term deposits and certificates of deposits with remaining maturity of less than 1 year, there are VND 10,040 billion used as collaterals for short-term borrowings of the Company and VND 85.9 billion used as collaterals for covered warrants issued by the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

7. FINANCIAL ASSETS (continued)

7.4 Loans and receivables

Currency: VND

	Ending balance		Opening balance	
	Cost	Fair value (4)	Cost	Fair value (4)
Receivables from margin activities (1)	5,285,813,165,409	5,255,659,510,344	5,887,782,972,702	5,858,116,840,495
Advances to investors (2)	49,029,062,675	49,029,062,675	73,246,329,906	73,246,329,906
Others (3)	24,500,000,000	24,500,000,000	5,621,883,331	5,621,883,331
Total	5,359,342,228,084	5,329,188,573,019	5,966,651,185,939	5,936,985,053,732

- (1) Securities under margin transaction are used as collaterals for the loans granted by the Company to investors. As at 31 December 2019 and 31 December 2018, the par value of those securities that are used as collaterals for margin trading was VND 6,038,522,587,000 and VND 6,486,103,208,000 respectively, the market value of those securities that are used as collaterals for margin trading was VND 16,095,323,713,650 and VND 16,535,868,540,430 respectively.
- (2) These relate to advances to investors during the period that the shares selling proceeds are awaiting to be received.
- (3) These relate to brokerage/deposit contracts for selling/depositing bonds held by customers; whereby the Company advances to customers for the period that bonds are awaiting to be sold.
- (4) The fair value of loans is measured at cost less provision for doubtful debts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

7. FINANCIAL ASSETS (continued)

7.5 Change in market values of financial assets

Financial assets	Ending balance			Opening balance			
	Cost	Revaluation difference		Cost	Revaluation difference		
		Increase	Decrease		Increase	Decrease	
FVTPL	4,553,053,867,448	36,744,185,844	(274,553,280,225)	4,315,244,773,067	2,293,276,097,957	(293,446,321,263)	2,039,985,819,918
Listed shares and other securities	1,672,963,319,466	25,940,820,150	(251,619,095,966)	1,447,285,043,650	1,611,962,128,767	(268,841,403,171)	1,371,412,475,370
Listed shares used as hedging for covered warrants	147,825,259,973	3,718,365,694	(3,377,266,167)	148,166,359,500	-	-	-
Unlisted shares and fund	399,114,275,313	7,085,000,000	(19,556,918,092)	386,642,357,221	120,582,017,570	(19,556,918,092)	112,889,392,928
certificates and other securities	2,333,151,012,696	-	-	2,333,151,012,696	560,731,951,620	(5,048,000,000)	555,683,951,620
AFS	429,604,461,632	354,712,424,223	(24,274,770,351)	760,042,115,504	914,532,853,535	(13,204,579,959)	1,265,085,272,300
Listed shares	251,088,814,728	354,712,424,223	(14,697,025,351)	591,104,213,600	486,920,806,635	(13,204,579,959)	837,473,225,400
Unlisted shares	178,515,646,904	-	(9,577,745,000)	168,937,901,904	388,517,146,900	-	388,517,146,900
Unlisted bonds	-	-	-	-	39,094,900,000	-	39,094,900,000
Total	4,982,658,329,080	391,456,610,067	(298,828,050,576)	5,075,286,888,571	3,207,808,951,492	(306,650,901,222)	3,305,071,092,218

Currency: VND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

8. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND MORTGAGE ASSETS

Currency: VND

	<u>Ending balance</u>	<u>Opening balance</u>
Provision for impairment of loans	(30,153,655,065)	(29,666,132,207)
Provision for impairment of AFS financial assets	(11,013,850,000)	-
Total	<u>(41,167,505,065)</u>	<u>(29,666,132,207)</u>

9. OTHERS FINANCIAL ASSETS

Currency: VND

	<u>Ending balance</u>	<u>Opening balance</u>
1. Receivables from disposal of financial assets	330,068,529,950	300,141,137,920
<i>In which: doubtful receivable from disposal of financial assets unable to collect</i>	<i>296,897,416,150</i>	<i>299,429,263,720</i>
2. Receivables and accruals from dividends and interest income from financial assets	20,474,439,337	1,571,232,877
3. Advances to suppliers	10,347,795,737	31,348,740,192
4. Receivables from services provided by the Company	43,254,069,829	31,161,533,678
<i>In which: doubtful receivables from services provided by the Company</i>	<i>10,992,959,417</i>	<i>12,087,959,417</i>
5. Other receivables	3,903,875,134	4,513,763,962
<i>In which: other doubtful receivables</i>	<i>388,517,477</i>	<i>521,517,477</i>
6. Provision for impairment of receivables	(308,273,893,044)	(312,038,740,614)
Total	<u>99,774,816,943</u>	<u>56,697,668,015</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

9. OTHERS FINANCIAL ASSETS (continued)

Details of provision for impairment of receivables

	Opening balance of doubtful debts	Opening balance of provision	Addition	Reversal/(write- off)	Ending balance of provision	Currency: VND Ending balance of doubtful debts
Provision for doubtful receivables from disposal of financial assets	299,429,263,720	299,429,263,720	-	(2,531,847,570)	296,897,416,150	296,897,416,150
- Dang Van Sy	2,531,847,570	2,531,847,570	-	(2,531,847,570)	-	-
- Phuc Bao Minh Commercial Construction Co., Ltd	296,897,416,150	296,897,416,150	-	-	296,897,416,150	296,897,416,150
Doubtful receivables from services provided by the Company	12,087,959,417	12,087,959,417	5,000,000	(1,105,000,000)	10,987,959,417	10,992,959,417
- Pyramid New Technology Trade Corporation	525,000,000	525,000,000	-	(525,000,000)	-	-
- Thai Hoa JSC.	80,000,000	80,000,000	-	(80,000,000)	-	-
- Eloge France Vietnam JV Pharmaceuticals Company	80,000,000	80,000,000	-	(80,000,000)	-	-
- Saigon Maritime JSC.	270,000,000	270,000,000	-	(270,000,000)	-	-
- Vietnam Electricity Construction JSC.	150,000,000	150,000,000	-	(150,000,000)	-	-
- Huu Nghi Nghe An General Hospital JSC.	-	-	5,000,000	-	5,000,000	10,000,000
- Overdue receivables from margin activities – retail investors	10,982,959,417	10,982,959,417	-	-	10,982,959,417	10,982,959,417
Other doubtful receivables	521,517,477	521,517,477	-	(133,000,000)	388,517,477	388,517,477
- Proceeds from disposal of assets	309,521,422	309,521,422	-	-	309,521,422	309,521,422
- Receivable from Pyramid New Technology Trade Corporation	133,000,000	133,000,000	-	(133,000,000)	-	-
- Other receivables	78,996,055	78,996,055	-	-	78,996,055	78,996,055
Total	312,038,740,614	312,038,740,614	5,000,000	(3,769,847,570)	308,273,893,044	308,278,893,044

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

10. OTHER SHORT-TERM ASSETS

	<i>Currency: VND</i>	
	<u>Ending balance</u>	<u>Opening balance</u>
Advances	8,518,495,603	3,843,488,923
Office supplies, tools and materials	1,265,969,684	2,959,982,619
Short-term prepaid expenses	20,490,357,667	21,364,723,566
- <i>Prepayment for office tools</i>	932,251,405	1,137,753,651
- <i>Prepayment for services</i>	19,558,106,262	20,226,969,915
Short-term deposits, collaterals and pledges	967,194,260	856,602,610
Other current assets	3,674,667,967	3,458,152,700
- <i>Escrow deposits for derivatives trading of the Company</i>	2,559,929,467	2,446,190,000
- <i>Others</i>	1,114,738,500	1,011,962,700
Total	<u>34,916,685,181</u>	<u>32,482,950,418</u>

11. LONG-TERM INVESTMENTS

	<i>Voting right rate of the Company</i>	<i>Ownership rate of the Company</i>	<u>Ending balance VND</u>	<u>Opening balance VND</u>
Held-to-maturity investments			3,444,540,512,534	301,622,077,596
- <i>Certificates of deposits with remaining maturity of more than 1 year</i>			-	301,622,077,596
- <i>Held-to-maturity bonds (1)</i>			3,444,540,512,534	-
Investments in associates(2)			794,315,339,944	764,280,760,972
- <i>The Pan Group (PAN)</i>	20.07%	20.01%	794,315,339,944	764,280,760,972
Total			<u>4,238,855,852,478</u>	<u>1,065,902,838,568</u>

- (1) As at 31 December 2019, among held-to-maturity bonds, there are 102,400 bonds with par value of VND 3,400 billion used as collaterals for short-term borrowings of the Company.
- (2) As at 31 December 2019, among investments in associates, there are 18,880,120 shares with par value of VND 188,801,200,000 used as collaterals for short-term borrowings of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

11. LONG-TERM INVESTMENTS (continued)

Movements of investments in associates of the Company were as follows:

	Currency: VND	
	Current year	Previous year
Beginning balance	764,280,760,972	812,945,220,865
Purchase in the year	20,997,297,749	187,750,420,302
Disposal of investment in associates	-	(258,184,136,754)
Adjustment made due to change in ownership rate of associates in their subsidiaries	(22,288,820,220)	(24,489,167,761)
Difference arising from changes in outstanding shares of associates	(7,343,844,372)	(6,321,512,555)
Gain from associates recognized in the consolidated income statement during the year	42,258,531,653	69,602,389,875
- Share of profit during the year	42,258,531,653	69,602,389,875
Dividend received	-	(17,022,453,000)
Other adjustments	(3,588,585,838)	-
Ending balance	794,315,339,944	764,280,760,972

12. TANGIBLE FIXED ASSETS

	Currency: VND			
	Office machineries	Means of transportation	Office equipment	Total
Cost				
1 January 2019	155,928,064,957	17,551,416,700	2,173,470,957	175,652,952,614
Increase	30,411,919,747	4,618,228,000	624,290,074	35,654,437,821
Purchases	30,411,919,747	4,618,228,000	624,290,074	35,654,437,821
Decrease	(4,845,722,528)	(552,987,400)	-	(5,398,709,928)
Disposals	(4,845,722,528)	(552,987,400)	-	(5,398,709,928)
31 December 2019	181,494,262,176	21,616,657,300	2,797,761,031	205,908,680,507
Accumulated depreciation				
1 January 2019	78,583,761,763	11,674,398,268	1,297,068,459	91,555,228,490
Increase	21,197,390,197	1,587,315,565	405,041,595	23,189,747,357
Depreciation	21,197,390,197	1,587,315,565	405,041,595	23,189,747,357
Decrease	(4,843,840,912)	(552,987,400)	-	(5,396,828,312)
Disposals	(4,843,840,912)	(552,987,400)	-	(5,396,828,312)
31 December 2019	94,937,311,048	12,708,726,433	1,702,110,054	109,348,147,535
Net book value				
1 January 2019	77,344,303,194	5,877,018,432	876,402,498	84,097,724,124
31 December 2019	86,556,951,128	8,907,930,867	1,095,650,977	96,560,532,972

Additional information on tangible fixed assets:

	Currency: VND	
	Ending balance	Opening balance
Cost of tangible fixed assets which are fully depreciated but still in active use	67,368,365,334	62,386,967,415

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

13. INTANGIBLE FIXED ASSETS

	<i>Currency: VND</i>		
	<i>Software</i>	<i>Other intangible fixed assets</i>	<i>Total</i>
Cost			
1 January 2019	92,139,521,382	9,232,700,342	101,372,221,724
Increase	26,453,066,503	664,560,000	27,117,626,503
<i>Purchases</i>	<u>26,453,066,503</u>	<u>664,560,000</u>	<u>27,117,626,503</u>
31 December 2019	<u>118,592,587,885</u>	<u>9,897,260,342</u>	<u>128,489,848,227</u>
Accumulated amortisation			
1 January 2019	60,504,780,816	6,222,516,302	66,727,297,118
Increase	10,066,080,146	1,244,274,468	11,310,354,614
<i>Amortisation</i>	<u>10,066,080,146</u>	<u>1,244,274,468</u>	<u>11,310,354,614</u>
31 December 2019	<u>70,570,860,962</u>	<u>7,466,790,770</u>	<u>78,037,651,732</u>
Net book value			
1 January 2019	<u>31,634,740,566</u>	<u>3,010,184,040</u>	<u>34,644,924,606</u>
31 December 2019	<u>48,021,726,923</u>	<u>2,430,469,572</u>	<u>50,452,196,495</u>

Additional information on intangible fixed assets:

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Opening balance</i>
Cost of intangible fixed assets which are fully depreciated but still in active use	<u>59,110,101,921</u>	<u>50,185,404,651</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

14. INVESTMENT PROPERTIES

	<i>Currency: VND</i>
	<u><i>Buildings and lands</i></u>
Cost	
1 January 2019	278,818,031,178
Decrease	(541,861,861)
- <i>Exchange rate difference arising from conversion of subsidiary's financial statements</i>	<u>(541,861,861)</u>
31 December 2019	<u>278,276,169,317</u>
Accumulated depreciation	
1 January 2019	64,256,388,569
Increase	8,393,019,812
- <i>Depreciation</i>	8,393,019,812
Decrease	(149,771,814)
- <i>Exchange rate difference arising from conversion of subsidiary's financial statements</i>	<u>(149,771,814)</u>
31 December 2019	<u>72,499,636,567</u>
Net book value	
1 January 2019	<u>214,561,642,609</u>
31 December 2019	<u>205,776,532,750</u>

Investment properties are buildings in the United States of America which were bought by SSI International Company (SSIIC) for leasing purpose. As at 31 December 2019, the cost of those assets was recorded in USD and converted into VND in SSIIC financial statements using transfer exchange rate of commercial bank where the SSI-IMF Fund maintains bank account. Difference arising from the conversion is presented in the "Foreign exchange difference" item in Owners' equity. Properties leasing revenue for the year ended 31 December 2019 was VND 8,318,257,460.

15. CONSTRUCTION IN PROGRESS

	<i>Currency: VND</i>	
	<u><i>Ending balance</i></u>	<u><i>Beginning balance</i></u>
Software development	3,275,760,471	4,923,184,107
Other construction in progress	26,174,293,818	-
Total	<u>29,450,054,289</u>	<u>4,923,184,107</u>

16. LONG-TERM PREPAID EXPENSES

	<i>Currency: VND</i>	
	<u><i>Ending balance</i></u>	<u><i>Beginning balance</i></u>
Long-term prepaid expenses	<u>37,088,043,669</u>	<u>40,312,468,926</u>

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

17. DEFERRED CORPORATE INCOME TAX ASSETS/ PAYABLES

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

	<i>Currency: VND</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
Deferred income tax asset		
Temporary non-deductible provision for impairment of unlisted shares in the year	-	1,009,600,000
Temporary non-deductible provision for overdue receivables from selling securities	17,813,844,969	29,689,741,615
Temporary non-deductible taxable provision for impairment of loans	319,221,853	6,135,183,665
Temporary taxable expense incurred	4,597,640,704	5,820,133,662
Unrealised revenue arising from financial statement consolidation	9,193,461,645	9,193,461,645
Total	<u>31,924,169,171</u>	<u>51,848,120,587</u>
Deferred income tax liabilities		
Deferred income tax payable from temporary non-taxable income of subsidiaries	(4,123,557,772)	(2,405,911,387)
Deferred income tax arising from the increase in revaluation of financial assets at FVTPL	7,348,834,147	8,028,126,385
Deferred income tax arising from the increase in revaluation of AFS financial assets	70,942,484,845	72,751,399,745
Deferred income tax arising from the decrease in revaluation of outstanding covered warrants payables which are temporarily non-taxable	2,221,717,677	-
Total	<u>76,389,478,897</u>	<u>78,373,614,743</u>

18. PAYMENT FOR SETTLEMENT ASSISTANCE FUND

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

According to prevailing regulation of VSD 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. The maximum contribution of each custody to the Settlement Assistance Fund is VND 20 billion for custody members who are the Company with trading securities and brokerage activities.

Details of the payment for settlement assistance fund are as follows:

	<i>Currency: VND</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
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
Total	<u>20,000,000,000</u>	<u>20,000,000,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

19. COLLATERALS AND PLEDGED ASSETS

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

Assets	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Currency: VND</i> <i>Purposes</i>
Short-term	11,422,178,180,000	11,344,178,180,000	
- Financial assets at FVTPL (par value)	1,382,178,180,000	32,178,180,000	Collaterals for short-term borrowings
- Term deposits with remaining maturity of less than 1 year	9,740,000,000,000	9,742,000,000,000	Collaterals for short-term borrowings
- Certificates of deposits with remaining maturity of less than 1 year	300,000,000,000	1,570,000,000,000	Collaterals for short-term borrowings
Long-term	3,588,801,200,000	438,801,200,000	
- Bonds with remaining maturity of more than 1 year (par value)	3,400,000,000,000	-	Collaterals for short-term borrowings
- Certificates of deposits with remaining maturity of more than 1 year	-	300,000,000,000	Collaterals for short-term borrowings
- Investments in associates (par value)	188,801,200,000	138,801,200,000	Collaterals for short-term borrowings
Total	<u>15,010,979,380,000</u>	<u>11,782,979,380,000</u>	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

20. SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES

	Interest rate % per annum	Beginning balance	Addition during the year	Repayment during the year	Ending balance
		VND	VND	VND	VND
Bank overdrafts	Under 7.4	3,728,454,753,866	66,583,160,327,215	64,632,518,925,624	5,679,096,155,457
Short-term borrowings from banks	Under 8.5	7,464,704,000,000	32,691,130,000,000	30,284,704,000,000	9,871,130,000,000
- Joint Stock Commercial Bank for Foreign Trade of Vietnam		2,700,000,000,000	13,404,000,000,000	13,172,000,000,000	2,932,000,000,000
- Joint Stock Commercial Bank for Investment and Development of Vietnam		-	3,400,000,000,000	-	3,400,000,000,000
- Bank Sinopac (1)		-	1,278,750,000,000	-	1,278,750,000,000
- Others		4,764,704,000,000	14,608,380,000,000	17,112,704,000,000	2,260,380,000,000
Total		11,193,158,753,866	99,274,290,327,215	94,917,222,925,624	15,550,226,155,457

(1) This is the unsecured borrowing from Bank Sinopac under contract No. BFL/HK/161019/238 with a total value of USD 55,000,000. The Company has hedged against foreign exchange risk of this borrowing by entering into a foreign currency forward contract with Bank for Investment and Development of Vietnam JSC, Vietnam Technological and Commercial Joint Stock Bank and Vietnam Maritime Commercial Joint Stock Bank with a total contract value of USD 57,516,197, with term corresponding to term of loan contract with Bank Sinopac and the date of interest settlement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

21. BOND ISSUANCE

	<i>Currency: VND</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
Short-term bond issuance	-	255,000,000,000
SSIBOND012017	-	255,000,000,000
Total	-	255,000,000,000

SSIBOND012017 are ordinary bonds, which were issued in phase 1 in January 2017 under Resolution No. 01/2017/NQ/HDQT dated 16 January 2017 with quantity of 600 bonds and par value of VND 500 million per bond. These are unsecured bonds, with a 2 year-term. These bonds were matured in January 2019.

22. CONVERTIBLE BOND

	<i>Currency: VND</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
Par value of issued convertible bonds	1,150,000,000,000	1,150,000,000,000
Equity component	113,779,095,785	113,779,095,785
Debt component - initial recorded	1,036,220,904,215	1,036,220,904,215
Accumulated accruals of discounted interest allocated to debt component		
<i>Beginning balance</i>	32,099,487,319	-
<i>Amortised during the year</i>	37,617,554,636	32,099,487,319
<i>Ending balance</i>	69,717,041,955	32,099,487,319
Debt component at the end of the year	1,105,937,946,170	1,068,320,391,534

On 9 February 2018, the Company completed the issuance of convertible bonds with par value of VND 1,150 billion, maturity of 3 years, and interest rate at 4% per annum and coupon payment period of every 6 months on the last working day of the period in accordance with Resolution No. 01/2018/NQ-DHDCD dated 12 January 2018 of the General Shareholders Meeting. These bonds can be converted into ordinary shares of the Company until maturity and the conversion right shall belong to bondholders. The number of bonds converted each time shall be not less than 30% of the total value of bonds issued and the number of conversions shall be no more than 03 times. At the time of conversion, the Company will issue new shares to convert bonds and the charter capital will then be increased accordingly.

Accounting for equity component and debt component of convertible bonds are in accordance with guidance in Circular No. 200/2014/TT-BTC. Discount rate used to determine the initial debt component and the interest expense is 7.76% per annum. The difference between the interest expense of bonds at the discount rate and nominal interest payable is periodically allocated to the convertible bonds - debt component.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

23. PAYABLES FOR SECURITIES TRADING ACTIVITIES

	<i>Currency: VND</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
Payables to the Stock Exchange	-	20,890,746,200
Outstanding covered warrant payables (*)	30,254,764,400	-
Total	<u>30,254,764,400</u>	<u>20,890,746,200</u>

(*) The Company issues covered warrants under offering licenses issued by State Securities Commission. As at 31 December 2019, the number of covered warrants issued by the Company are as follows:

	<i>Unit: Number of Covered warrants</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
The number of authorized covered warrants	13,000,000	-
FPT/6.5M/SSI/C/EU/Cash-02	1,000,000	-
HPG/6.5M/SSI/C/EU/Cash-02	1,000,000	-
MBB/6.5M/SSI/C/EU/Cash-02	3,000,000	-
MBB/3.5M/SSI/C/EU/Cash-02	2,000,000	-
REE/3.5M/SSI/C/EU/Cash-01	1,000,000	-
REE/6.5M/SSI/C/EU/Cash-01	1,000,000	-
VHM/6.5M/SSI/C/EU/Cash-01	1,000,000	-
VIC/6.5M/SSI/C/EU/Cash-01	1,000,000	-
VJC/6.5M/SSI/C/EU/Cash-01	1,000,000	-
VNM/6.5M/SSI/C/EU/Cash-01	1,000,000	-
The number of outstanding covered warrants	6,559,290	-
FPT/6.5M/SSI/C/EU/Cash-02	576,590	-
HPG/6.5M/SSI/C/EU/Cash-02	943,240	-
MBB/6.5M/SSI/C/EU/Cash-02	2,083,970	-
MBB/3.5M/SSI/C/EU/Cash-02	1,081,360	-
REE/3.5M/SSI/C/EU/Cash-01	457,470	-
REE/6.5M/SSI/C/EU/Cash-01	356,700	-
VHM/6.5M/SSI/C/EU/Cash-01	365,670	-
VIC/6.5M/SSI/C/EU/Cash-01	64,250	-
VJC/6.5M/SSI/C/EU/Cash-01	79,250	-
VNM/6.5M/SSI/C/EU/Cash-01	550,790	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

24. SHORT-TERM PAYABLES TO SUPPLIERS

	<i>Currency: VND</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
High Resolution Co., Ltd.	-	2,122,697,771
TTT Trading and Construction JSC.	-	974,748,881
CMC System Integration Co., Ltd.	5,999,696,699	1,783,887,600
Hoang Long Co., Ltd	-	841,879,940
Vietnam Technology Trading Co., Ltd.	368,241,390	736,482,780
HPT Vietnam Corporation	211,400,700	-
VietGuys JSC.	225,301,060	269,948,151
KOMPA Technology Co., Ltd.	1,418,593,600	-
FPT Corporation	1,506,720,000	-
Metro Information Consultancy Co.	400,926,058	-
Expressgo Co., Ltd.	400,207,500	-
Horizon Software Asia Ltd.	1,341,670,993	-
Payables for covered warrants due upon maturity	12,004,444,390	-
Other payables	6,154,668,013	3,141,924,962
Total	<u>30,031,870,403</u>	<u>9,871,570,085</u>

25. TAXATION AND STATUTORY OBLIGATION

	<i>Currency: VND</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
Value added tax	1,186,696,099	815,853,250
Corporate income tax	30,583,472,184	40,748,215,998
Personal income tax	23,278,156,755	23,980,857,101
Foreign contractors withholding tax	4,412,809,874	4,405,354,623
Total	<u>59,461,134,912</u>	<u>69,950,280,972</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

25. TAXATION AND STATUTORY OBLIGATION (continued)

Details of taxation and statutory obligations:

Currency: VND

No.	Items	Beginning balance	Payable in the year	Paid in the year	Ending balance
I	Tax	69,950,280,972	427,375,818,099	437,864,964,159	59,461,134,912
1	Value added tax on domestic services	815,853,250	11,243,345,089	10,872,502,240	1,186,696,099
2	Corporate income tax (Note 40.1)	40,748,215,998	178,677,854,956	188,842,598,770	30,583,472,184
3	Other taxes	28,386,211,724	237,454,618,054	238,149,863,149	27,690,966,629
	Personal income tax	6,163,608,106	47,748,584,174	47,571,700,518	6,340,491,762
	Personal income tax on behalf of investors	17,817,248,995	139,293,363,555	140,172,947,557	16,937,664,993
	Business registration tax	-	20,500,000	20,500,000	-
	Others	4,405,354,623	50,392,170,325	50,384,715,074	4,412,809,874
II	Other obligatory payables	-	142,677,141	142,677,141	-
	Total	69,950,280,972	427,518,495,240	438,007,641,300	59,461,134,912

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

26. SHORT-TERM ACCRUED EXPENSES

	<i>Currency: VND</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
Payables to Stock Exchange and Vietnam Securities Depository	13,427,133,997	10,258,172,942
Interest payable for bonds issued by the Company	-	20,969,732,878
Interest payable for convertible bonds	19,166,666,665	19,038,888,887
Interest payable for borrowings	52,269,483,284	50,361,178,367
Accrued interest expenses on securities brokerage contracts and deposit management contracts	918,878,038	4,130,279,305
Services fee	765,000,000	1,015,000,000
Commission payable to counter parties	6,735,623,994	5,656,129,033
Others	5,708,355,765	2,462,640,636
Total	<u>98,991,141,743</u>	<u>113,892,022,048</u>

27. OTHER SHORT-TERM PAYABLES

	<i>Currency: VND</i>	
	<u>Ending balance</u>	<u>Beginning balance</u>
Deposits from customers for purpose of purchasing securities (1)	5,000,000,000	57,500,000,000
Principal payables under deposit management contracts (2)	304,165,194,916	1,420,841,254,925
Dividend and coupon payables	8,826,384,206	7,769,771,206
<i>Dividend payable to shareholders of the Company</i>	8,136,432,750	7,079,819,750
<i>Coupon payables for bonds holders of the Company</i>	689,951,456	689,951,456
Other payables	25,365,294,251	4,217,955,237
Total	<u>343,356,873,373</u>	<u>1,490,328,981,368</u>

(1) Deposits from customers include margin deposits of customers related to securities brokerage and securities purchase contracts. The Company receives deposits to purchase securities as requested by customers.

(2) Principal payables under deposit management contracts are investor's deposits managed by the Company in accordance with the contracts..

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

28. LONG-TERM UNREALIZED REVENUE

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
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 an associate (VFG)	12,890,045,591	12,890,045,591
Disposal of other shares to associates	9,277,932,564	9,277,932,564
Total	<u>51,187,159,357</u>	<u>51,187,159,357</u>

These are unrealised profit 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.

29. OWNERS' EQUITY

29.1 Undistributed profit

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Realized profit	3,194,600,794,526	3,056,176,268,973
Unrealized profit	(253,133,752,645)	(261,070,344,571)
- Unrealized profit and deferred tax on revaluation of FVTPL financial assets and outstanding covered warrant payables	(236,325,785,752)	(261,318,404,420)
- Unrealized (loss)/gain on foreign exchange rate differences	(16,807,966,893)	248,059,849
Total	<u>2,941,467,041,881</u>	<u>2,795,105,924,402</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

29. OWNERS' EQUITY (continued)

29.2 Changes in owners' equity

	Share capital	Share premium	Convertible bond- Equity component	Treasury shares	Difference from revaluation of assets at fair value	Foreign exchange rate differences	Charter capital supplementary reserve	Operational risk and financial reserve	Undistributed profit	Non-controlling interests	Total
Beginning balance	5,100,636,840,000	29,470,756,034	113,779,095,785	(8,733,738,884)	277,801,019,026	41,038,039,125	412,057,165,307	327,549,570,623	2,795,105,924,402	66,959,856,215	9,155,664,527,633
Profit after tax	-	-	-	-	-	-	-	-	907,096,976,031	-	907,096,976,031
Purchases of treasury shares	-	-	-	(10,392,739,400)	-	-	-	-	-	-	(10,392,739,400)
Revaluation of AFS financial assets	-	-	-	-	(18,305,849,993)	-	-	-	-	-	(18,305,849,993)
Cash dividend 2018 (10%)	-	-	-	-	-	-	-	-	(508,054,730,000)	-	(508,054,730,000)
Charter capital supplementary reserve of 5% profit after tax under the Resolution of the General Meeting of Shareholders	-	-	-	-	-	-	65,246,509,028	-	(65,246,509,028)	-	-
Operational risk and financial reserve of 5% profit after tax under the Resolution of the General Meeting of Shareholders	-	-	-	-	-	-	-	65,246,509,028	(65,246,509,028)	-	-
Bonus, welfare, and charity funds under Resolution of the General Meeting of Shareholders	-	-	-	-	-	-	-	-	(91,345,112,639)	-	(91,345,112,639)
Foreign exchange rates differences arising from conversion of SSIIC's financial statements	-	-	-	-	-	(655,844,873)	-	-	-	-	(655,844,873)
Difference arising from change of associate's number of outstanding shares	-	-	-	-	-	-	-	-	(7,343,844,372)	-	(7,343,844,372)
Difference arising from associate's changes of investment portion in their subsidiaries	-	-	-	-	-	-	-	-	(22,288,820,220)	-	(22,288,820,220)
Other increases	-	-	-	-	-	-	-	-	329,650,000	-	329,650,000
Other decrease	-	-	-	-	-	-	-	-	(3,644,431,962)	-	(3,644,431,962)
Non-controlling interests	-	-	-	-	-	-	-	-	2,104,448,697	(2,104,448,697)	-
Ending balance	5,100,636,840,000	29,470,756,034	113,779,095,785	(19,126,478,284)	259,495,169,033	40,382,194,252	477,303,674,335	392,796,079,651	2,941,467,041,881	64,855,407,518	9,401,069,780,205

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

29. OWNERS' EQUITY (continued)

29.3 Profit distribution to shareholders

	Currency: VND	
	<u>Current year</u>	<u>Previous year</u>
1. Undistributed realized profit at the beginning of the year (as at 1 January 2019 and 1 January 2018)	3,056,176,268,973	2,235,685,451,553
2. Unrealized loss at the end of the year (as at 31 December 2019 and 31 December 2018)	(291,415,975,045)	(293,198,261,406)
3. Realized profit of the year	<u>901,594,482,802</u>	<u>1,543,064,033,874</u>
4. Undistributed profit belonging to shareholders at the end of the year ((4) = (1) + (2) + (3))	3,666,354,776,730	3,485,551,224,021
5. Reserve appropriated	(255,115,227,249)	(223,402,886,455)
- Charter capital supplementary reserve	(65,246,509,028)	(56,644,766,511)
- Operational risk and financial reserve	(65,246,509,028)	(56,644,766,511)
- Bonus, welfare and charity funds	(91,345,112,639)	(79,302,673,115)
- Others	(33,277,096,554)	(30,810,680,318)
6. Profit distributed to shareholders during the year under Resolution of the General Meeting of Shareholders	<u>(508,054,730,000)</u>	<u>(499,170,330,000)</u>
Maximal profit available for distribution to shareholders	<u>2,903,184,819,481</u>	<u>2,762,978,007,566</u>

29.4 Shares

	Unit: Number of Shares	
	<u>Ending balance</u>	<u>Beginning balance</u>
Authorized shares	510,063,684	510,063,684
Issued shares	510,063,684	510,063,684
Shares issued and fully paid	510,063,684	510,063,684
- Ordinary shares	510,063,684	510,063,684
- Preference shares	-	-
Treasury shares	(2,009,008)	(893,377)
Treasury shares held by the Company	(2,009,008)	(893,377)
- Ordinary shares	(2,009,008)	(893,377)
- Preference shares	-	-
Outstanding shares	508,054,676	509,170,307
- Ordinary shares	508,054,676	509,170,307
- Preference shares	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

30. DISCLOSURE ON OFF-BALANCE SHEET ITEMS

30.1. Foreign currencies

	<u>Ending balance</u>	<u>Beginning balance</u>
USD	6,838,499.50	6,556,662.33
EUR	34,334.41	84,345.41
GBP	37,140.64	37,151.64

30.2. Financial assets listed/registered for trading at Vietnam Securities Depository ("VSD") of the Company

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Unrestricted financial assets	720,893,810,000	665,060,300,000
Restricted financial assets	-	35,908,790,000
Mortgage financial assets	270,979,380,000	170,979,380,000
Financial assets awaiting for settlement	4,692,000,000	999,500,000
Total	<u>996,565,190,000</u>	<u>872,947,970,000</u>

30.3. Non-traded financial assets deposited at VSD of the Company

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Unrestricted and non-traded financial assets deposited at VSD	9,480,260,000	9,482,230,000
Restricted and non-traded financial assets deposited at VSD	1,000,000,000	1,000,000,000
Total	<u>10,480,260,000</u>	<u>10,482,230,000</u>

30.4. Awaiting financial assets of the Company

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Shares	2,370,800,000	10,135,100,000

30.5. Financial assets which have not been deposited at VSD of the Company

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Fund certificates	40,000,000,000	59,459,920,000
Shares	458,255,460,000	298,965,390,000
Bonds	4,191,654,800,000	555,000,000,000
Total	<u>4,689,910,260,000</u>	<u>913,425,310,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

30. DISCLOSURE ON OFF-BALANCE SHEET ITEMS (continued)

30.6. Financial assets listed/registered for trading at VSD of investors

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Unrestricted financial assets	40,264,432,904,400	34,656,128,250,000
Restricted financial assets	609,448,260,000	548,270,620,000
Mortgage financial assets	6,311,732,090,000	6,641,685,800,000
Blocked financial assets	457,518,280,000	305,694,280,000
Financial assets awaiting for settlement	327,633,899,300	341,883,550,000
Total	<u>47,970,765,433,700</u>	<u>42,493,662,500,000</u>

30.7. Non-traded financial assets deposited at VSD of investors

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Unrestricted and non-traded financial assets deposited at VSD	330,441,990,000	324,305,840,000
Restricted and non-traded financial assets deposited at VSD	52,037,000,000	52,256,010,000
Mortgaged, blocked and non-traded financial assets deposited at VSD	145,000,000	145,000,000
Total	<u>382,623,990,000</u>	<u>376,706,850,000</u>

30.8. Awaiting financial assets of investors

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Shares	278,568,854,100	248,603,350,000

30.9. Financial assets unregistered at VSD of investors

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Shares	35,217,990,000	66,834,410,000

30.10. Entitled financial assets of investors

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Shares	97,275,710,000	121,069,940,000
Bonds	-	40,799,000,000
Total	<u>97,275,710,000</u>	<u>161,868,940,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

30. DISCLOSURE ON OFF-BALANCE SHEET ITEMS (continued)

30.11. Investors' deposits

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Investors' deposits for securities trading activities managed by the Company	2,065,881,233,987	2,666,193,777,876
- Domestic investors' deposits for securities trading activities managed by the Company	1,864,381,591,249	2,448,286,368,784
- Foreign investors' deposits for securities trading activities managed by the Company	201,499,642,738	217,907,409,092
Investors' deposits at VSD	415,120,594,227	610,905,763,675
Investors' synthesizing deposits for securities trading activities	3,790,098,239	4,553,932,668
Total	<u>2,484,791,926,453</u>	<u>3,281,653,474,219</u>

30.12. Deposits of securities issuers

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Deposits for securities underwriting and issuance agency services	46,112,406,060	101,060
Deposits for dividends, bond principals and interest payments	889,298,184	1,802,844,784
Total	<u>47,001,704,244</u>	<u>1,802,945,844</u>

30.13. Payables to investors

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Payables to investors - investors' deposits for securities trading activities managed by the Company	2,481,001,828,214	3,277,099,541,551
- Domestic investors	1,986,051,905,846	2,769,817,505,805
- Foreign investors	494,949,922,368	507,282,035,746
Total	<u>2,481,001,828,214</u>	<u>3,277,099,541,551</u>

30.14. Payables to securities issuers

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Other payables to securities issuers	46,112,406,060	101,060

30.15. Dividend, bond principal and interest payables

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Deposits for dividends, bond principals and interest payments of securities issuers	889,298,184	1,802,844,784

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

31. GAIN/(LOSS) FROM FINANCIAL ASSETS

31.1. 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 the current year VND	Gain from disposal in the previous year VND
I	GAIN						
1	Listed shares and securities	60,976,777		1,614,730,253,616	1,455,768,303,879	158,961,949,737	230,503,281,958
	TMS	6,568,053	33,074	217,185,066,560	164,888,437,812	52,296,628,748	-
	FPT	4,988,150	55,021	274,452,451,000	236,290,310,346	38,162,140,654	263,765,042
	MBB	9,375,900	22,515	211,097,180,500	196,259,557,864	14,837,622,636	439,479,292
	MWG	1,124,850	117,753	132,454,177,000	122,660,001,301	9,794,175,699	234,966
	PLX	1,868,300	58,394	109,096,928,000	104,190,357,391	4,906,570,609	141,348,397,163
	FUESSV50	2,354,700	13,047	30,720,830,700	25,950,958,378	4,769,872,322	2,392,377,042
	Other listed shares and fund certificates	34,696,824		639,723,619,856	605,528,680,787	34,194,939,069	86,059,028,453
2	Unlisted shares and fund certificates	17,018,592		180,397,250,784	140,552,423,682	39,844,827,102	4,020,000,000
	SSISCA	1,945,992	18,255	35,523,564,384	26,500,000,000	9,023,564,384	-
	Other unlisted shares	15,072,600		144,873,686,400	114,052,423,682	30,821,262,718	4,020,000,000
3	Listed bonds	56,306,886		6,271,271,962,364	6,249,862,532,983	21,409,429,381	30,336,827,273
	TP_TD1828120	1,500,000	108,319	162,478,500,000	159,034,500,000	3,444,000,000	-
	TP_TD1424093	1,500,000	123,371	185,056,500,000	182,752,500,000	2,304,000,000	-
	TP_TD1929178	1,500,000	101,559	152,338,500,000	150,034,500,000	2,304,000,000	-
	TP_TD1636502	2,000,000	134,577	269,153,000,000	267,329,000,000	1,824,000,000	1,960,000,000
	Other listed bonds	49,806,886		5,502,245,462,364	5,490,712,032,983	11,533,429,381	28,376,827,273
4	Unlisted bonds and other securities	24,833,650		40,785,930,766,904	40,680,836,926,315	105,093,840,589	40,653,184,272
	TP_MB.2018.7Y.02	13,000	103,596,651	1,346,756,465,000	1,329,961,559,364	16,794,905,636	700,686,000
	TP_MB.BOND.2017.7Y.14	33,020	103,065,205	3,403,213,059,260	3,392,106,853,370	11,106,205,890	21,096,000,000
	TP_VNCMBOND14_19	500	1,000,000,000	500,000,000,000	488,284,947,175	11,715,052,825	709,493,113
	Other unlisted bonds and securities	24,787,130		35,535,961,242,644	35,470,483,566,406	65,477,676,238	18,147,005,159
5	Gain from derivative contracts					17,574,919,000	3,747,190,000
	Total	159,135,905		48,852,330,233,668	48,527,020,186,859	342,884,965,809	309,260,483,503

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

31. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)

31.1. 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 the current year VND	Loss from disposal in the previous year VND
II	LOSS						
1	Listed shares and securities	41,784,183		1,221,225,211,092	1,318,375,673,722	(97,150,462,630)	(49,088,899,315)
	GEX	5,472,850	22,769	124,612,735,500	143,934,156,561	(19,321,421,061)	-
	CTD	440,790	104,757	46,175,644,000	60,268,953,640	(14,093,309,640)	(11,395,509)
	HPG	7,777,810	24,437	190,067,966,500	201,667,328,317	(11,599,361,817)	(5,533,536)
	Other listed shares and securities	28,092,733		860,368,865,092	912,505,235,204	(52,136,370,112)	(49,071,970,270)
2	Unlisted shares and others	-		-	-	-	(4,250,700,000)
3	Listed bonds	146,880,000		15,662,931,900,000	15,665,195,220,000	(2,263,320,000)	(5,521,927,273)
4	Unlisted bonds and securities	8,133		1,675,372,205,168	1,702,259,099,863	(26,886,894,695)	(46,859,874,349)
	TP_BIDVBOND14.24	100	948,212,921	94,821,292,100	100,335,900,000	(5,514,607,900)	(1,916,000,000)
	TP_MB.2018.7Y.02	5,000	99,242,317	496,211,584,000	501,352,208,074	(5,140,624,074)	-
	TP_MB.BOND.2017.7Y.14	2,500	98,563,604	246,409,010,430	251,350,725,000	(4,941,714,570)	(25,389,162,000)
	Other unlisted bonds and securities	533		837,930,318,638	849,220,266,789	(11,289,948,151)	(19,554,712,349)
5	Loss from derivative contracts					(6,939,770,000)	(4,918,531,000)
	Total	188,672,316		18,559,529,316,260	18,685,829,993,585	(133,240,447,325)	(110,639,931,937)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

31. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)
31.2. Gain/(loss) from revaluation of financial assets

No.	Financial assets	Cost	Carrying value	Revaluation difference at the end of the year	Revaluation difference at the beginning of the year	Gain/(loss) recorded this year
I	FVTPL	4,553,053,867,450	4,315,244,773,067	(237,809,094,383)	(253,290,278,039)	15,481,183,656
1	Listed shares and other listed securities	1,672,963,319,467	1,447,285,043,649	(225,678,275,818)	(240,549,653,397)	14,871,377,579
	ELC	191,238,144,589	52,962,725,140	(138,275,419,449)	(123,574,304,278)	(14,701,115,171)
	GEX	132,827,558,855	104,727,985,650	(28,099,573,205)	(59,553,921,116)	31,454,347,911
	DBC	253,101,130,155	233,814,891,600	(19,286,238,555)	(25,703,806,078)	6,417,567,523
	FPT	159,446,563,013	178,218,144,500	18,771,581,487	(21,135,197,553)	39,906,779,040
	HPG	179,508,676,258	183,250,791,000	3,742,114,742	(15,130,860,523)	18,872,975,265
	MBB	72,715,536,508	69,127,156,800	(3,588,379,708)	(3,734,373,915)	145,994,207
	OPC	163,914,646,949	157,071,600,000	(6,843,046,949)	5,451,108,996	(12,294,155,945)
	Other listed shares and securities	520,211,063,140	468,111,748,959	(52,099,314,181)	2,831,701,070	(54,931,015,250)
2	Listed shares used as hedging for covered warrants	147,825,259,973	148,166,359,500	341,099,527	-	341,099,527
	MBB	24,218,098,386	23,022,979,200	(1,195,119,186)	-	(1,195,119,186)
	FPT	25,783,439,996	28,818,914,300	3,035,474,304	-	3,035,474,304
	HPG	18,404,132,189	18,814,335,000	410,202,811	-	410,202,811
	REE	15,912,611,872	15,723,708,000	(188,903,872)	-	(188,903,872)
	VNM	33,601,112,644	32,003,715,000	(1,597,397,644)	-	(1,597,397,644)
	VIC	3,829,766,027	3,798,450,000	(31,316,027)	-	(31,316,027)
	VJC	10,515,409,420	10,788,098,000	272,688,580	-	272,688,580
	VHM	15,560,689,439	15,196,160,000	(364,529,439)	-	(364,529,439)

Currency: VND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

31. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)

31.2. Gain/(loss) from revaluation of financial assets (continued)

Currency: VND

No.	Financial assets	Cost	Carrying value	Revaluation difference at the end of the year	Revaluation difference at the beginning of the year	Gain/(loss) recorded this year
I	FVTPL					
3	Unlisted shares and fund certificates	399,114,275,313	386,642,357,221	(12,471,918,092)	(7,692,624,642)	(4,779,293,450)
4	Unlisted bonds and other securities	2,333,151,012,697	2,333,151,012,697	-	(5,048,000,000)	5,048,000,000
II	AFS	429,604,461,632	760,042,115,504	330,437,653,872	350,552,418,765	(20,114,764,893)
1	Listed shares	251,088,814,728	591,104,213,600	340,015,398,872	350,552,418,765	(10,537,019,893)
	SGN	172,712,731,397	447,423,470,000	274,710,738,603	328,239,512,209	(53,528,773,606)
	DHC	52,055,700,788	131,244,668,000	79,188,967,212	34,517,304,262	44,671,662,950
	Other listed shares	26,320,382,543	12,436,075,600	(13,884,306,943)	(12,204,397,706)	(1,679,909,237)
2	Unlisted shares	178,515,646,904	168,937,901,904	(9,577,745,000)	-	(9,577,745,000)
	Total	4,982,658,329,082	5,075,286,888,571	92,628,559,489	97,262,140,726	(4,633,581,237)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

31. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)
31.3. Differences from revaluation of covered warrant payables

Currency: VND

No.	Issued covered warrants	Cost	Market value	Revaluation difference at the end of the year	Revaluation difference at the beginning of the year	Gain/(loss) recorded this year
1	VNM/6.5M/SSI/C/EU/Cash-01	12,325,069,601	7,716,567,900	4,608,501,701	-	4,608,501,701
2	FPT/6.5M/SSI/C/EU/Cash-02	4,477,770,138	4,508,933,800	(31,163,662)	-	(31,163,662)
3	HPG/6.5M/SSI/C/EU/Cash-02	4,144,079,307	4,112,526,400	31,552,907	-	31,552,907
4	MBB/3.5M/SSI/C/EU/Cash-02	2,462,895,631	778,579,200	1,684,316,431	-	1,684,316,431
5	MBB/6.5M/SSI/C/EU/Cash-02	6,350,549,539	3,709,466,600	2,641,082,939	-	2,641,082,939
6	REE/3.5M/SSI/C/EU/Cash-01	1,953,893,394	942,388,200	1,011,505,194	-	1,011,505,194
7	REE/6.5M/SSI/C/EU/Cash-01	2,052,589,477	1,733,562,000	319,027,477	-	319,027,477
8	VHM/6.5M/SSI/C/EU/Cash-01	4,439,430,132	3,689,610,300	749,819,832	-	749,819,832
9	VIC/6.5M/SSI/C/EU/Cash-01	982,199,402	919,417,500	62,781,902	-	62,781,902
10	VJC/6.5M/SSI/C/EU/Cash-01	2,120,148,231	2,143,712,500	(23,564,269)	-	(23,564,269)
	Total	41,308,624,852	30,254,764,400	11,053,860,452	-	11,053,860,452

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

31. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)

31.4. Dividend, interest income from financial assets at FVTPL, HTM investments, AFS financial assets, loans and receivables

	Currency: VND	
	<u>Current year</u>	<u>Previous year</u>
From financial assets at FVTPL	82,344,443,777	88,429,902,062
From HTM financial assets	991,168,158,800	716,061,639,277
From loans and receivables	677,893,533,729	710,869,164,035
From AFS financial assets	83,305,018,553	209,534,611,481
<i>Dividends, interests arising from AFS financial assets</i>	18,369,364,500	29,921,747,500
<i>Difference arising from revaluation of AFS financial assets at fair value when reclassification for selling purpose</i>	64,935,654,053	179,612,863,981
- OPC	-	79,762,779,371
- TMS	-	54,767,077,941
- TDM	12,905,000,000	-
- SGN	51,809,222,037	6,780,080,390
- Others	221,432,016	38,302,926,279
Total	<u>1,834,711,154,859</u>	<u>1,724,895,316,855</u>

32. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND DOUBTFUL DEBTS

	Currency: VND	
	<u>Current year</u>	<u>Previous year</u>
Provision expense for impairment of loans	487,522,858	6,594,554,707
Provision expense for doubtful receivables from selling securities	-	33,077,825,063
Provision expense for impairment of AFS financial assets	11,013,850,000	-
Total	<u>11,501,372,858</u>	<u>39,672,379,770</u>

33. OTHER OPERATING REVENUE

	Currency: VND	
	<u>Current year</u>	<u>Previous year</u>
Revenue from leasing assets	8,383,712,004	4,628,613,317
Revenue from other financial services	4,606,607,925	1,017,308,438
Revenue from fund management	23,061,556,213	28,648,065,374
Revenue from trusted portfolio management	10,584,008,522	35,861,122,917
Other revenues (include fee from supporting trading securities services)	21,393,976,292	17,632,272,217
Total	<u>68,029,860,956</u>	<u>87,787,382,263</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

34. EXPENSES FOR OPERATING ACTIVITIES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Expenses for securities brokerage activities (payables to Stock Exchanges, payroll, employee expenses and others)	555,493,733,108	772,657,137,549
Expenses for securities underwriting activities and securities issuance agent services	15,040,853,528	644,244,526
Expenses for financial advisory activities	17,444,386,941	52,479,927,302
Expenses for securities investment advisory activities	21,502,445,834	20,611,871,141
Expenses for securities custodian activities	27,540,046,739	22,252,011,562
Other operating expenses (Note 35)	128,703,913,660	111,558,768,564
Total	765,725,379,810	980,203,960,644

TOTAL EXPENSES FOR OPERATING ACTIVITIES BY TYPES EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Expenses for securities brokerage activities	142,308,930,113	308,664,023,273
Expenses for custodian services	27,540,046,739	22,252,011,562
Expenses on payroll and other employees' benefits	253,733,279,209	354,350,264,575
Expenses for social security, health insurance, union fee and unemployment insurance	19,400,612,506	17,405,674,150
Expenses for office supplies	1,413,938,351	1,293,981,717
Expenses for tools	3,084,138,780	8,302,585,973
Depreciation expenses	32,030,259,414	22,419,812,539
Provision/(reversal of provision) expenses	5,000,000	(160,568,499)
Expenses for external services	162,354,319,704	133,243,256,210
Capital expenditures	86,949,168,790	83,203,018,717
Expenses from shared income of fund management activities	7,450,772,590	9,944,940,287
Other expenses	29,454,913,614	19,284,960,140
Total	765,725,379,810	980,203,960,644

35. OTHER OPERATING EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Expenses for funds management activities	18,414,593,655	19,321,897,459
Expense for trusted portfolios management activities	1,073,519,394	1,069,414,297
Expense for other activities of Fund Management Company	4,104,373,596	3,734,348,894
Interest expenses on deposit management contracts	69,948,815,774	52,084,533,013
Interest expenses on investors' deposits for securities brokerage activities	2,971,506,848	14,076,185,961
Provision/(reversal of provision) for doubtful debts - Provision/(reversal of provision) for receivables from services provided by the Company	5,000,000	(160,568,499)
Expense for leasing investment properties	18,576,262,108	15,508,354,597
Other expenses	13,609,842,285	5,924,602,842
Total	128,703,913,660	111,558,768,564

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

36. FINANCE INCOME

	<i>Currency: VND</i>	
	<u>Current year</u>	<u>Previous year</u>
Differences in foreign exchange rate	435,548,098	3,303,149,879
Interest income from demand deposits	20,355,221,628	23,823,241,348
Share of profit in associates (<i>Note 11</i>)	42,258,531,653	69,602,389,875
Gain from disposal of investments in associates	-	164,457,327,326
Other investment income	3,456,980,508	4,638,165,478
Total	<u>66,506,281,887</u>	<u>265,824,273,906</u>

37. FINANCE EXPENSES

	<i>Currency: VND</i>	
	<u>Current year</u>	<u>Previous year</u>
Loss from foreign exchange rate differences	19,611,726,414	4,697,732,904
Borrowing costs	804,176,964,572	536,540,563,261
- <i>Interest for bond issuance</i>	84,890,283,968	107,876,630,503
- <i>Interest for short-term borrowings</i>	719,286,680,604	428,663,932,758
Other finance expenses	14,832,880,334	5,680,695,698
Total	<u>838,621,571,320</u>	<u>546,918,991,863</u>

38. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Currency: VND</i>	
	<u>Current year</u>	<u>Previous year</u>
Payroll and other employees' benefits	76,729,652,344	78,886,505,333
Social security, health insurance, union fee and unemployment insurance	5,311,515,200	5,397,225,250
Office supplies	1,283,880,742	1,771,998,713
Tools	3,189,011,065	2,314,721,959
Depreciation expenses	9,650,426,378	7,510,923,915
External service expenses	84,253,347,664	66,725,632,630
Other expenses	12,820,420,379	11,076,637,442
Total	<u>193,238,253,772</u>	<u>173,683,645,242</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

39. OTHER INCOME AND EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Other incomes	7,067,722,985	58,417,373,996
- Gain from disposal of fixed assets	292,051,076	54,144,381,818
- Other incomes	6,775,671,909	4,272,992,178
Other expenses	(160,809,383)	(2,233,836,059)
Total	6,906,913,602	56,183,537,937

40. CORPORATE INCOME TAX

40.1 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 differs from the profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the reporting date. The Company is required to fulfil its corporate income tax obligation with the current tax rate of 20% on the total taxable profit according to Circular No. 78/2014/TT-BTC dated 02 August 2014.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

40. CORPORATE INCOME TAX (continued)

40.1 Corporate income tax ("CIT") (continued)

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

	Current year	Currency: VND Previous year
Profit before tax	1,105,523,561,457	1,623,213,463,955
Adjustments to accounting profit	(272,210,616,028)	(68,767,656,448)
Increases:	339,363,886,958	844,358,383,189
- Provision for impairment of unlisted shares at the end of the year	-	5,048,000,000
- Provision for non-deductible overdue receivables from selling securities at the end of the year	89,069,224,845	148,448,708,075
- Decrease in revaluation of financial assets at FVTPL	232,329,833,598	510,162,874,917
- Increase in revaluation of outstanding covered warrant payables	14,923,408,826	-
- Provision for impairment of loans at the end of the year	1,596,109,265	30,675,918,324
- Carry forward of taxable temporary difference	-	23,945,868,756
- Increase due to the adjustment of cost allocation method in 2016, 2017 and 2018	-	5,785,972,347
- Difference in associates' shares disposal between separate and consolidated financial statements	-	98,657,309,322
- Unrealized revenue arising from consolidated financial statements	-	17,676,050,390
- Non-deductibles expenses during the year	1,445,310,424	3,957,681,058
Decreases:	(611,574,502,986)	(913,126,039,637)
- Income from tax exempted activities – dividends	(49,332,814,426)	(49,504,822,356)
- Reversal of provision for impairment of unlisted shares at the beginning of the year	(5,048,000,000)	(19,850,000,000)
- Reversal of provision for impairment of investment awaiting for payback at the beginning of the year	-	(153,208,011,211)
- Provision expenses for securities in the year	(3,591,426,522)	(150,951,518,874)
- Reversal of provision for non-deductible overdue receivables from selling securities at the beginning of the year	(148,448,708,075)	-
- Reversal of provision for impairment of loans at the beginning of the year	(30,675,918,324)	(32,070,269,995)
- Increase in revaluation of financial assets at FVTPL	(247,811,017,254)	(249,068,059,560)
- Decrease in revaluation of outstanding covered warrant payables	(25,977,269,278)	-
- Taxable income of 2015 of the investment awaiting for payback	-	(128,873,845,237)
- Decrease adjustments in accordance with 2018 tax finalization	(7,078,359,289)	-
- Profit before tax from subsidiaries	(45,297,869,229)	(36,746,737,600)
- Gain from investments in associates	(42,258,531,653)	(69,602,389,877)
- Temporary taxable difference of the previous year	(6,054,588,936)	(23,250,384,927)
Estimated current taxable income	833,312,945,429	1,554,445,807,508
Corporate income tax rate	20%	20%
Estimated CIT expenses	166,662,589,086	310,889,161,501
Estimated CIT expenses in subsidiaries	10,962,040,405	8,516,740,990
CIT payable at the beginning of the year	40,748,215,998	84,299,155,217
CIT adjustment in accordance with tax finalization	1,053,225,465	1,596,872,630
CIT adjustment of 2016 and 2017 in accordance with tax finalization	-	(1,157,194,468)
CIT paid in the year	(188,842,598,770)	(363,396,519,872)
CIT payable at the end of the year	30,583,472,184	40,748,215,998

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

40. CORPORATE INCOME TAX (continued)

40.2. Deferred corporate income tax

Movement of deferred CIT during the year is as follows:

	<i>Current year</i>	<i>Previous year</i>
	<i>Currency: VND</i>	
	<u>Current year</u>	<u>Previous year</u>
Deferred income tax assets		
Opening balance	51,848,120,587	76,547,370,505
Deferred CIT due to decrease of non-deductible provision for diminution in value of unlisted shares in the year	(1,009,600,000)	(2,960,400,000)
Non-deductible (reversal of provision)/ provision for overdue receivables from selling securities	(11,875,896,646)	29,689,741,615
Deferred CIT due to reversal of provision for impairment of collateral assets of investment awaiting for payback in the year	-	(30,641,602,242)
Deferred CIT due to temporary taxable income in 2015	-	(25,774,769,047)
Deferred CIT due to reversal of provision for impairment of loans in the year	(5,815,961,812)	(278,870,334)
Deferred CIT due to unrealized revenue from financial statement consolidation	-	3,535,210,077
Deferred CIT due to temporary taxable expenses	(1,222,492,958)	1,731,440,013
Ending balance	<u>31,924,169,171</u>	<u>51,848,120,587</u>
Deferred income tax liabilities		
Opening balance	78,373,614,743	191,039,934,153
Temporary non-taxable income from subsidiaries	(1,717,646,385)	(1,605,103,358)
Deferred CIT arising from the increase in revaluation of financial assets at FVTPL	(679,292,238)	(22,663,505,816)
Deferred CIT arising from the increase in revaluation of AFS financial assets	(1,808,914,900)	(88,397,710,236)
Deferred CIT arising from the decrease in revaluation of outstanding covered warrants payables	2,221,717,677	-
Ending balance	<u>76,389,478,897</u>	<u>78,373,614,743</u>

The Company recognized the deferred income tax expense in the consolidated income statement for the year ended 31 December 2019 and 31 December 2018 are as follows:

	<i>Current year</i>	<i>Previous year</i>
	<i>Currency: VND</i>	
	<u>Current year</u>	<u>Previous year</u>
Deferred CIT arising from non-deductible reversal of provision for diminution in value of unlisted shares	1,009,600,000	2,960,400,000
Deferred CIT arising from reversal of provision for impairment of collateral assets of investment awaiting for payback	-	30,641,602,242
Deferred CIT arising from the revenue of which pay-back receipt is in progress in 2015	-	25,774,769,047
Deferred CIT arising from non-deductible reversal of provision/(provision) for overdue receivables from selling securities	11,875,896,646	(29,689,741,615)
Deferred CIT arising from reversal of provision for impairment of loans	5,815,961,812	278,870,334
Deferred CIT arising from temporary taxable expense	1,222,492,958	(1,731,440,013)
Deferred CIT arising from unrealized revenue from consolidated financial statement	-	(3,535,210,077)
Temporary non-taxable income from subsidiaries	(1,717,646,385)	(1,605,103,358)
Deferred CIT relating to difference arising from the increase in revaluation of financial assets at FVTPL and the decrease in revaluation of covered warrant payables	1,542,425,439	(22,663,505,816)
Deferred tax expenses	<u>19,748,730,470</u>	<u>430,640,744</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

41. ACCUMULATED OTHER COMPREHENSIVE INCOME

Currency: VND

<i>Item</i>	<i>Beginning balance</i>	<i>Movement during the year</i>	<i>Changes in owners' equity recorded in income statement</i>	<i>Ending balance</i>
Gain/(loss) from revaluation of AFS financial assets	277,801,019,026	46,535,871,627	(64,841,721,620)	259,495,169,033

42. ADDITIONAL INFORMATION FOR STATEMENT OF CHANGES IN OWNERS' EQUITY

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

Currency: VND

	<i>Current year</i>	<i>Previous year</i>
Income recorded directly to owners' equity	329,650,000	124,000,000
- Other income recorded directly to owners' equity	329,650,000	124,000,000
Expense recorded directly to owners' equity	(51,582,946,547)	(390,917,905,359)
- Loss from revaluation and reclassification for selling purpose of AFS financial assets	(18,305,849,993)	(360,095,225,041)
- Loss arising from associates change the number of outstanding shares	(7,343,844,372)	(6,321,512,555)
- Loss arising from change in ownership rate associate in subsidiary	(22,288,820,220)	(24,489,167,763)
- Other expenses recorded directly to owners' equity	(3,644,431,962)	(12,000,000)
Total	(51,253,296,547)	(390,793,905,359)

43. EARNINGS PER SHARE

Earnings per share ("EPS") is calculated by dividing the net profit after tax attributable to ordinary shareholders of the Company by the weighted average number of outstanding ordinary shares in issue during the year. After tax profit attributable to ordinary shareholders of the Company for the year ended 31 December 2019 is calculated as after-tax profit after deduction for setting up non-shareholders' reserves according to the actual appropriation ratio of 2018. For the purpose of preparing consolidated financial statements, other comprehensive incomes have not yet been included in the net profit after tax to calculate the earnings per share indicator since there is no detailed guidance detail.

	<i>Current year</i>	<i>Previous year</i>
Net profit attributable to ordinary shareholders (VND)	845,989,204,120	1,213,585,067,924
Weighted average number of ordinary shares for calculation of earnings per share	508,772,958	499,834,406
Earnings per share (VND)	1,663	2,428

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

44. DILUTED EARNINGS PER SHARE

Diluted earnings per share is calculated by dividing the net profit after tax attributable to ordinary shareholders of the Company by the number of ordinary shares used in the calculation of diluted EPS.

Profit after tax attributable to ordinary shareholders of the Company is calculated as profit after tax after deduction for setting up non-shareholders' reserves according to the actual appropriation ratio of 2018, with the following adjustments:

- Dividends or other items related to the potential dilutive ordinary shares are deducted to profit attributable to shareholders of the parent company;
- Any accrued interest during the year related to the potential dilutive ordinary shares; and
- Other changes in income or expenses resulting from the conversion of potential dilutive ordinary shares.

For the purpose of preparing consolidated financial statements, other comprehensive incomes have not yet been included in the net profit after tax to calculate the EPS indicator since there is no detailed guidance.

The number of ordinary shares used in the calculation of diluted EPS is determined as the total of the weighted average number of outstanding ordinary shares during the year and the weighted average number of potential ordinary shares in case all potential dilutive ordinary shares are converted into ordinary shares. Potential dilutive ordinary shares are assumed to be converted into ordinary shares at the beginning of the reporting year; or at the date of issuance, if the issuance date is later than the beginning of the reporting date; or at the incurred date of potential ordinary shares which are share options, warrants or other equivalent instruments.

	<u>Current year</u>	<u>Previous year</u>
Net profit after tax after deduction for setting up non-shareholder reserves – VND	845,989,204,120	1,213,585,067,924
Adjustment to profit for diluted EPS – VND	83,617,554,636	74,266,153,984
- <i>Interest expenses of convertible bonds during in the year</i>	<u>83,617,554,636</u>	<u>74,266,153,984</u>
Profit after adjustment – VND	929,606,758,756	1,287,851,221,908
Number of ordinary shares for calculation of diluted EPS (*)	<u>560,667,283</u>	<u>532,865,780</u>
Diluted EPS – VND	<u>1,658</u>	<u>2,417</u>

(*) Number of ordinary shares for calculation of diluted EPS is determined as the total of:

- weighted average number of outstanding shares;
- weighted average number of potential ordinary shares to be issued with the assumption that all convertible bonds are converted into ordinary shares at the date SSI issued bonds in 2018;
- weighted average number of potential ordinary shares to be issued under the ESOP with the assumption that these shares are considered to be issued at the approval time for issuing ESOP by the General Meeting of Shareholders under the Resolution No. 01/2019/NQ-DHDCD on 25 April 2019, with 10,000,000 shares at par value of VND 10,000 per share; and
- weighted average number of potential ordinary shares to be issued for dividend payment with the assumption that these shares are considered to be issued at the approval time for issuance plan of dividend payment by Resolution No. 02/2019/NQ-DHDCD on 26 November 2019, the dividend ratio will be 16%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

45. OTHER INFORMATION

45.1 *Transactions with related parties*

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

<u>Related parties</u>	<u>Relationships</u>
NDH Investment Co., Ltd. and its subsidiaries	SSI's Chairman cum CEO is the owner and chairman of NDH Investment Co., Ltd. Member of the Board of Directors of SSI, Nguyen Duy Khanh, is the CEO of NDH Investment Co., Ltd.
Daiwa Securities Group Inc. and its subsidiaries	Strategic shareholder holding over 10% voting capital of SSI
The PAN Group JSC. and its subsidiaries	Chairman of SSI is also the Chairman of the PAN Group, associate company
Saigon Dan Linh Real Estate Co., Ltd.	Member of the Board of Directors cum Deputy CEO of SSI is also the Chairman of Saigon Dan Linh Real Estate Co., Ltd.
Nguyen Saigon Co., Ltd.	The Chairman of Nguyen Saigon Co., Ltd. is the brother of SSI's Chairman

SSI Securities Corporation

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

45. OTHER INFORMATION (continued)

45.1 Transactions with related parties (continued)

Significant balances and transactions with related parties as at 31 December 2019 and for the year then ended are as follows:

Parties	Transaction	Receivables/(Payables)			Ending balance	Revenue/ (Expenses)
		Beginning balance	Increase	Decrease		
The PAN Group JSC. and its subsidiaries	Revenue from securities transaction and other securities services	-	1,111,782,801	(1,111,782,801)	-	1,102,868,911
	Revenue from consultant contract	-	4,551,424,000	(4,551,424,000)	-	4,146,749,091
	Securities purchasing transactions	-	(4,653,975,421,313)	4,653,975,421,313	-	-
	Securities selling transactions	-	5,517,482,613,875	(5,517,482,613,875)	-	7,590,584,635
	Deposit for securities brokerage services and deposit management contracts	(1,222,675,189,617)	(7,486,192,722,905)	8,627,482,114,797	(81,385,797,725)	-
	Interest payable on deposit for securities brokerage services and deposit management contracts	(3,519,496,889)	(65,284,441,742)	68,481,707,823	(322,230,808)	(65,284,441,742)
	Expense for commodity purchase	-	(5,136,704,970)	5,124,230,970	(12,474,000)	(5,136,704,970)
	Bond interest	-	4,536,986,300	(4,536,986,300)	-	4,536,986,300
NDH investment Co., Ltd. and its subsidiaries	Capital contribution under the equity method	734,668,285,301	63,255,829,402	(38,080,891,928)	759,843,222,775	42,258,531,653
	Revenue from securities transaction and other securities services	-	225,016,834	(225,016,834)	-	225,014,434
	Portfolio management fee	116,808,959	199,840,074	(299,995,697)	16,653,336	199,840,074
	Consultant services fee	1,787,635,000	5,327,513,975	(4,978,850,500)	2,136,298,475	4,843,194,523
	Securities selling transaction	-	3,386,471,167,766	(3,386,471,167,766)	-	6,513,173,369
	Securities purchasing transaction	-	(3,168,935,526,766)	3,168,935,526,766	-	-
	Consultant contract and other services expenses	-	(154,600,000)	154,600,000	-	(263,100,000)
	SSI dividends	-	(48,194,727,000)	48,194,727,000	-	-
Daiwa Securities Group Inc. and its subsidiaries	Revenue from securities transaction and other securities services	-	853,510,132	(853,510,132)	-	776,004,348
	Commission fee	(1,160,510,884)	(5,341,350,972)	6,060,276,582	(441,585,274)	(5,341,350,972)
	Revenue from investment consultant contracts	1,312,393,222	17,739,535,107	(16,558,135,056)	2,493,793,273	17,270,635,107
	Revenue from investment advisory SSI dividends	5,090,718,677	3,591,522,060	(5,098,608,164)	3,583,632,573	3,588,456,545
		-	(101,978,121,000)	101,978,121,000	-	-

Currency: VND

SSI Securities Corporation

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

45. OTHER INFORMATION (continued)

45.1 Transactions with related parties (continued)

Parties	Transaction	Receivables/(Payables)		Ending balance	Revenues/ (Expenses)/
		Beginning balance	Increase		
Nguyen Saigon Co., Ltd.	Revenue from securities transaction and other securities services	-	156,772,985	(156,772,985)	156,763,385
	Securities purchasing transaction	-	(10,234,900,000)	10,234,900,000	-
	SSI dividends	-	(180,002,000)	180,002,000	-
Saigon Dan Linh Real Estate Co., Ltd.	Revenue from securities transaction and other securities services	-	191,053,584	(191,053,584)	191,047,984
	SSI dividends	-	(30,454,063,000)	30,454,063,000	-
	Revenue from securities transaction and other securities services	-	2,668,460,400	(2,668,460,400)	624,102,309
Members of Board of Directors and the Management and other related persons	Bonds selling transaction	-	20,228,399,300	(20,228,399,300)	228,399,300
	Other services revenue	-	2,207,534,770	(2,207,534,770)	2,207,534,770
	SSI dividends	-	(14,073,400,000)	14,073,400,000	-
Other parties	Purchase of SSI bonds	(60,000,000,000)	-	60,000,000,000	-
	Payables for SSI bond interest	(4,934,054,428)	(270,945,572)	5,205,000,000	(270,945,572)

Transactions with other related parties

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

	Currency: VND	
	Current year	Previous year
Salary and bonus	15,747,711,049	13,126,800,000

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as at 31 December 2019 and for the year then ended

45. OTHER INFORMATION (continued)

45.2 Segment information

Segment information by business lines

Currency: VND

2019	Brokerage and customer services (1)	Proprietary trading	Treasury	Portfolio Management	Investment banking and others	Total
1. Direct income (1)	1,317,173,493,995	826,923,548,800	1,030,775,564,521	33,835,686,808	99,843,829,945	3,308,552,124,069
2. Direct expenses	790,452,757,653	445,549,377,105	702,516,927,748	20,094,454,051	51,176,792,284	2,009,790,308,841
3. Depreciation and allocated expenses	119,807,717,339	25,577,113,132	15,459,060,301	7,729,530,151	24,664,832,848	193,238,253,771
Profit before tax	406,913,019,003	355,797,058,563	312,799,576,472	6,011,702,606	24,002,204,813	1,105,523,561,457
As at 31 December 2019						
1. Direct segment assets	5,365,175,232,762	6,122,949,379,716	14,906,970,252,591	68,636,216,870	26,391,132,359	26,490,122,214,298
2. Allocated segment assets	168,988,848,584	38,158,772,261	21,805,012,721	10,902,506,360	32,707,519,081	272,562,669,007
3. Unallocated assets	-	-	-	-	-	281,430,151,608
Total assets	5,534,164,081,346	6,161,108,151,977	14,928,775,265,312	79,538,723,230	59,098,651,440	27,044,115,024,913
4. Direct segment liabilities	1,997,469,537,515	691,799,021,437	14,484,195,452,339	6,790,837,095	11,318,800,163	17,191,573,648,549
5. Allocated segment liabilities	180,128,955,830	40,674,280,349	23,242,445,914	11,621,222,957	34,863,668,870	290,530,573,920
6. Unallocated liabilities	-	-	-	-	-	160,951,022,239
Total liabilities	2,177,598,493,345	732,473,301,786	14,507,437,898,253	18,412,060,052	46,182,469,033	17,643,055,244,708

(1) Income mainly from brokerage, margin lending services, investment advisory services and custodian services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

45. OTHER INFORMATION (continued)

45.2 Segment information (continued)

Segment information by business lines (continued)

2018	Brokerage and customer services (1)	Proprietary trading	Treasury	Portfolio Management	Investment banking and others	Total	Currency: VND
1. Direct income (1)	1,893,605,019,876	1,092,899,742,557	759,144,046,466	65,515,558,197	185,915,339,550	3,997,079,706,646	
2. Direct expenses	1,022,741,177,595	708,573,024,444	378,074,479,321	20,506,811,552	70,287,104,536	2,200,182,597,448	
3. Depreciation and allocated expenses	109,420,696,503	22,578,873,881	13,894,691,620	6,947,345,809	20,842,037,430	173,683,645,243	
Profit before tax	761,443,145,778	361,747,844,232	367,174,875,525	38,061,400,836	94,786,197,584	1,623,213,463,955	
As at 31 December 2018							
1. Direct segment assets	5,972,332,012,656	4,291,466,758,057	12,914,276,614,602	39,891,225,087	10,749,982,228	23,228,716,592,630	
2. Allocated segment assets	135,271,921,447	27,913,253,632	17,177,386,850	8,588,693,425	25,766,080,276	214,717,335,630	
3. Unallocated assets	-	-	-	-	-	382,192,797,101	
Total assets	6,107,603,934,103	4,319,380,011,689	12,931,454,001,452	48,479,918,512	36,516,062,504	23,825,626,725,361	
4. Direct segment liabilities	2,255,715,036,430	683,544,626,967	11,291,790,838,923	3,295,227,159	10,079,545,261	14,244,425,274,740	
5. Allocated segment liabilities	163,148,933,676	33,665,652,981	20,717,324,911	10,358,662,456	31,075,987,367	258,966,561,391	
6. Unallocated liabilities	-	-	-	-	-	166,570,361,597	
Total liabilities	2,418,863,970,106	717,210,279,948	11,312,508,163,834	13,653,889,615	41,155,532,628	14,669,962,197,728	

(1) Income mainly from brokerage, margin lending services, investment advisory services and custodian services.

Segment information by geographic area

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

The Company has a wholly-owned US 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, expenses 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

45. OTHER INFORMATION (continued)

45.3 Operating lease commitments

The Company leases office under operating lease arrangements. As at 31 December 2019, the committed future rental payments under the operating lease agreements are as follows:

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
1 year or less	85,837,981,908	62,862,490,807
More than 1 - 5 years	211,181,283,215	86,001,002,221
More than 5 years	237,301,561,200	69,222,045,000
Total	<u>534,320,826,323</u>	<u>218,085,538,028</u>

45.4 Commitments relating to margin lending service

The Company signed margin lending contracts with investors to facilitate securities trading activities of investors.

The Company's commitments to provide funds under outstanding margin lending contracts as at 31 December 2019 and 31 December 2018 are as follows:

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Head Office (in Ho Chi Minh City)	1,471,953,895,995	1,037,497,641,064
Hanoi	693,070,387,246	655,963,469,645
Hai Phong	34,099,825,325	27,915,623,565
Nguyen Cong Tru	164,726,833,452	97,025,923,901
Nha Trang	19,612,142,664	19,030,554,032
Vung Tau	27,434,217,823	23,287,102,244
My Dinh	92,306,572,669	40,513,753,430
Total	<u>2,503,203,875,174</u>	<u>1,901,234,067,881</u>

45.5 Purposes and policies of financial risk management

The Company's financial liabilities comprise mostly liabilities and borrowings, payables to suppliers and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arise directly from its operations. The Company does not hold or issue derivative financial instruments.

The Company is exposed to market risk, credit risk and liquidity risk.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

45. OTHER INFORMATION (continued)

45.5 Purposes and policies of financial risk management (continued)

Market risk

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

The Company manages market risk by analysing financial sensitivity of the Company as at 31 December 2019 and 31 December 2018. When analysing sensitivity, Management assumes that sensitivity of Available-for-sale debt instruments in the statement of financial position and other related items in the income statement is affected by changes in corresponding market risk. The analysis is based on financial assets and liabilities held by the Company as at 31 December 2019 and 31 December 2018.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk due to changes in interest rate relates primarily to cash and short-term deposits of the Company and its subsidiaries. Financial liabilities have fixed interest rate.

The Company manages interest rate risk by looking at the competitive structure of the market to identify a proper interest rate policy which is favourable for purposes of the Company and its subsidiaries within its risk management limits.

No analysis on interest sensitivity is performed since the Company's exposure to risk of changes in interest rate is insignificant.

Foreign exchange risk

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

The Company manages foreign exchange risk by hedging against transactions that are expected to take place in the future.

Equity price risk

Listed and unlisted securities which are held by the Company are affected by market risk arising from the uncertainty of future value of invested securities. The Company manages equity price risk by establishing investment limits. The Company's Investment Council considers and approves investments in securities.

As at the reporting date, the fair value of listed shares (FVTPL and AFS) was VND 2,186,555,616,750. The 10% increase (or decrease) in market index would possibly result in a corresponding increase (or decrease) in revenue from investment of the Company, depending on its magnitude and length as well as the Company's ownership position of securities which have significant influence on market index.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

45. OTHER INFORMATION (continued)

45.5. Purposes and policies of financial risk management (continued)

Credit risk

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

Receivables

Customer credit risk is managed by the Company based on its established policies, procedures and control relating to customer credit risk management. Credit quality of customers is evaluated on the basis of Management's assessment.

Outstanding customer receivables are regularly monitored. Customer credit quality's impairment is analysed at each reporting date on an individual basis for major clients. The Company closely monitors outstanding receivables and operates a credit control unit to mitigate credit risk. Due to the fact that the Company's receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

Bank deposits

The Company's bank balances are mainly maintained with high credit rating banks in Vietnam. Credit risk from balances with banks is managed by the Company's Capital and Financial Business Division in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the statement of financial position at each reporting date is the carrying value as presented in *Notes 5, 7.3 and 11*. The Company evaluates the concentration of credit risk with respect to bank deposits as low.

Margin lending and advances to customers

The Company manages its credit risks via the use of internal control policies, processes and procedures relevant to margin lending and advance payments to customers. The Company only provides margin lending with securities eligible to perform margin trading under the Regulation on Margin Lending and is rated in accordance with SSI's principle of share quality assessment. The credit limits are measured based on value of collateral assets, customer's credit rating and other indicators.

The following loans are considered as overdue as at 31 December 2019 (excluding contracts that was extended or liquidated before the signing date of this report). Except for financial assets which are reserved for impairment as stated in *Notes 8 and 9*, according to the Management's assessment, the remaining financial assets are neither overdue nor impaired as they are all liquid.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

45. OTHER INFORMATION (continued)

45.5. Purposes and policies of financial risk management (continued)

Credit risk (continued)

	Total	Balance provisioned	Neither past due nor impaired	Past due but not impaired			Currency: VND
				< 80 days	81–180 days	>180 days	
Beginning balance	5,966,651,185,939	33,732,119,327	5,931,945,546,892	961,795,139	5,001,214	1,371,439	5,351,928
Ending balance	5,359,342,228,084	30,286,750,665	5,329,024,126,928	6,574,982	6,316,274	1,973,476	16,485,759

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting financial obligations. The Company's exposure to liquidity risk arises when the Company is unable to meet its financial obligations as they fall due, primarily due to mismatches in the maturity terms of financial assets and liabilities. The maturity terms of financial assets and liabilities reflect the remaining period of financial assets and liabilities from the reporting date to the date of settlement set out in the contracts or terms of issuance. For FVTPL and AFS financial assets, the maturity terms are determined based on the liquidity of the assets (the ability to sell and purchase the assets in short term) on the market.

The Company monitors its liquidity risk by maintaining a level of cash and cash equivalents, borrowings deemed adequate by the Management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

45. OTHER INFORMATION (continued)

45.5. Purposes and policies of financial risk management (continued)

Liquidity risk (continued)

The below table summarizes the maturity profile of the Company's assets and liabilities based on contractual undiscounted payments:

	Overdue	On demand	Less than 1 year	1 – 5 years	Over 5 years	Total
31 December 2019						
ASSETS						
<i>Cash and cash equivalents</i>	-	260,631,829,536	780,150,780,818	-	-	1,040,782,610,354
<i>Financial assets</i>	31,350,491	5,124,315,951,246	16,032,213,272,783	3,444,540,512,534	794,315,339,944	25,395,416,426,998
FVTPL financial assets	-	4,315,244,773,067	-	-	-	4,315,244,773,067
HTM investments	-	-	10,721,931,457,865	3,444,540,512,534	-	14,166,471,970,399
Loans (excluding provisions)	31,350,491	49,029,062,675	5,310,281,814,918	-	-	5,359,342,228,084
Available-for-sale financial assets	-	760,042,115,504	-	-	-	760,042,115,504
Long-term investments	-	-	-	-	794,315,339,944	794,315,339,944
<i>Other assets</i>	308,278,893,044	164,752,511,401	2,236,298,475	176,462,783,756	205,776,532,750	857,507,019,426
Deposits collaterals and pledges	-	29,107,655,416	-	-	-	29,107,655,416
Other receivables (excluding provisions)	308,278,893,044	87,185,722,731	2,236,298,475	-	-	397,700,914,250
Other assets	-	48,459,133,254	-	-	-	48,459,133,254
Fixed assets (including construction in progress)	-	-	-	176,462,783,756	205,776,532,750	382,239,316,506
Total	308,310,243,535	5,549,700,292,183	16,814,600,352,076	3,621,003,296,290	1,000,091,872,694	27,293,706,056,778
LIABILITIES						
Short-term borrowings	-	5,679,096,155,457	9,871,130,000,000	-	-	15,550,226,155,457
Convertible bond	-	-	-	1,105,937,946,170	-	1,105,937,946,170
Payables for securities transaction activities	-	-	30,254,764,400	-	-	30,254,764,400
Accrued expenses	-	26,636,113,756	72,355,027,987	-	-	98,991,141,743
Statutory obligation	-	59,461,134,912	-	-	-	59,461,134,912
Other liabilities	-	354,754,122,779	309,165,194,916	-	-	663,919,317,695
Total	-	6,119,947,526,904	10,282,904,987,303	1,105,937,946,170	-	17,508,790,460,377
Net liquidity difference	308,310,243,535	(570,247,234,721)	6,531,695,364,773	2,515,065,350,120	1,000,091,872,694	9,784,915,596,401

Currency: VND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

45. OTHER INFORMATION (continued)

45.5. Purposes and policies of financial risk management (continued)

Liquidity risk (continued)

The Company assessed the concentration of risk with respect to its debt payments as low. The Company is able to access to different sources of funds and all the borrowings which are due within 12 months can be renewed with the current lenders.

Collaterals

The Company used a part of its term deposits and certificates of deposits as collaterals for short-term borrowings from commercial banks and covered warrants issued by the Company. As at 31 December 2019, the total carrying value of term deposits and certificates of deposits used as collaterals for short-term borrowings were VND 10,040 billion, and the total carrying value of term deposits used as collaterals for covered warrants issued by the Company were VND 85.9 billion.

Among listed shares of financial assets at fair value through profit and loss and investment in associates as at 31 December 2019, there are 27,097,938 shares with the par value of VND 270,979,380,000 used as collaterals for short-term borrowings.

Among unlisted bonds and other securities classified as financial assets at FVTPL as at 31 December 2019, there are 13 certificates of deposits with par value of VND 1,300 billion used as collaterals for short-term borrowings of the Company.

Among held-to-maturity bonds of long-term investment as at 31 December 2019, there are 102,400 bonds with the par value of VND 3,400 billion used as collaterals for short-term borrowings of the Company.

The Company held securities as collateral for margin loans to customers as at 31 December 2019.

Other than that, the Company did not hold any other party's collateral at 31 December 2019 and 31 December 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

45. OTHER INFORMATION (continued)

45.6 Off-balance sheet item of subsidiary

SSIAM, a subsidiary of the Company, conducts portfolio management activities. As at 31 December 2019 and 31 December 2018, SSIAM off-balance sheet items related to portfolio management activities of entrusted investors include: deposits, portfolios, receivables and payables are as follows:

	<i>Ending balance</i>	<i>Beginning balance</i>
Entrusted investors' deposits	36,663,687,306	130,461,339,967
Portfolio of entrusted investors	318,688,461,592	424,220,130,537
Receivables of entrusted investors	1,673,104,377	23,469,414,816
Payables of entrusted investor	507,291,281	581,058,983

Currency: VND

In particular, the list of securities in the portfolio of entrusted investors is reduced in value as follows:

	<i>Ending balance</i>			<i>Beginning balance</i>		
	<i>Amount</i>	<i>Cost</i>	<i>Decrease in value</i>	<i>Amount</i>	<i>Cost</i>	<i>Decrease in value</i>
HPG	-	-	-	613,760	24,673,914,626	(5,678,042,626)
TCB	-	-	-	408,200	14,715,008,704	(4,163,038,704)
GEX	-	-	-	549,480	15,436,140,698	(3,265,158,698)
VIT	-	-	-	349,770	6,259,812,146	(2,272,434,146)
MBB	527,986	11,494,144,356	(512,035,556)	360,848	8,047,930,035	(1,029,436,435)
VHM	65,550	5,895,328,425	(336,688,425)	200,728	18,446,441,744	(3,713,006,544)
ACB	50,000	1,171,573,600	(31,573,600)	233,445	9,025,054,205	(2,115,082,205)
HLM	55,625	11,013,850,000	(11,013,850,000)	-	-	-
RICONS	188,716	19,799,162,000	(8,476,202,000)	188,716	20,193,012,000	(849,622,000)
TDM	901,100	25,437,435,642	(2,279,165,642)	-	-	-
Other	1,652,473	65,797,427,014	(5,980,310,314)	3,217,973	181,428,015,648	(9,578,934,055)
Total	3,441,450	140,608,921,037	(28,629,825,537)	6,122,920	298,225,329,806	(32,664,755,413)

Currency: VND

45.7 Accounting ratios

	<i>Ratios in 2019</i>	<i>Ratios in 2018</i>
Assets ratios		
Current assets/ Total Assets	82.42%	93.47%
Non-current assets/ Total Assets	17.58%	6.53%
Owners' equity ratios		
Liabilities/ Total Assets	65.24%	61.57%
Owners' equity/ Total Assets	34.76%	38.43%
Profitability		
Return on assets (Profit after tax/ Total assets)	3.35%	5.47%
Return on equity (Profit after tax/ Owners' equity)	9.72%	14.34%
Profit after tax/ Charter capital	17.78%	25.54%
Profit after tax/ Income	27.48%	33.08%
Liquidity		
Current ratio (Current assets/ Current liabilities)	1.36	1.65
Quick ratio ((Cash and cash equivalents + Short-term investment)/ Current liabilities)	1.35	1.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

46. EVENT AFTER THE REPORTING DATE

There is no matter or circumstance that has arisen since the reporting date that requires adjustment or disclosure in the consolidated financial statements of the Company.



Ms. Hoang Thi Minh Thuy
Chief Accountant



Ms. Nguyen Thi Thanh Ha
Chief Financial Officer



Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam

24 March 2020

