



Ho Chi Minh City, April 19, 2019

Ref: 306/2019/CV-SSIHO

Re: Disclosure of the audited separate FS, consolidated FS and FSR Report 2018 in English

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

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

Name of the Company: **SSI SECURITIES CORPORATION**
 Symbol code: **SSI**
 Address: **72 Nguyen Hue Street, Ben Nghe Ward, District 1, HCMC, Vietnam**
 Telephone: **(84-28) 38242897**
 Fax: **(84-28) 38242997**
 Spokesman: **Nguyen Hong Nam**
 Address: **72 Nguyen Hue Street, Ben Nghe Ward, District 1, HCMC, Vietnam**
 Telephone: **(84-28) 38242897**
 Fax: **(84-28) 38242997**

Type of information 24 hours 72 hours irregular info. on demand periodic info.

Information for disclosure:
 English version of the audited Separate Financial Statements, the Consolidated Financial Statements, and the Financial Safety Ratio Reports in 2018.

This information was posted on SSI website on April 19, 2019 at this link www.ssi.com.vn.

The Company undertakes the accuracy of the information above and fully bears responsibilities for such information before the laws.

On behalf of the Company
 Party authorized to declare information



Nguyen Hong Nam
 Deputy Chief Executive Officer

SSI Securities Corporation
(former name: Saigon Securities Incorporation)

Consolidated financial statements

31 December 2018



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.

As at 17 December 2018, the Company officially changed its name to SSI Securities Corporation (former name: Saigon Securities Incorporation) under License No. 104/GPDC-UBCK granted by Chairman of State Securities Commission dated 17 December 2018 amending Securities Trading License No. 03/GPHDKD.

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 2018, 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 2018, 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 2018, the Company has two (02) directly owned subsidiaries, one (01) indirectly owned subsidiary and one (01) associates.

BOARD OF DIRECTORS

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

<i>Name</i>	<i>Title</i>	<i>Election</i>
Mr. Nguyen Duy Hung	Chairman	Re-elected on 23 April 2015
Mr. Nguyen Hong Nam	Member	Re-elected on 25 April 2014
Mr. Ngo Van Diem	Member	Re-elected on 21 April 2017
Mr. Bui Quang Nghiem	Member	Re-elected on 25 April 2014
Mr. Nguyen Duy Khanh	Member	Elected on 23 April 2015
Mr. Hironoki Oka	Member	Elected on 23 April 2015

BOARD OF SUPERVISION

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

<i>Name</i>	<i>Title</i>	<i>Election</i>
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:

<i>Name</i>	<i>Title</i>	<i>Appointment/Reappointment</i>
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 for the year ended 31 December 2018 and at the date of these 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.

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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 as at and for the year ended 31 December 2018.

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 2018 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

22 March 2019

Reference No.: 60755007/20372418-HN

INDEPENDENT AUDITORS' REPORT

**To: The shareholders of
SSI Securities Corporation** (former name: Saigon Securities Incorporation)

We have audited the accompanying consolidated financial statements of SSI Securities Corporation ("the Company") and its subsidiaries as prepared on 22 March 2019 and set out on pages 6 to 86 which comprise the consolidated statement of financial position as at 31 December 2018, 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 the preparation and presentation of the consolidated financial statements, and for such internal control as the Management determines is necessary to enable the preparation and presentation of 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 2018, and of the consolidated results of their operations, their consolidated changes in cash flows and 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



Dang Phuong Ha
Deputy General Director
Audit Practising Registration
Certificate No. 2400-2018-004-1



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

Ho Chi Minh City, Vietnam

22 March 2019

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2018

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
100	A. CURRENT ASSETS		22,270,357,215,928	17,227,983,148,329
110	I. Financial assets		22,237,874,265,510	17,092,445,491,929
111	1. Cash and cash equivalents	5	612,880,138,860	345,985,713,191
111.1	1.1. Cash		312,863,700,842	231,504,310,415
111.2	1.2. Cash equivalents		300,016,438,018	114,481,402,776
112	2. Financial assets at fair value through profit and loss (FVTPL)	7.1	2,039,985,819,918	1,431,143,096,100
113	3. Held-to-maturity (HTM) investments	7.3	12,326,240,312,685	7,882,154,213,938
114	4. Loans	7.4	5,966,651,185,939	5,764,072,330,098
115	5. Available-for-sale (AFS) financial assets	7.2	1,265,085,272,300	1,534,863,599,300
116	6. Provision for impairment of financial assets and mortgage assets	8	(29,666,132,207)	(23,071,577,500)
117	7. Receivables		301,712,370,797	27,842,003,070
117.1	7.1 Receivables from disposal of financial assets	9	300,141,137,920	26,678,453,070
117.2	7.2 Receivables and accruals from dividend and interest income	9	1,571,232,877	1,163,550,000
117.3	7.2.1 Receivables from due dividend and interest income		-	-
117.4	7.2.2 Accruals for undue dividend and interest income		1,571,232,877	1,163,550,000
118	8. Advances to suppliers	9	31,348,740,192	18,082,112,403
119	9. Receivables from services provided by the Company	9	31,161,533,678	55,404,562,922
122	10. Other receivables	9	4,513,763,962	71,271,331,370
129	11. Provision for impairment of receivables	9	(312,038,740,614)	(15,301,892,963)
130	II. Other current assets	10	32,482,950,418	135,537,656,400
131	1. Advances		3,843,488,923	9,001,649,610
132	2. Office supplies, tools and materials		2,959,982,619	53,710,015
133	3. Short-term prepaid expenses		21,364,723,566	10,575,869,709
134	4. Short-term deposits, collaterals and pledges		856,602,610	931,717,910
137	5. Other current assets		3,458,152,700	114,974,709,156

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2018

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
200	B. NON-CURRENT ASSETS		1,555,269,509,433	1,536,392,023,519
210	I. Long-term financial assets		1,065,902,838,568	943,369,693,465
212	1. Long-term investments	11	1,065,902,838,568	943,369,693,465
212.1	1.1. HTM investments		301,622,077,596	130,424,472,600
212.3	1.2. Investment in associates		764,280,760,972	812,945,220,865
220	II. Fixed assets		118,742,648,730	161,101,323,414
221	1. Tangible fixed assets	12	84,097,724,124	32,942,324,482
222	1.1. Cost		175,652,952,614	115,198,707,424
223a	1.2. Accumulated depreciation		(91,555,228,490)	(82,256,382,942)
227	2. Intangible fixed assets	13	34,644,924,606	128,158,998,932
228	2.1. Cost		101,372,221,724	186,932,181,501
229a	2.2. Accumulated amortisation		(66,727,297,118)	(58,773,182,569)
230	III. Investment properties	14	214,561,642,609	218,230,726,962
231	1. Cost		278,818,031,178	272,917,757,575
232a	2. Accumulated depreciation		(64,256,388,569)	(54,687,030,613)
240	IV. Construction in progress	15	4,923,184,107	47,154,474,755
250	V. Other long-term assets		151,139,195,419	166,535,804,923
251	1. Long-term deposits, collaterals and pledges		23,978,605,906	19,416,533,466
252	2. Long-term prepaid expenses	16	40,312,468,926	35,571,900,952
253	3. Deferred income tax assets	17	51,848,120,587	76,547,370,505
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		23,825,626,725,361	18,764,375,171,848

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2018

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
300	C. LIABILITIES		14,669,962,197,728	10,148,125,475,946
310	I. Current liabilities		13,469,410,255,114	9,354,274,432,825
311	1. Short-term borrowings and financial leases	20	11,193,158,753,866	8,503,887,663,684
312	1.1. Short-term borrowings		11,193,158,753,866	8,503,887,663,684
316	2. Short-term bonds	21	255,000,000,000	199,871,666,661
318	3. Payables for securities trading activities	23	20,890,746,200	-
320	4. Short-term trade payables	24	9,871,570,085	7,858,964,987
321	5. Short-term advance from customers		56,096,109,184	5,119,599,349
322	6. Statutory obligation	25	69,950,280,972	131,662,750,256
323	7. Payables to employees		42,813,281,214	39,122,549,261
324	8. Employee benefits		60,982,952	8,662,352
325	9. Short-term accrued expenses	26	113,892,022,048	93,014,814,252
328	10. Short-term deposits received		1,255,230,000	-
329	11. Other short-term payables	27	1,490,328,981,368	188,798,899,963
331	12. Bonus and welfare fund		216,092,297,225	184,928,862,060
340	II. Non-current liabilities		1,200,551,942,614	793,851,043,121
345	1. Long term convertible bonds- Debt component	22	1,068,320,391,534	-
346	2. Long-term bonds	21	-	569,300,000,000
348	3. Long-term advance from customers		2,415,081,980	-
351	4. Long-term unrealized revenue	28	51,187,159,357	33,511,108,968
352	5. Long-term deposits received		255,695,000	-
356	6. Deferred income tax payable	17	78,373,614,743	191,039,934,153
400	D. OWNERS' EQUITY	29	9,155,664,527,633	8,616,249,695,902
410	I. Owners' equity		9,155,664,527,633	8,616,249,695,902
411	1. Share capital		5,235,152,952,935	5,027,878,981,200
411.1	1.1. Capital contribution		5,100,636,840,000	5,000,636,840,000
411.1a	a. Ordinary shares		5,100,636,840,000	5,000,636,840,000
411.2	1.2. Share premium		29,470,756,034	29,482,756,034
411.3	1.3. Convertible bond - Equity component		113,779,095,785	-
411.5	1.4. Treasury shares		(8,733,738,884)	(2,240,614,834)
412	2. Difference from revaluation of assets at fair value	41	277,801,019,026	637,896,244,067
413	3. Foreign exchange rate differences		41,038,039,125	33,179,513,213
414	4. Charter capital supplementary reserve		412,057,165,307	355,412,398,796
415	5. Operational risk and financial reserve		327,549,570,623	270,904,804,112
417	6. Undistributed profit	29.1	2,795,105,924,402	2,212,624,960,292
417.1	6.1. Realised profit		3,056,176,268,973	2,235,685,451,553
417.2	6.2. Unrealised profit		(261,070,344,571)	(23,060,491,261)
418	7. Non-controlling interests		66,959,856,215	78,352,794,222
440	TOTAL LIABILITIES AND OWNERS' EQUITY		23,825,626,725,361	18,764,375,171,848

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2018

OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	Ending balance	Opening balance
	A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
005	Foreign currencies	30.1		
	<i>USD</i>		6,556,662.33	5,163,658.21
	<i>EUR</i>		84,345.41	84,352.36
	<i>GBP</i>		37,151.64	38,197.09
006	Outstanding shares (number of shares)	29.4	509,170,307	499,849,370
007	Treasury shares (number of shares)	29.4	893,377	214,314
008	Financial assets listed/registered for trading at Vietnam Securities Depository ("VSD") of the Company (VND)	30.2	872,947,970,000	892,517,220,000
009	Non-traded financial assets deposited at VSD of the Company (VND)	30.3	10,482,230,000	10,485,780,000
010	Awaiting financial assets of the Company (VND)	30.4	10,135,100,000	5,520,000
012	Financial assets which have not been deposited at VSD of the Company (VND)	30.5	913,425,310,000	380,192,020,000
013	Entitled financial assets of the Company (VND)		39,095,130,000	660,000
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS			
021	Financial assets listed/registered for trading at VSD of investors (VND)	30.6	42,493,662,500,000	33,276,995,380,000
021.1	<i>Unrestricted financial assets</i>		34,656,128,250,000	27,586,903,680,000
021.2	<i>Restricted financial assets</i>		548,270,620,000	572,565,500,000
021.3	<i>Mortgaged financial assets</i>		6,641,685,800,000	4,435,948,560,000
021.4	<i>Blocked financial assets</i>		305,694,280,000	30,525,850,000
021.5	<i>Financial assets awaiting settlement</i>		341,883,550,000	651,051,790,000

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2018

OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)			
022	Non-traded financial assets deposited at VSD of investors	30.7	376,706,850,000	1,537,141,910,000
022.1	<i>Unrestricted and non-traded financial assets deposited at VSD</i>		324,305,840,000	1,382,746,250,000
022.2	<i>Restricted and non-traded financial assets deposited at VSD</i>		52,256,010,000	52,256,010,000
022.3	<i>Mortgaged and non-traded financial assets deposited at VSD</i>		-	102,139,650,000
022.4	<i>Blocked and non-traded financial assets deposited at VSD</i>		145,000,000	-
023	Financial assets awaiting for arrival of investors	30.8	248,603,350,000	558,055,700,000
024b	Financial assets which have not been deposited at VSD of investors	30.9	66,834,410,000	587,746,830,000
025	Entitle financial assets of investors	30.10	161,868,940,000	20,760,290,000
026	Investors' deposits		3,283,456,420,063	4,016,678,482,634
027	Investors' deposits for securities trading activities managed by the Company	30.11	2,666,193,777,876	3,834,955,125,947
027.1	Investors' deposits at VSD	30.11	610,905,763,675	145,075,049,045
028	Investors' synthesizing deposits for securities trading activities	30.11	4,553,932,668	17,567,220,094
030	Deposits of securities issuers	30.12	1,802,945,844	19,081,087,548
031	Payables to investors - investors' deposits for securities trading activities managed by the Company	30.13	3,277,099,541,551	3,980,030,174,992
031.1	<i>Payables to domestic investors for securities trading activities managed by the Company</i>		2,769,817,505,805	3,834,932,579,377
031.2	<i>Payables to foreign investors for securities trading activities managed by the Company</i>		507,282,035,746	145,097,595,615

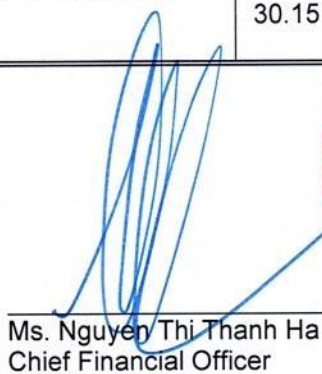
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2018

OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)			
032	Payables to securities issuers	30.14	101,060	17,697,679,784
034	Dividends, bond principals and interest payables	30.15	1,802,844,784	1,383,407,764



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

22 March 2019

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CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2018

Code	ITEMS	Notes	Current year VND	Previous year VND
	I. OPERATING INCOME			
01	1. Gain from financial assets at fair value through profit and loss (FVTPL)		646,758,445,125	668,205,714,750
01.1	1.1. Gain from disposal of financial assets at FVTPL	31.1	309,260,483,503	258,242,105,970
01.2	1.2. Gain from revaluation of financial assets at FVTPL	31.2	249,068,059,560	363,520,691,804
01.3	1.3. Dividend, interest income from financial assets at FVTPL	31.3	88,429,902,062	46,442,916,976
02	2. Gain from held-to-maturity (HTM) investments	31.3	716,061,639,277	450,841,549,874
03	3. Gain from loans and receivables	31.3	710,869,164,035	519,650,863,341
04	4. Gain from available-for-sale (AFS) financial assets	31.3	209,534,611,481	259,243,270,357
06	5. Revenue from brokerage services		1,130,951,456,889	779,655,966,567
07	6. Revenue from underwriting and issuance agent services		2,294,659,091	6,970,000,000
08	7. Revenue from securities investment advisory services		27,181,454,886	25,112,954,614
09	8. Revenue from securities custodian services		16,196,356,140	13,106,660,608
10	9. Revenue from financial advisory services		125,202,889,557	104,386,740,785
11	10. Revenue from other activities	33	87,787,382,263	70,904,085,725
20	Total operating revenue		3,672,838,058,744	2,898,077,806,621
	II. OPERATING EXPENSES			
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		622,002,974,602	486,473,323,551
21.1	1.1. Loss from disposal of financial assets at FVTPL	31.1	110,639,931,937	157,754,346,488
21.2	1.2. Loss from revaluation of financial assets at FVTPL	31.2	510,162,874,917	328,000,178,020
21.3	1.3. Transaction costs of acquisition of financial assets at FVTPL		1,200,167,748	718,799,043
23	2. Loss from revaluation of AFS financial assets arising from reclassification		974,544,960	1,468,135,635
24	3. Provision/(reversal of provision) expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	32	39,672,379,770	(50,808,499,167)
26	4. Expenses for proprietary trading activities		8,175,909,551	6,529,060,758
27	5. Expenses for brokerage services	34	772,657,137,549	515,662,908,804
28	6. Expenses for underwriting and issuance agent services	34	644,244,526	448,237,668
29	7. Expenses for securities investment advisory services	34	20,611,871,141	17,339,245,420
30	8. Expenses for securities custodian services	34	22,252,011,562	18,364,941,338
31	9. Expenses for financial advisory services	34	52,479,927,302	62,842,511,908
32	10. Expenses for other activities	34, 35	111,558,768,564	79,077,162,741
40	Total operating expenses		1,651,029,769,527	1,137,397,028,656

CONSOLIDATED INCOME STATEMENT (continued)
for the year ended 31 December 2018

Code	ITEMS	Notes	Current year VND	Previous year VND
	III. FINANCE INCOME			
41	1. Realized and unrealized gain from changes in foreign exchange rates		3,303,149,879	498,596,335
42	2. Dividend, interest income from demand deposits		23,823,241,348	39,095,125,630
43	3. Gain from disposal of investments in subsidiaries and associates		164,457,327,326	-
44	4. Other finance income		74,240,555,353	105,518,563,847
50	Total finance income	36	265,824,273,906	145,112,285,812
	IV. FINANCE EXPENSES			
51	1. Realized and unrealized loss from changes in foreign exchange rates		4,697,732,904	1,868,541,862
52	2. Borrowing costs		536,540,563,261	343,581,229,539
55	3. Other finance expense		5,680,695,698	-
60	Total finance expenses	37	546,918,991,863	345,449,771,401
62	V. GENERAL AND ADMINISTRATIVE EXPENSES	38	173,683,645,242	168,028,766,259
70	VI. OPERATING PROFIT		1,567,029,926,018	1,392,314,526,117
	VII. OTHER INCOME AND EXPENSES			
71	Other income		58,417,373,996	13,087,665,727
72	Other expenses		2,233,836,059	380,782,811
80	Total other operating profit	39	56,183,537,937	12,706,882,916
90	VIII. PROFIT BEFORE TAX		1,623,213,463,955	1,405,021,409,033
91	Realized profit		1,883,886,823,081	1,369,674,291,631
92	Unrealized profit		(260,673,359,126)	35,347,117,402
100	IX. CORPORATE INCOME TAX (CIT) EXPENSES	40	320,276,221,397	243,916,813,210
100.1	Current CIT expense	40.1	319,845,580,653	227,147,912,674
100.2	Deferred CIT (income)/expense	40.2	430,640,744	16,768,900,536
200	X. PROFIT AFTER TAX		1,302,937,242,558	1,161,104,595,823
201	1. Profit after tax attributable to the Parent Company's owners		1,304,930,180,565	1,161,852,985,813
202	2. Profit after tax attributable to reserves		91,345,112,639	79,628,651,193
203	3. Profit after tax attributable to non-controlling interest		(1,992,938,007)	(748,389,990)

CONSOLIDATED INCOME STATEMENT (continued)
for the year ended 31 December 2018

Code	ITEMS	Notes	Current year VND	Previous year VND
300	XI. OTHER COMPREHENSIVE GAIN/(LOSS) AFTER TAX			
301	1. (Loss)/gain from revaluation of AFS financial assets	41	(360,095,225,041)	(14,896,631,308)
400	TOTAL COMPREHENSIVE INCOME		(360,095,225,041)	(14,896,631,308)
401	Other Comprehensive income attributable to the Parent Company's owners		(360,062,946,570)	(14,843,959,968)
402	Other Comprehensive income attributable to non-controlling interest		(32,278,471)	(52,671,340)
500	XII. NET INCOME APPROPRIATED TO ORDINARY SHAREHOLDERS		1,213,585,067,924	1,082,224,334,621
501	Earnings per share (VND/share)	43	2,428	2,208
502	Diluted earnings per share (VND/share)	44	2,417	2,208

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

22 March 2019

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2018

Code	ITEMS	Notes	Current year VND	Previous year VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Net profit before tax		1,623,213,463,955	1,405,021,409,033
02	2. Adjustments for:		(988,899,808,584)	(730,566,500,836)
03	Depreciation and amortization expense		30,828,467,858	20,947,213,144
04	Provision/(reversal of provision)		32,917,256,564	(620,599,691)
05	Unrealized (gain)/loss from exchange rate difference		(421,456,231)	173,396,382
06	Interest expenses		536,868,896,600	343,901,229,535
07	Gain from investment activities (investment in subsidiaries, associates and long-term HTM financial assets)		(763,332,907,195)	(495,229,118,735)
08	Accrued interest income		(829,220,813,597)	(599,043,514,417)
09	Other adjustments		3,460,747,417	(695,107,054)
10	3. Increase in non-monetary expenses		517,731,974,584	324,108,886,222
11	Loss from revaluation of financial assets at FVTPL		510,162,874,917	328,000,178,020
13	Loss/(reversal of provision) from impairment of loans		6,594,554,707	(5,359,427,433)
14	Loss from revaluation to fair value of AFS financial assets when reclassification		974,544,960	1,468,135,635
18	4. Decrease in non-monetary income		(428,680,923,541)	(589,814,228,061)
19	Gain from revaluation of financial assets at FVTPL		(249,068,059,560)	(363,520,691,804)
20	Gain from revaluation to fair value of AFS financial assets when reclassification		(179,612,863,981)	(226,293,536,257)
30	5. Operating profit before changes in working capital		723,364,706,414	408,749,566,358
31	(Increase)/decrease in financial assets at FVTPL		(346,083,790,863)	379,032,638,757
32	Increase in HTM investments		(4,083,037,234,365)	(491,170,678,200)
33	Increase in loans		(202,578,855,841)	(1,984,894,287,302)
34	(Increase)/decrease in AFS financial assets		(445,708,310,733)	226,707,855,613
35	Decrease in receivables from disposal of financial assets		15,429,702,300	26,807,894,500
37	Decrease/(increase) in receivables from services provided by the Company		24,323,340,163	(19,296,504,894)
39	Decrease/(increase) in other receivables		20,336,239,684	(26,310,583,847)
40	Decrease/(increase) in other assets		80,690,619,476	(49,085,053,601)
41	(Decrease)/increase in accrued expenses (excluding interest expenses)		(13,942,799,723)	8,403,545,245
42	Increase in prepaid expenses		(15,524,532,352)	(12,588,940,046)
43	Current income tax paid		(363,396,519,872)	(194,330,165,299)
44	Interest expenses paid		(469,660,001,949)	(321,966,912,179)
46	Increase/(decrease) in trade payables		1,701,043,929	(3,610,395,170)
47	Increase/(decrease) in welfare benefits		52,320,600	(159,934,200)
48	(Decrease)/increase in statutory obligations		(18,161,381,502)	25,027,050,340
49	Decrease in payables to employees		3,690,731,953	34,395,805,093
51	Increase/(decrease) in other payables		1,373,712,132,778	(151,380,652,608)
52	Other receipts from operating activities		829,878,907,015	598,129,706,117
	- Interest received		829,611,523,015	598,012,964,417
	- Other receipts		267,384,000	116,741,700
53	Other payments for operating activities		(53,255,868,974)	(28,447,874,665)
60	Net cash flows used in operating activities		(2,938,169,551,862)	(1,575,987,919,988)

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2018

Code	ITEMS	Notes	Current year VND	Previous year VND
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
61	Purchase and construction of fixed assets, investment properties and other long-term assets		(57,359,665,687)	(35,106,376,598)
62	Proceeds from disposal and sale of fixed assets, investment properties and other long-term assets		207,083,032,942	541,299,081
63	Cash payments for investment in subsidiaries, associates, joint ventures and other investments		(7,310,033,500,304)	(6,253,000,320,400)
64	Cash receipt from capital withdrawal from subsidiaries, associates, joint ventures and other investments		7,059,305,313,000	4,028,100,000,000
65	Interest and dividends from long-term investments received		433,034,276,448	383,362,668,183
70	Net cash flow from/(used in) investing activities		332,029,456,399	(1,876,102,729,734)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
71	Cash receipt from issuance of shares, capital contributed by shareholders		213,767,095,785	100,469,064,000
72	Repayment of capital contributed by shareholders, repurchase of issued shares		(53,493,124,050)	-
73	Drawdown of borrowings		85,775,993,676,758	49,501,155,932,980
73.2	- Other borrowings		85,775,993,676,758	49,501,155,932,980
74	Repayment of borrowings		(82,565,001,682,361)	(45,623,408,947,381)
74.3	- Other repayment of borrowings		(82,565,001,682,361)	(45,623,408,947,381)
76	Dividends, profit distributed to shareholders		(498,231,445,000)	(488,704,651,000)
80	Net cash flow from financing activities		2,873,034,521,132	3,489,511,398,599
90	NET INCREASE IN CASH DURING THE YEAR		266,894,425,669	37,420,748,877
101	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5	345,985,713,191	308,564,964,314
101.1	Cash		231,375,853,648	200,205,959,021
101.2	Cash equivalents		114,481,402,776	107,413,029,168
102	Exchange rate differences		128,456,767	945,976,125
103	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	612,880,138,860	345,985,713,191
103.1	Cash		309,402,953,426	231,375,853,648
103.2	Cash equivalents		300,016,438,018	114,481,402,776
104	Exchange rate differences		3,460,747,416	128,456,767

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2018

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF CUSTOMERS

Code	ITEMS	Notes	Current year VND	Previous year VND
	I. Cash flows from brokerage and trust activities of customers			
01	1. Cash receipts from disposal of brokerage securities of customers		233,089,481,103,978	158,362,644,597,181
02	2. Cash payments for acquisition of brokerage securities of customers		(197,409,880,869,375)	(151,564,405,275,980)
07	3. Cash receipts for settlement of securities transactions of customers (deposit/(withdrawal) previous year)		194,868,357,805,337	(4,094,047,857,546)
07.1	4. Investors' deposits at VSD		465,830,714,626	145,075,049,043
08	5. Cash payment for securities transactions of customers		(231,704,962,865,131)	-
09	6. Cash payments for custodian fees of customers		(14,784,414,818)	(11,620,149,721)
12	7. Cash receipt from securities issuers		2,943,124,849,302	1,893,296,516,813
13	8. Cash payment to securities issuers		(2,970,388,386,490)	(2,345,252,169,108)
20	Net (decrease)/increase in cash during the year		(733,222,062,571)	2,385,690,710,682
30	II. Cash and cash equivalents of customers at the beginning of the year		4,016,678,482,634	1,630,987,771,952
31	Cash at banks at the beginning of the year:		4,016,678,482,634	1,630,987,771,952
32	- Investors' deposits managed by the Company for securities trading activities		3,980,030,174,992	1,616,354,145,533
	<i>In which: Investors' deposits at VSD</i>		<i>145,075,049,043</i>	-
33	- Investors' synthesizing deposits for securities trading activities		17,567,220,094	5,034,657,285
35	- Deposits of securities issuers		19,081,087,548	9,598,969,134

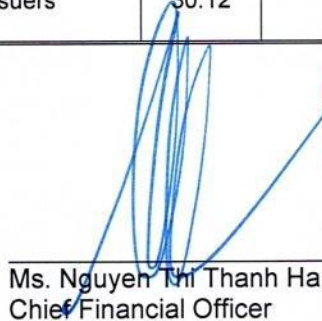
CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2018

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

Code	ITEMS	Notes	Current year VND	Previous year VND
40	III. Cash and cash equivalents of the customers at the end of the year (40 = 20 + 30)		3,283,456,420,063	4,016,678,482,634
41	Cash at banks at the end of the year:		3,283,456,420,063	4,016,678,482,634
42	- Investors' deposits managed by the Company for securities trading activities	30.11	3,277,099,541,551	3,980,030,174,992
	<i>In which: Investors' deposits at VSD</i>		<i>610,905,763,675</i>	<i>145,075,049,043</i>
43	- Investors' synthesizing deposits for securities trading activities	30.11	4,553,932,668	17,567,220,094
45	- Deposits of securities issuers	30.12	1,802,945,844	19,081,087,548



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

22 March 2019

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY
for the year ended at 31 December 2018

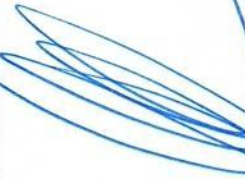
ITEMS	Notes	Opening balance		Previous year		Increase/Decrease		Ending balance	
		01/01/2017		01/01/2018		Current year		31/12/2017	
		VND	VND	Increase	Decrease	Increase	Decrease	VND	VND
A	B	1	2	3	4	5	6	7	8
I. CHANGES IN OWNERS' EQUITY									
1. Share capital		4,927,409,917,200	5,027,878,981,200	100,290,896,034	178,167,966	207,285,971,735	(12,000,000)	5,027,878,981,200	5,235,152,952,935
1.1. Ordinary share	29.2	4,900,636,840,000	5,000,636,840,000	100,000,000,000	-	100,000,000,000	-	5,000,636,840,000	5,100,636,840,000
1.2. Share premium		29,265,860,000	29,482,756,034	290,896,034	(74,000,000)	-	(12,000,000)	29,482,756,034	29,470,756,034
1.3. Convertible bond- Equity component		-	-	-	-	113,779,095,785	-	-	113,779,095,785
1.4. Treasury share		(2,492,782,800)	(2,240,614,834)	-	252,167,966	(6,493,124,050)	-	(2,240,614,834)	(8,733,738,884)
2. Charter capital supplementary reserve		311,560,605,893	355,412,398,796	43,851,792,903	-	56,644,766,511	-	355,412,398,796	412,057,165,307
3. Operational risk and financial reserve		227,053,011,209	270,904,804,112	43,851,792,903	-	56,644,766,511	-	270,904,804,112	327,549,570,623
4. Difference from revaluation of financial assets at fair value		652,792,875,375	637,896,244,067	607,628,548,568	(622,525,179,876)	36,935,488,132	(397,030,713,173)	637,896,244,067	277,801,019,026
5. Foreign exchange rate differences		34,056,420,954	33,179,513,213	-	(876,907,741)	7,858,525,912	-	33,179,513,213	41,038,039,125
6. Undistributed profit		1,674,837,853,150	2,212,624,960,292	1,505,851,030,724	(968,063,923,582)	1,796,597,754,474	(1,214,116,790,364)	2,212,624,960,292	2,795,105,924,402
6.1. Realized profit	29.1	1,727,170,255,230	2,235,685,451,553	1,147,456,542,194	(638,941,345,871)	1,543,064,033,874	(722,573,216,454)	2,235,685,451,553	3,056,176,268,973
6.2. Unrealized profit	29.1	(52,332,402,080)	(23,060,491,261)	358,394,488,530	(329,122,577,711)	253,533,720,600	(491,543,573,910)	(23,060,491,261)	(261,070,344,571)
7. Non-controlling interest		79,101,184,212	78,352,794,222	-	(748,389,990)	-	(11,392,938,007)	78,352,794,222	66,959,856,215
TOTAL		7,906,811,867,993	8,616,249,695,902	2,301,474,061,132	(1,592,036,233,223)	2,161,967,273,275	(1,622,552,441,544)	8,616,249,695,902	9,155,664,527,633

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (continued)
for the year ended 31 December 2018

Items	Notes	Opening balance		Increase/Decrease				Ending balance	
		01/01/2017	01/01/2018	Previous year		Current year		31/12/2017	31/12/2018
		VND	VND	Increase	Decrease	Increase	Decrease	VND	VND
A	B	1	2	3	4	5	6	7	8
II. OTHER COMPREHENSIVE INCOME									
Gain/(loss) from revaluation of AFS financial assets		652,792,875,375	637,896,244,067	607,628,548,568	(622,525,179,876)	36,935,488,132	(397,030,713,173)	637,896,244,067	277,801,019,026
TOTAL	41, 42	652,792,875,375	637,896,244,067	607,628,548,568	(622,525,179,876)	36,935,488,132	(397,030,713,173)	637,896,244,067	277,801,019,026



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

22 March 2019



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2018 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.

As at 17 December 2018, the Company officially changed its name to SSI Securities Corporation (former name: Saigon Securities Incorporation) under License No. 104/GPDC-UBCK granted by Chairman of State Securities Commission dated 17 December 2018 amending Securities Trading License No. 03/GPHDKD.

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 2018, 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 advisory service, finance and investment advisory service, margin lending services and derivatives trading. The Company's Head Office is located at 72 Nguyen Hue Boulevard, District 1, Ho Chi Minh City, Vietnam. As at 31 December 2018, 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 2018 was 1026 persons (31 December 2017: 887 persons).

Company's operation

Capital

As at 31 December 2018, total charter capital of the Company is VND 5,100,636,840,000, owners' equity including non-controlling interests is VND 9,155,664,527,633 and total assets are VND 23,825,626,725,361.

Investment objectives

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

1. CORPORATE INFORMATION (continued)

Company's operation (continued)

Investment restrictions (continued)

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

Subsidiaries

As at 31 December 2018, 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 2018, the Company had one (01) indirectly owned by SSI IMF subsidiary named SSI International Corporation.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

1. CORPORATE INFORMATION (continued)

Associates

As at 31 December 2018, 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 23 October 2018 issued by Long An Department of Planning and Investment (17th amended license). At the initial stage, the company operated under Business Registration No. 4103003790 dated 31 August 2005.	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.	1,361,016,300,000

The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

1. CORPORATE INFORMATION (continued)

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

The Company's profit after tax for the year 2018 was VND 1,302,937,242,559, which made an increase of 12.2% (amounted to VND 141,832,646,336) in comparison to the year 2017 owing to the following reasons:

- ▶ Despite the decline of the Company's brokerage market share and transaction volume in quarter 4, growth rate of revenue from brokerage services in 2018 was 45.1%, equivalent to VND 351,295,490,322. Besides, brokerage service expense increased VND 256,994,228,745. Furthermore, SSI also witnessed an increase by 36.8%, equivalent to VND 191,218,300,694 in revenue from margin activities.
- ▶ Growth rate of interest income from held-to-maturity investments was 58.8%, equivalent to VND 265,220,089,403, higher than the growth of interest expense which was VND 192,959,333,722.
- ▶ Finance income by VND 265,824,273,906, mainly thanks to gain from disposal of associates (PDN and VFG).

2. BASIS OF PRESENTATION

2.1 ***Applied accounting standards and system***

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 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 2018.

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 the consistent accounting policies.

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

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

2.3 Registered accounting documentation system

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

2.4 Fiscal year

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

The Company also prepares its consolidated 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 financial position and results of operations and cash flows 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 2018 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 2018 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 investment, indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. When there is any evidence of impairment, provision for an HTM investment is determined as the negative difference between its fair value and amortized cost at the assessment date. Any increase/decrease in the balance of provision is recognized in the 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 2018 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 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 statement date, the Company assessed whether there is any objective evidence that an AFS financial asset is impaired. Any increase/decrease in the balance of provision is recognized in the consolidated income statement under "Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans".

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

- ▶ 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 average 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.

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 be 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.

Under the equity method, the investment is initially carried in the consolidated statement of financial position at cost. In term of the acquisition, the difference between cost of the investment and the determinable net asset fair value in correspondence with the Company's shares in associate at the acquisition date is defined as goodwill. Negative goodwill is recognized in "Other investment revenue (share of profits/(loss) in associates)" of the consolidated income statement. Positive goodwill will be reflected in the value of investment in associate of the consolidated statement of 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 qualification in the auditors' report in the audited financial statements of associates is determined as zero (0); and
- ▶ Fair value of other immaterial assets and debts is determined as their carrying value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 year 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 shareholders' 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.

4.21 *Payables and accrued expenses*

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

4.22 *Employee benefits*

4.22.1 *Post-employment benefits*

Post-employment benefits are paid to retired employees of the Company by the Social Insurance Agency, which belongs to the Ministry of Labour and Social Affairs. The Company is required to contribute to these post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 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 Labour 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-BLĐTBXH 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 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 arising 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 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 consolidated 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 statements of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.26 Revenue recognition

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

Revenue from brokerage services

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 dividend received in shares in which only the number of shares is updated.

Properties leasing revenue

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

Other revenues from rendering services

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

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

4.27 Borrowing costs

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.28 *Cost of securities sold*

The Company applies moving weighted average method to calculate cost of equity 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 report 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.

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.30 Owners' equity

Contributed capital from shareholders

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

Undistributed profit

Undistributed profit comprises of realised and unrealised undistributed profit.

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

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.

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 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

	<u>Ending balance VND</u>	<u>Opening balance VND</u>
Cash	312,863,700,842	231,504,310,415
- Cash on hand	280,482,251	329,526,695
- Cash at banks	312,583,218,591	231,174,783,720
Cash equivalents	300,016,438,018	114,481,402,776
Total	612,880,138,860	345,985,713,191

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

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	313,458,204	30,184,034,925,480
- Shares	57,058,204	2,546,975,025,480
- Bonds	255,800,000	27,628,764,900,000
- Other securities	600,000	8,295,000,000
b. Investors	16,108,926,404	565,408,649,269,359
- Shares	16,037,620,894	562,413,562,416,359
- Bonds	22,022,000	2,276,236,179,000
- Other securities	49,283,510	718,850,674,000
Total	16,422,384,608	595,592,684,194,839

7. FINANCIAL ASSETS

Concepts of financial assets

Cost

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

Fair value/market value

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

The fair value/market value of securities is determined 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 2018 and for the year then ended

7. FINANCIAL ASSETS (continued)

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

	Ending balance		Opening balance	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Listed shares and fund certificates	1,611,962,128,767	1,371,412,475,370	1,112,681,613,424	1,138,043,211,380
GEX	276,761,361,866	217,207,440,750	4,693,285	6,349,500
DBC	253,132,982,078	227,429,176,000	251,330,479,988	254,267,187,300
ELC	191,789,331,478	68,215,027,200	204,171,484,764	128,615,243,800
FPT	190,787,384,353	169,652,186,800	66,533,044,267	65,851,317,300
TMS	164,303,643,459	174,863,373,000	-	-
OPC	163,962,651,004	169,413,760,000	-	-
HPG	117,763,041,323	102,632,180,800	21,461,319,460	30,578,713,900
PLX	70,261,715,727	67,150,258,000	180,274,333,463	290,288,850,000
Other listed shares and fund certificates	183,200,017,479	174,849,072,820	388,906,258,197	368,435,549,580
Unlisted shares and fund certificates	120,582,017,570	112,889,392,928	105,931,465,352	88,374,404,720
SSIBF fund certificates	40,000,000,000	44,449,000,000	40,000,000,000	41,600,600,000
SSICA fund certificates	26,500,000,000	33,915,293,454	26,500,000,000	38,567,128,950
Descon Construction Corporation JSC.	17,456,571,492	-	17,456,571,492	8,182,129,000
Other unlisted shares	36,625,446,078	34,525,099,474	21,974,893,860	24,546,770
Unlisted bonds	560,731,951,620	555,683,951,620	204,725,480,000	204,725,480,000
Total	2,293,276,097,957	2,039,985,819,918	1,423,338,558,776	1,431,143,096,100

- (1) As at 31 December 2018, among the listed shares classified as financial assets at FVTPL, there are 3,217,818 shares with par value of VND 32,178,180,000 used as collaterals for short-term borrowings of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

7. FINANCIAL ASSETS (continued)

7.2 Available-for-sale (AFS) financial assets

	Ending balance		Opening balance	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Listed shares	486,920,806,635	837,473,225,400	573,611,017,959	1,355,733,972,000
SGN	186,719,487,791	514,959,000,000	188,296,511,801	673,461,151,200
DHC	52,055,585,738	86,572,890,000	48,060,985,032	102,335,269,400
HAH	26,089,909,120	12,979,264,500	26,089,630,020	19,228,100,000
IDC	21,761,298,400	21,667,499,700	21,761,298,400	25,982,239,900
Other listed shares	200,294,525,586	201,294,571,200	289,402,592,706	534,727,211,500
Unlisted shares	388,517,146,900	388,517,146,900	162,207,227,300	179,129,627,300
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	28,109,556,000	28,109,556,000
Other unlisted shares	292,866,226,600	292,866,226,600	80,688,750,000	97,611,150,000
Unlisted bonds	39,094,900,000	39,094,900,000	-	-
Total.	914,532,853,535	1,265,085,272,300	735,818,245,259	1,534,863,599,300

7.3 Held-to-maturity investments (HTM)

	Ending balance VND	Opening balance VND
Term deposits and certificates of deposits with remaining maturity of less than 1 year	12,326,240,312,685	7,882,154,213,938

As at 31 December 2018, there are term deposits and certificates of deposits with remaining maturity of less than 1 year and with balance of VND 4,145 billion and VND 7,167 billion that are used as collaterals for bank overdrafts and short-term borrowings of the Company respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

7. FINANCIAL ASSETS (continued)

7.4 Loans and receivables

	Ending balance		Opening balance	
	Cost VND	Fair value (4) VND	Cost VND	Fair value (4) VND
Receivables from margin activities (1)	5,887,782,972,702	5,858,116,840,495	5,632,705,629,670	5,609,634,052,170
Advances to investors (2)	73,246,329,906	73,246,329,906	126,735,539,319	126,735,539,319
Advances under securities brokerage contract (3)	5,621,883,331	5,621,883,331	4,631,161,109	4,631,161,109
Total	5,966,651,185,939	5,936,985,053,732	5,764,072,330,098	5,741,000,752,598

- (1) Securities under margin transaction are used as collaterals for the loans granted by the Company to investors. As at 31 December 2018 and 31 December 2017, the par value of those securities that are used as collaterals for margin trading was VND 6,486,103,208,000 and VND 6,040,499,840,000 respectively, the market value of those securities that are used as collaterals for margin trading was VND 16,535,868,540,430 and VND 16,549,831,922,670 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 contracts for selling 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 2018 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 (VND)	Revaluation difference Increase (VND)	Decrease (VND)	Revaluated value (VND)	Cost (VND)	Revaluation difference Increase (VND)	Decrease (VND)	Revaluated value (VND)
FVTPL	2,293,276,097,957	40,156,043,224	(293,446,321,263)	2,039,985,819,918	1,423,338,558,776	154,500,481,381	(146,695,944,057)	1,431,143,096,100
Listed shares and fund certificates	1,611,962,128,767	28,291,749,774	(268,841,403,171)	1,371,412,475,370	1,112,681,613,424	140,832,752,940	(115,471,154,984)	1,138,043,211,380
Unlisted shares and fund certificates	120,582,017,570	11,864,293,450	(19,556,918,092)	112,889,392,928	105,931,465,352	13,667,728,441	(31,224,789,073)	88,374,404,720
Unlisted bonds	560,731,951,620	-	(5,048,000,000)	555,683,951,620	204,725,480,000	-	-	204,725,480,000
AFS	914,532,853,535	363,756,998,724	(13,204,579,959)	1,265,085,272,300	735,818,245,259	805,931,474,854	(6,886,120,813)	1,534,863,599,300
Listed shares	486,920,806,635	363,756,998,724	(13,204,579,959)	837,473,225,400	573,611,017,959	789,009,074,854	(6,886,120,813)	1,355,733,972,000
Unlisted shares	388,517,146,900	-	-	388,517,146,900	162,207,227,300	16,922,400,000	-	179,129,627,300
Unlisted bonds	39,094,900,000	-	-	39,094,900,000	-	-	-	-
Total	3,207,808,951,492	403,913,041,948	(306,650,901,222)	3,305,071,092,218	2,159,156,804,035	960,431,956,235	(153,582,064,870)	2,966,006,695,400

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

8. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND MORTGAGE ASSETS

	<i>Ending balance</i> VND	<i>Opening balance</i> VND
Provision for impairment of loans	(29,666,132,207)	(23,071,577,500)

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

9. OTHERS FINANCIAL ASSETS

	<i>Ending balance</i> VND	<i>Opening balance</i> VND
1. Receivables from disposal of financial assets <i>In which: doubtful debts (1)</i>	300,141,137,920 299,429,263,720	26,678,453,070 2,531,847,570
2. Receivables and accruals from dividends and interest income from financial assets <i>In which: doubtful debts</i>	1,571,232,877 -	1,163,550,000 -
3. Advances to suppliers	31,348,740,192	18,082,112,403
4. Receivables from services provided by the Company <i>In which: doubtful debts</i>	31,161,533,678 12,087,959,417	55,404,562,922 12,248,527,916
5. Other receivables <i>In which: doubtful debts</i>	4,513,763,962 521,517,477	71,271,331,370 521,517,477
6. Provision for impairment of receivables	(312,038,740,614)	(15,301,892,963)
Total	56,697,668,015	157,298,116,802

(1) As at 31 December 2018, the value of investment of which paid-back receipt is in progress is transferred from "Other current asset" to "Receivables from disposal of financial assets" and "Provision for impairment of receivables" in accordance with regulations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

9. OTHERS FINANCIAL ASSETS (continued)

Details of provision for impairment of receivables

	Ending balance of doubtful debts VND	Opening balance of provision VND	Addition VND	Reversal VND	Ending balance of provision VND	Opening balance of doubtful debts VND
Provision for doubtful receivables from disposal of financial assets	299,429,263,720	2,531,847,570	296,897,416,150	-	299,429,263,720	2,531,847,570
- Dang Van Sy	2,531,847,570	2,531,847,570	-	-	2,531,847,570	2,531,847,570
- Phuc Bao Minh Commercial Construction Co., Ltd (1)	296,897,416,150	-	296,897,416,150	-	296,897,416,150	-
Doubtful receivables from services provided by the Company	12,087,959,417	12,248,527,916	2,680,799	163,249,298	12,087,959,417	12,248,527,916
- Pyramid New Technology Trade Corporation	525,000,000	525,000,000	-	-	525,000,000	525,000,000
- Thai Hoa JSC.	80,000,000	80,000,000	-	-	80,000,000	80,000,000
- Eloge France Vietnam JV Pharmaceuticals Company	80,000,000	80,000,000	-	-	80,000,000	80,000,000
- Saigon Maritime JSC.	270,000,000	270,000,000	-	-	270,000,000	270,000,000
- Vietnam Electricity Construction JSC.	150,000,000	150,000,000	-	-	150,000,000	150,000,000
- Overdue receivables from margin activities – retail investors	10,982,959,417	11,143,527,916	2,680,799	163,249,298	10,982,959,417	11,143,527,916
Other doubtful receivables	521,517,477	521,517,477	-	-	521,517,477	521,517,477
- 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	133,000,000
- Other receivables	78,996,055	78,996,055	-	-	78,996,055	78,996,055
Total	312,038,740,614	15,301,892,963	296,900,096,949	163,249,298	312,038,740,614	15,301,892,963

(1) As at 31 December 2018, the value of investment of which paid-back receipt is in progress is transferred from "Other current asset" to "Receivables from disposal of financial assets" and "Provision for impairment of receivables" in accordance with regulations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

10. OTHER SHORT-TERM ASSETS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Advances	3,843,488,923	9,001,649,610
Office supplies, tools and materials	2,959,982,619	53,710,015
Short-term prepaid expenses	21,364,723,566	10,575,869,709
- <i>Prepayment for office tools</i>	1,137,753,651	1,506,651,233
- <i>Prepayment for services</i>	20,226,969,915	9,069,218,476
Short-term deposits, collaterals and pledges	856,602,610	931,717,910
Other current assets	3,458,152,700	114,974,709,156
- <i>Investment of which pay-back receipt is in progress (1)</i>	-	111,806,519,156
- <i>Escrow deposits for derivatives trading of the Company</i>	2,446,190,000	2,446,190,000
- <i>Others</i>	1,011,962,700	722,000,000
Total	32,482,950,418	135,537,656,400

- (1) These represent short-term cost of investment relating to the contract between the Company and its customers for selling the shares of Hoang Anh Gia Lai International Agriculture JSC, previously known as Hoang Anh Gia Lai Rubber JSC. Accordingly, the customer will make payments to the Company in accordance with the payment schedule specified in the contract. The control of shares will be transferred to the buyer in line with the payment schedule. The underlying shares after transfer will be blocked and used as collateral assets for the contract. The value of investment awaiting for payback at the beginning of the year is determined as the difference between original costs of the investment sold, awaiting for payback and the provision for diminution in value of collaterals based on their fair value at reporting date. The Company has sold the collateral shares to recover part of the investment in accordance with the conditions agreed in the contract. As at 31 December 2018, the value of investment of which paid-back receipt is in progress is transferred from "Other current asset" to "Receivables from disposal of financial assets" and "Provision for impairment of receivables" in accordance with regulations.

11. LONG-TERM INVESTMENTS

	<i>Voting right</i> <i>of the</i> <i>Company</i>	<i>Ownership</i> <i>rate of the</i> <i>Company</i>	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Held-to-maturity investments			301,622,077,596	130,424,472,600
- <i>Term deposits and certificates of deposit with remaining maturity of more than 1 year (1)</i>			301,622,077,596	80,407,742,840
- <i>Bonds hold to maturity due date</i>			-	50,016,729,760
Investments in associates (2)			764,280,760,972	812,945,220,865
- <i>Pan Group (PAN)</i>	20.00%	19.93%	764,280,760,972	559,300,480,680
- <i>Dong Nai Port JSC. (PDN)</i>	-	-	-	83,455,067,730
- <i>Vietnam Fumigation JSC. (VFG)</i>	-	-	-	170,189,672,455
Total			1,065,902,838,568	943,369,693,465

- (1) As at 31 December 2018, among term deposits and certificates of deposit with remaining maturity of more than 1 year, VND 200,000,000,000 is used as collaterals for bank overdrafts and VND 100,000,000,000 is used as collaterals for short-term borrowings.
- (2) As at December 2018, 13,880,120 shares under investments in associates with par value of VND 138,801,200,000 are used as collaterals for short-term borrowings of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

11. LONG-TERM INVESTMENTS (continued)

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

	<i>Current year</i> VND	<i>Previous year</i> VND
Beginning balance	812,945,220,865	709,336,586,920
Purchase	187,750,420,302	320,400
Disposal of investment in associate	(258,184,136,754)	-
Adjustment made due to change in ownership rate of associates in their subsidiaries	(24,489,167,761)	14,509,242,199
Difference arising from changes in outstanding shares of associates	(6,321,512,555)	-
Gain from associates recognized in the consolidated income statement during the year	69,602,389,875	105,518,563,847
- <i>Share of profit during the year (Note 36)</i>	69,602,389,875	105,518,563,847
Dividend received	(17,022,453,000)	(16,419,492,501)
Ending balance	764,280,760,972	812,945,220,865

12. TANGIBLE FIXED ASSETS

	<i>Buildings and architectures</i> VND	<i>Office machineries</i> VND	<i>Means of transportation</i> VND	<i>Office equipment</i> VND	<i>Total</i> VND
Cost					
1 January 2018	2,609,391,520	93,744,345,562	17,551,416,700	1,293,553,642	115,198,707,424
Increase	-	64,748,613,242	-	947,677,315	65,696,290,557
<i>Purchases</i>	-	64,748,613,242	-	947,677,315	65,696,290,557
Decrease	(2,609,391,520)	(2,564,893,847)	-	(67,760,000)	(5,242,045,367)
<i>Disposals</i>	(2,609,391,520)	(2,564,893,847)	-	(67,760,000)	(5,242,045,367)
31 December 2018	-	155,928,064,957	17,551,416,700	2,173,470,957	175,652,952,614
Accumulated depreciation					
1 January 2018	2,609,391,520	68,516,165,866	9,895,271,914	1,235,553,642	82,256,382,942
Increase	-	12,632,489,744	1,779,126,354	129,274,817	14,540,890,915
<i>Depreciation</i>	-	12,632,489,744	1,779,126,354	129,274,817	14,540,890,915
Decrease	(2,609,391,520)	(2,564,893,847)	-	(67,760,000)	(5,242,045,367)
<i>Disposals</i>	(2,609,391,520)	(2,564,893,847)	-	(67,760,000)	(5,242,045,367)
31 December 2018	-	78,583,761,763	11,674,398,268	1,297,068,459	91,555,228,490
Net book value					
1 January 2018	-	25,228,179,696	7,656,144,786	58,000,000	32,942,324,482
31 December 2018	-	77,344,303,194	5,877,018,432	876,402,498	84,097,724,124

Additional information on tangible fixed assets:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Cost of tangible fixed assets which are fully depreciated but still in active use	62,386,967,415	66,733,888,938

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

13. INTANGIBLE FIXED ASSETS

	Software VND	Land use rights VND	Other intangible fixed assets VND	Total VND
Cost				
1 January 2018	70,536,407,659	109,671,558,000	6,724,215,842	186,932,181,501
Increase	21,603,113,723	-	2,508,484,500	24,111,598,223
<i>Purchases</i>	21,603,113,723	-	2,508,484,500	24,111,598,223
Decrease	-	(109,671,558,000)	-	(109,671,558,000)
<i>Disposal</i>	-	(109,671,558,000)	-	(109,671,558,000)
31 December 2018	92,139,521,382	-	9,232,700,342	101,372,221,724
Accumulated amortisation				
1 January 2018	53,608,778,776	-	5,164,403,793	58,773,182,569
Increase	6,896,002,040	-	1,058,112,509	7,954,114,549
<i>Amortisation</i>	6,896,002,040	-	1,058,112,509	7,954,114,549
Decrease	-	-	-	-
31 December 2018	60,504,780,816	-	6,222,516,302	66,727,297,118
Net book value				
1 January 2018	16,927,628,883	109,671,558,000	1,559,812,049	128,158,998,932
31 December 2018	31,634,740,566	-	3,010,184,040	34,644,924,606

Additional information on intangible fixed assets:

	Ending balance VND	Beginning balance VND
Land use rights used as collaterals for bond issuance	-	109,671,558,000
Cost of intangible fixed assets which are fully depreciated but still in active use	50,185,404,651	49,423,625,651
Total	50,185,404,651	159,095,183,651

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

14. INVESTMENT PROPERTIES

	<i>Buildings and lands</i> <u>VND</u>
Cost	
1 January 2018	272,917,757,575
Increase	5,900,273,603
- <i>Exchange rate difference arising from conversion of subsidiary's financial statements</i>	<u>5,900,273,603</u>
31 December 2018	<u>278,818,031,178</u>
Accumulated amortisation	
1 January 2018	54,687,030,613
Increase	9,569,357,956
- <i>Depreciation</i>	8,333,462,393
- <i>Exchange rate difference arising from conversion of subsidiary's financial statements</i>	<u>1,235,895,563</u>
31 December 2018	<u>64,256,388,569</u>
Net book value	
1 January 2018	<u>218,230,726,962</u>
31 December 2018	<u>214,561,642,609</u>

Investment properties are buildings in the United States of America which were bought by SSI International Corporation for leasing purpose. As at 31 December 2018, 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 Fund maintains bank account. Difference arising from the conversion is to be presented in the "Foreign exchange rate differences" item in Owners' equity. Properties leasing revenue for the year ended 31 December 2018 is VND 4,217,739,297.

15. CONSTRUCTION IN PROGRESS

	<i>Ending balance</i> <u>VND</u>	<i>Beginning balance</i> <u>VND</u>
Software development	4,923,184,107	21,147,664,427
Others (machineries and equipment)	-	26,006,810,328
Total	<u>4,923,184,107</u>	<u>47,154,474,755</u>

16. LONG-TERM PREPAID EXPENSES

	<i>Ending balance</i> <u>VND</u>	<i>Beginning balance</i> <u>VND</u>
Long-term prepaid expenses	<u>40,312,468,926</u>	<u>35,571,900,952</u>

Long-term prepaid expenses 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)
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17. DEFERRED CORPORATE INCOME TAX ASSETS/ PAYABLES

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

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Deferred income tax asset		
Temporary non-deductible provision for impairment of unlisted shares in the year	1,009,600,000	3,970,000,000
Temporary non-deductible provision for overdue receivable from selling securities	29,689,741,615	-
Temporary non-deductible provision for diminution in value of the investment awaiting for payback	-	30,641,602,244
Provision for impairment of temporary non-deductible taxable loans	6,135,183,665	6,414,053,999
Temporary taxable income incurred in 2015	-	25,774,769,047
Temporary taxable expense	5,820,133,662	4,088,693,648
Unrealised revenue arising from consolidated financial statement	9,193,461,645	5,658,251,567
Total	51,848,120,587	76,547,370,505
Deferred income tax payables		
Deferred income tax payable from temporary non-taxable income of subsidiaries	(2,405,911,387)	(800,808,029)
Deferred income tax arising from the positive revaluation of financial assets at FVTPL and AFS	80,779,526,130	191,840,742,182
Total	78,373,614,743	191,039,934,153

18. PAYMENT FOR SETTLEMENT ASSISTANCE FUND

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

According to Decision No. 57/QĐ-VSD dated 28 May 2012 issued by the General Director of the Vietnam Securities Depository, Decision No. 87/2007/QĐ-BTC dated 22 October 2007 by the Minister of Finance regarding the issuance of regulations on registration, custody, clearing and settlement of securities, Circular No. 43/2010/TT-BTC dated 25 March 2010 amending and supplementing the regulations on registration, custody, clearing and settlement of securities, Decision No. 27/QĐ-VSD dated 13 March 2015 on the promulgation of regulations on management and use of the settlement assistance fund by the General Director of the Vietnam Securities Depository; the Company must deposit an initial amount of VND120 million at the Vietnam Securities Depository and pay an addition of 0.01% of the total amount of brokered securities in the previous year, but not over VND 2.5 billion per annum. The maximum contribution of each custody member which is a securities company providing brokerage service 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>Ending balance</i> VND	<i>Beginning balance</i> VND
Initial payment	6,087,814,535	6,087,814,535
Addition	7,872,720,527	7,872,720,527
Accrued interest	6,039,464,938	6,039,464,938
Total	20,000,000,000	20,000,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 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:

<i>Assets</i>	<i>Ending balance VND</i>	<i>Beginning balance VND</i>	<i>Purposes</i>
Short-term	11,344,178,180,000	8,108,665,060,000	
- Financial assets at FVTPL (par value)	32,178,180,000	183,670,880,000	Collaterals for short-term borrowings
- AFS financial assets (par value)	-	92,994,180,000	Collaterals for bond issuance and short-term borrowings
- Term deposits with remaining maturity of less than 1 year	9,742,000,000,000	7,832,000,000,000	Collaterals for bank overdraft and short-term borrowings
- Certificates of deposits with remaining maturity of less than 1 year	1,570,000,000,000		- Collaterals for bank overdraft and short-term borrowings
Long-term	438,801,200,000	398,600,928,000	
- Term deposits with remaining maturity of more than 1 year	-	70,000,000,000	Collaterals for short-term borrowings
- Certificates of deposits with remaining maturity of more than 1 year	300,000,000,000		- Collaterals for bank overdraft and short-term borrowings
- Investments in associates (par value)	138,801,200,000	218,929,370,000	Collaterals for short-term borrowings
- Intangible fixed assets	-	109,671,558,000	Collaterals for bond issuance
Total	11,782,979,380,000	8,507,265,988,000	

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as at 31 December 2018 and for the year then ended

20. SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES

	Interest rate % per annum	Beginning balance VND	Addition during the year VND	Repayment during the year VND	Ending balance VND
Bank overdrafts	0.8 – 7	1,933,357,663,684	58,018,568,772,543	56,223,471,682,361	3,728,454,753,866
Short-term borrowings from banks	1.75 – 8.5	6,570,530,000,000	26,724,828,000,000	25,830,654,000,000	7,464,704,000,000
- Joint Stock Commercial Bank for Foreign Trade of Vietnam		3,099,000,000,000	11,335,000,000,000	11,734,000,000,000	2,700,000,000,000
- Vietnam International Commercial Joint Stock Bank		290,000,000,000	-	290,000,000,000	-
- Bank Sinopac of HongKong (1)		136,530,000,000	279,828,000,000	276,654,000,000	139,704,000,000
- CTBC Bank - Ho Chi Minh Branch		110,000,000,000	775,000,000,000	770,000,000,000	115,000,000,000
- Vietnam Technological and Commercial Joint Stock Bank		2,285,000,000,000	9,041,000,000,000	8,126,000,000,000	3,200,000,000,000
- National Citizen Commercial Joint Stock Bank		200,000,000,000	-	200,000,000,000	-
- Southeast Asia Commercial Joint Stock Bank		-	1,195,000,000,000	895,000,000,000	300,000,000,000
- Shinhank Bank – Hanoi Branch		-	680,000,000,000	680,000,000,000	-
- Indovina Bank Limited		-	300,000,000,000	300,000,000,000	-
- Vietnam Bank for Agriculture and Rural Development		-	974,000,000,000	624,000,000,000	350,000,000,000
- Maybank Vietnam - Ho Chi Minh Branch		-	135,000,000,000	135,000,000,000	-
- Petrolimex Group Commercial Joint Stock Bank		450,000,000,000	1,800,000,000,000	1,800,000,000,000	450,000,000,000
- Huong Viet Real Estate JSC (2)		-	210,000,000,000	-	210,000,000,000
Total		8,503,887,663,684	84,743,396,772,543	82,054,125,682,361	11,193,158,753,866

(1) This is the borrowing from Bank Sinopac of Hong Kong under contract No. BFL/HK/161019/238 with a total value of USD 6,000,000, initial interest rate of 2.97% per annum and contractual term of 3 months. As at 20 December 2018, this borrowing was rolled forward with the newest term from 20 December 2018 to 20 March 2019 and interest rate of 4.58963% per annum. 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 as at 20 December 2018 with a total contract value of USD 6,068,844.45, term corresponding to term of loan contract with Bank Sinopac of Hong Kong and forward rate of VND 23,436 per USD. The difference between forward rate and spot rate is allocated over the duration of the contract and is recognized as an unrealized loss during the year.

(2) The Company's borrowing from Orient Commercial Joint Stock Bank is under contract No. 0324/2018/HDTD-OCB-DN dated 2 August 2018. As at 27 December 2018, Orient Commercial Joint Stock Bank's borrowing ownership was transferred to Huong Viet Real Estate JSC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

21. BOND ISSUANCE

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Short-term bond issuance	255,000,000,000	199,871,666,661
SSIBOND012016	-	200,000,000,000
SSIBOND012017	255,000,000,000	-
Cost to issue SSIBOND012016	-	(128,333,339)
Long-term bond issuance	-	569,300,000,000
SSIBOND012017	-	269,500,000,000
SSIBOND022017	-	300,000,000,000
Cost to issue SSIBOND022017	-	(200,000,000)
Total	255,000,000,000	769,171,666,661

SSIBOND012016 are ordinary bonds, which were issued in phase 1 in August 2016 under Resolution No. 03/2016/NQ/HDQT dated 28 July 2016 with a quantity of 200 bonds and par value of VND 1 billion per bond. These bonds are collateralized using the Company's listed shares in accordance with the bond contracts. These bonds are secured have maturity of 2 years and interest at rate which is maximum of 1.2% per year and the average interest rate of 12 months savings deposit dominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam International Commercial Joint Stock Bank (Ly Thuong Kiet branch, Hanoi). In 2018, all bonds matured with a par value of VND 200 billion.

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. Bond yields, in the first 12 months from the date of issue, are fixed at 8.5% per annum. For the remaining term of the bonds, they bears interest at rate which is maximum of 2% per year and the average interest rate of 12 months savings deposit dominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam Bank for Agriculture and Rural Development (operation center). On the Interest Determination date, if any Reference Bank does not announce the Reference Interest rate, the Bond interest rate will be calculated on the basis of the average of the Reference Interest Rates from the remaining Reference Banks. As at 31 December 2018, the total number of bonds purchased by the Company was 90 bonds with the total par value of VND 45 billion.

SSIBOND022017 are ordinary bonds, which were issued in phase 2 in April 2017 under Resolution No. 05/2017/NQ/HDQT dated 21 April 2017 with a quantity of 600 bonds and par value of VND 500 million per bond. These bonds are collateralized using the Company's listed shares and land use rights in accordance with the bond contracts. These bonds have maturities of 2 years and interest at rate which is maximum of 1.2% per year and the average interest rate of 12 months savings deposit dominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch), Vietnam Bank for Agriculture and Rural Development (operation center) and Vietnam International Commercial Joint Stock Bank (Head Office). In the year, the Company bought the entire bonds with the total par value of VND 300 billion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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22. CONVERTIBLE BOND

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Par value of issued convertible bonds	1,150,000,000,000	-
Equity component	113,779,095,785	-
Debt component - initial recorded	1,036,220,904,215	-
Accumulated accruals of discounted interest allocated to debt component		
<i>Beginning balance</i>	-	-
<i>Amortised during the year</i>	<i>32,099,487,319</i>	-
<i>Ending balance</i>	<i>32,099,487,319</i>	-
Debt component at the end of year	<u>1,068,320,391,534</u>	-

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 conversion 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 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.

23. PAYABLES FOR SECURITIES TRADING ACTIVITIES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Payables to the Stock Exchange (payables for purchases of financial assets)	20,890,746,200	-

24. PAYABLES TO SUPPLIERS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
High Resolution Co., Ltd	2,122,697,771	-
TTT Trading and Construction JSC.	974,748,881	-
CMC System Integration Co., Ltd	1,783,887,600	-
Hoang Long Co., Ltd	841,879,940	-
Vietnam Technology Trading Co., Ltd	736,482,780	2,209,448,340
Other payables	3,411,873,113	5,649,516,647
Total	<u>9,871,570,085</u>	<u>7,858,964,987</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 year 2018 and for the year then ended

25. TAXATION AND STATUTORY OBLIGATIONS

	Ending balance VND	Beginning balance VND
Value added tax	815,853,250	8,686,432,893
Corporate income tax	40,748,215,998	84,299,155,217
Personal income tax	23,980,857,101	34,307,983,524
Foreign contractors withholding tax	4,405,354,623	4,369,178,622
Total	69,950,280,972	131,662,750,256

STT	Item	Beginning balance VND	Payable in the year VND	Paid in the year VND	Ending balance VND
I	Tax	131,662,750,256	756,612,733,056	818,325,202,341	69,950,280,972
1	Value added tax on domestic goods or services	8,686,432,893	26,257,330,752	34,127,910,395	815,853,250
2	Corporate income tax (Note 40.1)	84,299,155,217	319,845,580,653	363,396,519,872	40,748,215,998
3	Other taxes	38,677,162,146	410,509,821,651	420,800,772,074	28,386,211,724
	Personal income tax	11,500,991,532	67,768,968,944	73,106,352,373	6,163,608,103
	Personal income tax on behalf of investors	22,806,991,992	276,660,165,747	281,649,908,744	17,817,248,995
	Business registration tax	-	20,000,000	20,000,000	-
	Others	4,369,178,622	66,060,686,960	66,024,510,957	4,405,354,626
II	Other obligatory payables	-	1,687,258,028	1,687,258,028	-
	Total	131,662,750,256	758,299,991,084	820,012,460,369	69,950,280,972

Details of taxation and statutory obligations:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

26. SHORT-TERM ACCRUED EXPENSES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Accrued payable to Stock Exchange and Vietnam Securities Depository	10,258,172,942	15,590,197,526
Interest payable for bonds issued by the Company	20,969,732,878	44,326,050,038
Interest payable for convertible bonds	19,038,888,887	-
Interest payable for borrowings	50,361,178,367	11,252,507,067
Accrued interest expenses on securities brokerage contracts and deposit management contracts	4,130,279,305	602,246,575
Accrued services fee	1,015,000,000	760,000,000
Commission payable to counter parties	5,656,129,033	10,173,691,278
Others	2,462,640,636	10,310,121,768
Total	113,892,022,048	93,014,814,252

27. OTHER SHORT-TERM PAYABLES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Deposits from customers for purpose of purchasing securities (1)	57,500,000,000	180,000,000,000
Principal payables under deposit management contracts (2)	1,420,841,254,925	-
Dividend and coupon payables:	7,769,771,206	6,965,055,240
- Dividend payable to Shareholders of the Company	7,079,819,750	6,264,934,750
- Coupon payables for bonds issued by the Company	689,951,456	700,120,490
Other payables	4,217,955,237	1,833,844,723
Total	1,490,328,981,368	188,798,899,963

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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28. LONG-TERM UNREALIZED REVENUE

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
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	-
Disposal of other shares to associates	9,277,932,564	4,491,927,766
Total	<u>51,187,159,357</u>	<u>33,511,108,968</u>

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

29. OWNERS' EQUITY

29.1 Undistributed profit

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Realized profit	3,056,176,268,973	2,235,685,451,553
Unrealized profit	(261,070,344,571)	(23,060,491,261)
- <i>Unrealized profit and deferred tax on revaluation of FVTPL financial assets</i>	(261,318,404,420)	(22,887,094,879)
- <i>Unrealized profit on foreign exchange rate differences</i>	248,059,849	(173,396,382)
Total	<u>2,795,105,924,402</u>	<u>2,212,624,960,292</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

29. OWNERS' EQUITY (continued)

29.2 Changes in owners' equity

	Share capital VND	Share premium VND	Convertible bond-Equity component VND	Treasury shares VND	Difference from revaluation of assets at fair value VND	Foreign exchange rate differences VND	Charter capital supplementary reserve VND	Operational risk and financial reserve VND	Undistributed profit VND	Non-controlling interests VND	Total VND
Beginning balance	5,000,636,840,000	29,482,756,034	-	(2,240,614,834)	637,896,244,067	33,179,513,213	355,412,398,796	270,904,804,112	2,212,624,960,292	78,352,794,222	8,616,249,695,902
Profit after tax	-	-	-	-	-	-	-	-	1,302,937,242,558	-	1,302,937,242,558
Capital increase shares under Resolution of the General Meeting of Shareholders	100,000,000,000	-	-	-	-	-	-	-	-	-	100,000,000,000
Dividends in cash in 2017	-	-	-	-	-	-	-	-	(499,170,330,000)	-	(499,170,330,000)
Other increases	-	-	-	-	-	-	-	-	124,000,000	-	124,000,000
Expense arising from capital increase activities	-	(12,000,000)	-	(6,493,124,050)	-	-	-	-	-	-	(12,000,000)
Purchases of treasury shares	-	-	-	-	-	-	-	-	-	-	(6,493,124,050)
Revaluation of AFS financial assets	-	-	-	-	(360,095,225,041)	-	-	-	-	-	(360,095,225,041)
Charter capital supplementary reserve of 5% profit after tax under the Resolution of the General Meeting of Shareholders	-	-	-	-	-	-	56,644,766,511	-	(56,644,766,511)	-	-
Operational risk and financial reserve of 5% profit after tax under the Resolution of the General Meeting of Shareholders	-	-	-	-	-	-	56,644,766,511	56,644,766,511	(56,644,766,511)	-	-
Bonus, welfare, and charity funds under Resolution of the General Meeting of Shareholders	-	-	-	-	-	-	-	-	(79,302,673,115)	-	(79,302,673,115)
Convertible bonds issued under Resolution of the General Meeting of Shareholders	-	-	113,779,095,785	-	-	-	-	-	-	-	113,779,095,785
Foreign exchange rates differences arising from conversion of SSJIC's financial statement	-	-	-	-	-	7,858,525,912	-	-	-	-	7,858,525,912
Difference arising from associate's changes of investment portion in their subsidiaries	-	-	-	-	-	-	-	-	(24,489,167,763)	-	(24,489,167,763)
Difference arising from change of associate's number of outstanding shares	-	-	-	-	-	-	-	-	(6,321,512,555)	-	(6,321,512,555)
Decrease in capital contribution of minorities	-	-	-	-	-	-	-	-	1,992,938,007	(9,400,000,000)	(9,400,000,000)
Non-controlling interests	-	-	-	-	-	-	-	-	(1,992,938,007)	(1,992,938,007)	-
Ending balance	5,100,636,840,000	29,470,756,034	113,779,095,785	(8,733,738,864)	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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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29. OWNERS' EQUITY (continued)

29.3 Profit distribution to shareholders

	Current year VND	Previous year VND
1. Undistributed realized profit at the beginning of the year (as at 1/1/2018 and 1/1/2017)	2,235,685,451,553	1,727,170,255,230
2. Unrealized loss at the end of the year (as at 31/12/2018 and 31/12/2017)	(293,198,261,406)	(146,869,340,452)
3. Realized profit of the year	1,543,064,033,874	1,147,456,542,194
4. Undistributed profit belonging to shareholders at the end of the year ((4) = (1) + (2) + (3))	3,485,551,224,021	2,727,757,456,972
5. Reserve appropriated from undistributed profit	(223,402,886,455)	(149,096,095,870)
- Charter capital supplementary reserve	(56,644,766,511)	(43,851,792,903)
- Operational risk and financial reserve	(56,644,766,511)	(43,851,792,903)
- Bonus, welfare and charity funds	(79,302,673,115)	(61,392,510,064)
- Others	(30,810,680,318)	-
6. Profit distributed to shareholders during the year under Resolution of the General Meeting of Shareholders	(499,170,330,000)	(489,845,250,000)
Maximal profit available for distribution to shareholders (1)	2,762,978,007,566	2,088,816,111,102

(1) Including realized profit and unrealized loss at the end of the year as presented in Notes 7.5 and 29.1.

29.4 Shares

	Ending balance (shares)	Beginning balance (shares)
Authorized shares	510,063,684	500,063,684
Issued shares	510,063,684	500,063,684
Shares issued and fully paid	510,063,684	500,063,684
- Ordinary shares	510,063,684	500,063,684
- Preference shares	-	-
Treasury shares	(893,377)	(214,314)
Treasury shares held by the Company	(893,377)	(214,314)
- Ordinary shares	(893,377)	(214,314)
- Preference shares	-	-
Outstanding shares	509,170,307	499,849,370
- Ordinary shares	509,170,307	499,849,370
- Preference shares	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

30. DISCLOSURE ON OFF-BALANCE SHEET ITEMS

30.1. Foreign currencies

	<i>Ending balance</i>	<i>Beginning balance</i>
USD	6,556,662.33	5,163,658.21
EUR	84,345.41	84,352.36
GBP	37,151.64	38,197.09

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

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Unrestricted financial assets	665,060,300,000	395,764,690,000
Restricted financial assets	35,908,790,000	-
Mortgage financial assets	170,979,380,000	495,594,430,000
Financial assets awaiting for settlement	999,500,000	1,158,100,000
Total	872,947,970,000	892,517,220,000

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

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Unrestricted and non-traded financial assets deposited at VSD	9,482,230,000	9,485,780,000
Restricted and non-traded financial assets deposited at VSD	1,000,000,000	1,000,000,000
Total	10,482,230,000	10,485,780,000

30.4 Awaiting financial assets of the Company

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Shares	10,135,100,000	5,520,000

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

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Fund certificates	59,459,920,000	59,459,920,000
Shares	298,965,390,000	70,732,100,000
Bonds	555,000,000,000	250,000,000,000
Total	913,425,310,000	380,192,020,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 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

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Unrestricted financial assets	34,656,128,250,000	27,586,903,680,000
Restricted financial assets	548,270,620,000	572,565,500,000
Mortgage financial assets	6,641,685,800,000	4,435,948,560,000
Blocked financial assets	305,694,280,000	30,525,850,000
Financial assets awaiting for settlement	341,883,550,000	651,051,790,000
Total	<u>42,493,662,500,000</u>	<u>33,276,995,380,000</u>

30.7 Non-traded financial assets deposited at VSD of investors

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Unrestricted and non-traded financial assets deposited at VSD	324,305,840,000	1,382,746,250,000
Restricted and non-traded financial assets deposited at VSD	52,256,010,000	52,256,010,000
Mortgaged and non-traded financial assets deposited at VSD	-	102,139,650,000
Mortgaged, blocked and non-traded financial assets deposited at VSD	145,000,000	-
Total	<u>376,706,850,000</u>	<u>1,537,141,910,000</u>

30.8 Awaiting financial assets of investors

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Shares	<u>248,603,350,000</u>	<u>558,055,700,000</u>

30.9 Financial assets which have not been deposited at VSD of investors

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Shares	<u>66,834,410,000</u>	<u>587,746,830,000</u>

30.10 Entitled financial assets of investors

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Shares	<u>161,868,940,000</u>	<u>20,760,290,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

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

30.11 Investors' deposits

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Investors' deposits for securities trading activities managed by the Company	2,666,193,777,876	3,834,955,125,947
- <i>Domestic investors' deposits for securities trading activities managed by the Company</i>	2,448,286,368,784	3,689,941,868,332
- <i>Foreign investors' deposits for securities trading activities managed by the Company</i>	217,907,409,092	145,013,257,615
Investors' deposits at VSD	610,905,763,675	145,075,049,045
Investors' synthesizing deposits for securities trading activities	4,553,932,668	17,567,220,094
Total	<u>3,281,653,474,219</u>	<u>3,997,597,395,086</u>

30.12 Deposits of securities issuers

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Deposits for securities underwriting and issuance agency services	101,060	17,697,679,784
Deposits for dividends, bond principals and interest payments	1,802,844,784	1,383,407,764
Total	<u>1,802,945,844</u>	<u>19,081,087,548</u>

30.13 Payables to investors

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Payables to investors - investors' deposits for securities trading activities managed by the Company	3,277,099,541,551	3,980,030,174,992
- <i>Domestic investors</i>	2,769,817,505,805	3,834,932,579,377
- <i>Foreign investors</i>	507,282,035,746	145,097,595,615
Total	<u>3,277,099,541,551</u>	<u>3,980,030,174,992</u>

30.14. Payables to securities issuers

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Other payables to securities issuers	101,060	17,697,679,784

30.15 Dividend, bond principal and interest payables

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Deposits for dividends, bond principals and interest payments securities issuers	1,802,844,784	1,383,407,764

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 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 from disposal						
1	Listed shares and fund certificates	27,992,559		981,430,332,539	750,927,050,581	230,503,281,958	129,772,544,897
	PLX	4,340,550	81,319	352,970,451,000	211,622,053,837	141,348,397,163	20,621,967,621
	SSC	1,633,613	67,070	109,566,513,857	89,053,771,363	20,512,742,494	18,117,036,414
	CTD	756,280	152,064	115,003,313,000	105,685,326,652	9,317,986,348	13,782,804,000
	HPG	1,747,580	45,885	80,188,038,000	70,896,121,979	9,291,916,021	25,393,618,652
	MBB	300,000	21,774	6,532,288,500	6,092,809,208	439,479,292	2,241,562,296
	FPT	55,020	60,727	3,341,206,000	3,077,440,958	263,765,042	20,939,985,375
	Other listed shares and fund certificates	19,159,516		313,828,522,182	264,499,526,584	49,328,995,598	28,675,570,539
2	Unlisted shares and others	1,300,000		31,920,000,000	27,900,000,000	4,020,000,000	31,392,777,999
3	Listed bonds	33,000,000		3,718,315,700,000	3,687,978,872,727	30,336,827,273	41,082,840,274
	TP_TD1825102	3,000,000	105,600	316,798,500,000	309,078,500,000	7,720,000,000	-
	TP_TD1823088	4,000,000	99,071	396,284,000,000	391,286,172,727	4,997,827,273	-
	TP_TL1535300	3,500,000	137,843	482,449,500,000	478,250,000,000	4,199,500,000	1,382,000,000
	TP_TD1621470	7,000,000	109,132	763,924,000,000	759,990,000,000	3,934,000,000	-
	Other listed bonds	15,500,000		1,758,859,700,000	1,749,374,200,000	9,485,500,000	39,700,840,274
4	Unlisted bonds and certificates of deposit	163,622		9,325,754,444,461	9,285,101,260,189	40,653,184,272	55,355,877,800
5	Gain from derivative contracts					3,747,190,000	638,065,000
	Total	62,456,181		14,057,420,477,000	13,751,907,183,497	309,260,483,503	258,242,105,970

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 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 from disposal						
1	Listed shares	15,323,576		337,410,182,272	386,499,081,587	(49,088,899,315)	(86,483,874,398)
	VAF	3,569,288	9,500	33,908,236,000	66,339,779,234	(32,431,543,234)	(1,336,452,161)
	VCG	1,220,464	22,678	27,677,441,654	32,966,091,479	(5,288,649,825)	(2,433,885,702)
	ELC	547,480	14,850	8,130,078,000	12,698,326,650	(4,568,248,650)	(1,024,322,117)
	Other listed shares	9,986,344		267,694,426,618	274,494,884,224	(6,800,457,606)	(81,689,214,418)
2	Unlisted shares	199,650		399,300,000	4,650,000,000	(4,250,700,000)	(23,392,649,200)
3	Listed Bonds	93,900,000		10,002,341,200,000	10,007,863,127,273	(5,521,927,273)	(4,542,357,423)
	TP_TD1823088	16,900,000	97,697	1,651,072,700,000	1,655,561,627,273	(4,488,927,273)	-
	TP_TD1823087	8,000,000	101,600	812,803,500,000	812,913,500,000	(110,000,000)	-
	TP_TD1722377	18,000,000	106,654	1,919,777,500,000	1,919,822,500,000	(45,000,000)	-
	Other listed bonds	51,000,000		5,618,687,500,000	5,619,565,500,000	(878,000,000)	(4,542,357,423)
4	Unlisted Bonds	18,481		2,739,205,500,000	2,786,065,374,349	(46,859,874,349)	(42,783,545,467)
5	Loss from derivative contracts					(4,918,531,000)	(551,920,000)
	Total	109,441,707		13,079,356,182,272	13,185,077,583,209	(110,639,931,937)	(157,754,346,488)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 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 VND	Carrying value VND	Revaluation difference at the end of the year VND	Revaluation difference at the beginning of the year VND	Gain/(loss) recorded this year VND	Increase VND	Decrease VND
I	FVTPL	2,293,276,097,957	2,039,985,819,918	(253,290,278,039)	7,804,537,318	(261,094,815,357)	249,068,059,560	(510,162,874,917)
1	Listed shares and fund certificates	1,611,962,128,767	1,371,412,475,370	(240,549,653,397)	10,162,038,138	(250,711,691,535)	233,901,356,334	(484,613,047,869)
	ELC	191,789,331,478	68,215,027,200	(123,574,304,278)	(75,556,240,978)	(48,018,063,300)	2,990,228,050	(51,008,291,350)
	GEX	276,761,361,866	217,207,440,750	(59,553,921,116)	1,656,215	(59,555,577,331)	26,609,246,969	(86,164,824,300)
	DBC	253,132,982,078	227,429,176,000	(25,703,806,078)	2,936,707,312	(28,640,513,390)	63,351,974,510	(91,992,487,900)
	FPT	190,787,384,353	169,652,186,800	(21,135,197,553)	(681,726,967)	(20,453,470,586)	25,109,984,670	(45,563,455,256)
	HPG	117,763,041,323	102,632,180,800	(15,130,860,523)	9,117,394,440	(24,248,254,963)	20,240,849,781	(44,489,104,744)
	MBB	77,175,940,115	73,441,566,200	(3,734,373,915)	27,091,472	(3,761,465,387)	34,367,455	(3,795,832,842)
	TMS	164,303,643,459	174,863,373,000	10,559,729,541	-	10,559,729,541	14,352,332,440	(6,186,802,180)
	CTD	56,794,789,740	64,960,320,000	8,165,530,260	-	8,165,530,260	70,652,642,918	(155,412,249,297)
	Other listed shares	283,453,654,355	273,011,204,620	(10,442,449,735)	74,317,156,644	(84,759,606,379)	15,166,703,226	(20,501,827,048)
2	Unlisted shares and fund certificates	120,582,017,570	112,889,392,928	(7,692,624,642)	(2,357,500,820)	(5,335,123,822)	407,507,500	(8,589,636,500)
	Descon Construction Corporation	17,456,571,492	-	(17,456,571,492)	(9,274,442,492)	(8,182,129,000)	14,759,195,726	(11,912,190,548)
	JSC. Other unlisted shares	103,125,446,078	112,889,392,928	9,763,946,850	6,916,941,672	2,847,005,178	-	(5,048,000,000)
3	Unlisted Bonds	560,731,951,620	555,683,951,620	(5,048,000,000)	-	(5,048,000,000)	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

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

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

No.	Financial assets	Cost VND	Carrying value VND	Revaluation difference at the end of the year VND	Revaluation difference at the beginning of the year VND	Gain/(loss) recorded this year VND	Increase VND	Decrease VND
II	AFS	914,532,853,535	1,265,085,272,300	350,552,418,765	799,045,354,041	(448,492,935,276)	36,935,488,132	(485,428,423,408)
1	Listed shares	486,920,806,635	837,473,225,400	350,552,418,765	799,045,354,041	(448,492,935,276)	36,935,417,762	(485,428,353,038)
	SGN	186,719,487,791	514,959,000,000	328,239,512,209	485,164,639,399	(156,925,127,190)	19,623,574,000	(176,548,701,190)
	DHC	52,055,585,738	86,572,890,000	34,517,304,262	54,274,284,368	(19,756,980,106)	2,108,938,799	(21,865,918,905)
	HAH	26,089,909,120	12,979,264,500	(13,110,644,620)	(6,861,530,020)	(6,249,114,600)	336,500,500	(6,585,615,100)
	SAF	293,328,576	1,293,474,000	1,000,145,424	1,318,384,170	(318,238,746)	251,962,000	(570,200,746)
	IDC	21,761,298,400	21,667,499,700	(93,798,700)	4,220,941,500	(4,314,740,200)	468,993,500	(4,783,733,700)
	Other listed shares	200,001,197,010	200,001,097,200	(99,810)	260,928,634,624	(260,928,734,434)	14,145,448,963	(275,074,183,397)
2	Unlisted shares	388,517,146,900	388,517,146,900	-	-	-	70,370	(70,370)
3	Unlisted bonds	39,094,900,000	39,094,900,000	-	-	-	-	-
	Total	3,207,808,951,492	3,305,071,092,218	97,262,140,726	806,849,891,359	(709,587,750,633)	286,003,547,692	(995,591,298,325)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

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

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

	Current year VND	Previous year VND
From financial assets at FVTPL	88,429,902,062	46,442,916,976
From HTM financial assets	716,061,639,277	450,841,549,874
From loans and receivables	710,869,164,035	519,650,863,341
From AFS financial assets	209,534,611,481	259,243,270,357
<i>Dividends, interests arising from AFS financial assets</i>	<i>29,921,747,500</i>	<i>32,949,734,100</i>
<i>Difference arising from revaluation of AFS financial assets at fair value when reclassification for selling purpose</i>	<i>179,612,863,981</i>	<i>226,293,536,257</i>
- OPC	79,762,779,371	11,673,122
- TMS	54,767,077,941	21,002,076,949
- VEA	25,550,400,000	49,435,600,000
- SGC	7,424,884,936	12,773,498
- VSC	4,463,974,568	21,138,434,758
- SGN	6,780,080,390	69,636,835,238
- Others	863,666,775	65,056,142,692
Total	<u>1,724,895,316,855</u>	<u>1,276,178,600,548</u>

32. PROVISION/(REVERSAL OF PROVISION) FOR IMPAIRMENT OF FINANCIAL ASSETS AND DOUBTFUL DEBTS

	Current year VND	Previous year VND
Provision/(Reversal of provision) expense for impairment of loans	6,594,554,707	(5,359,427,433)
Provision/(Reversal of provision) expense for doubtful receivables from selling securities (Note 9)	33,077,825,063	-
Provision/(Reversal of provision) expense for impairment of financial assets used as collaterals for investment awaiting for payback (Note 10)	-	(45,449,071,734)
Total	<u>39,672,379,770</u>	<u>(50,808,499,167)</u>

33. OTHER OPERATING REVENUE

	Current year VND	Previous year VND
Revenue from leasing assets	4,628,613,317	1,530,275,781
Revenue from other financial services	1,017,308,438	4,809,505,651
Revenue from interest on investment awaiting for payback due to late payment	-	20,874,932,183
Revenue from fund management	28,648,065,374	25,289,258,984
Revenue from trusted portfolio management	35,861,122,917	14,745,752,904
Other revenues (include fee from supporting trading securities services)	17,632,272,217	3,654,360,222
Total	<u>87,787,382,263</u>	<u>70,904,085,725</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. EXPENSES FOR OPERATING ACTIVITIES

	<i>Current year</i> VND	<i>Previous year</i> VND
Expenses for securities brokerage activities (payable to Stock Exchanges, employees and others)	772,657,137,549	515,662,908,804
Expenses for securities underwriting activities and securities issuance agent services	644,244,526	448,237,668
Expenses for financial advisory activities	52,479,927,302	62,842,511,908
Expenses for securities investment advisory activities	20,611,871,141	17,339,245,420
Expenses for securities custodian activities	22,252,011,562	18,364,941,338
Other operating expenses (Note 35)	111,558,768,564	79,077,162,741
Total	980,203,960,644	693,735,007,879

TOTAL EXPENSES FOR OPERATING ACTIVITIES BY TYPES EXPENSES

	<i>Current year</i> VND	<i>Previous year</i> VND
Expenses for securities brokerage activities	308,664,023,273	195,949,196,141
Expenses for custodian services	22,252,011,562	18,364,941,338
Expenses on payroll and other employees' benefits	354,350,264,575	288,034,494,754
Expenses for social security, health insurance, union fee and unemployment insurance	17,405,674,150	12,677,950,250
Expenses for office supplies	1,293,981,717	922,255,305
Expenses for tools	8,302,585,973	5,678,473,772
Depreciation expenses	22,419,812,539	14,556,393,310
Provision/(Reversal of provision) expenses	(160,568,499)	(620,599,691)
Expenses for external services	133,243,256,210	87,679,974,942
Capital expenditures	83,203,018,717	42,629,931,820
Expenses from shared income of fund management activities	9,944,940,287	11,249,260,866
Other expenses	19,284,960,140	16,612,735,072
Total	980,203,960,644	693,735,007,879

35. OTHER OPERATING EXPENSES

	<i>Current year</i> VND	<i>Previous year</i> VND
Expenses for funds management activities	9,376,957,172	9,846,347,855
Expense for trusted portfolios management activities	1,069,414,297	1,591,704,538
Expense for securities investment advisory services	13,679,289,181	16,111,085,374
Interest expenses on deposit management contracts	52,084,533,013	-
Interest expenses on investors' deposits for securities brokerage activities	14,076,185,961	31,250,733,623
Reversal of provision for doubtful debts	(160,568,499)	(620,599,691)
- <i>Reversal of provision for receivables from services provided by the Company</i>	(160,568,499)	(620,599,691)
Expense for leasing investment properties	15,508,354,597	16,335,277,110
Other expenses	5,924,602,842	4,562,613,932
Total	111,558,768,564	79,077,162,741

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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36. FINANCE INCOME

	<i>Current year</i> VND	<i>Previous year</i> VND
Differences in foreign exchange rate	3,303,149,879	498,596,335
Interest income from demand deposits	23,823,241,348	39,095,125,630
Share of profit in associates (<i>Note 11</i>)	69,602,389,875	105,518,563,847
Gain from disposal of associates	164,457,327,326	-
Gain from interest rate swap contracts	4,638,165,478	-
Total	265,824,273,906	145,112,285,812

37. FINANCE EXPENSES

	<i>Current year</i> VND	<i>Previous year</i> VND
Loss from foreign exchange rate differences	4,697,732,904	1,868,541,862
Borrowing costs	536,540,563,261	343,581,229,539
- <i>Interest for bond issuance</i>	107,876,630,503	60,132,088,237
- <i>Interest for short-term borrowings</i>	428,663,932,758	283,449,141,302
Loss from interest rate swap contracts	5,680,695,698	-
Total	546,918,991,863	345,449,771,401

38. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Current year</i> VND	<i>Previous year</i> VND
Exposure on payroll and other employees' benefits	78,886,505,333	72,869,124,545
Social security, health insurance, union fee and unemployment insurance	5,397,225,250	4,163,590,000
Office supplies	1,771,998,713	1,119,248,715
Tools	2,314,721,959	1,590,682,992
Depreciation expenses	7,510,923,915	6,219,544,556
External service expenses	66,725,632,630	73,517,938,500
Other expenses	11,076,637,442	8,548,636,951
Total	173,683,645,242	168,028,766,259

39. OTHER INCOME AND EXPENSES

	<i>Current year</i> VND	<i>Previous year</i> VND
Other incomes	58,417,373,996	13,087,665,727
- <i>Gain from disposal of fix assets</i>	54,144,381,818	10,736,775,468
- <i>Other incomes</i>	4,272,992,178	2,350,890,259
Other expenses	(2,233,836,059)	(380,782,811)
Total	56,183,537,937	12,706,882,916

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

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 year 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.

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

	Current year VND	Previous year VND
Profit before tax	1,623,213,463,955	1,405,021,409,033
Adjustments to increase/(decrease) accounting profit	(68,767,656,448)	(373,135,522,238)
Adjustments to increase accounting profit:	844,358,383,189	554,626,869,263
- Provision for diminution in value of unlisted shares at the end of the year	5,048,000,000	19,850,000,000
- Provision for non-deductible overdue receivables from selling securities	148,448,708,075	-
- Provision for impairment of investment awaiting for payback at the end of the year	-	153,208,011,211
- Reversal of provision for securities in the year	-	314,255,226
- Decrease in differences from revaluation of financial assets at FVTPL	510,162,874,917	328,000,178,020
- Provision for impairment of loans at the end of the year	30,675,918,324	32,070,269,995
- 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	3,957,681,058	740,686,573
- Temporary taxable different transferred to the next year	23,945,868,756	20,443,468,238
- Adjustments in 2018 due to modifying the expense allocation method in 2016, 2017	5,785,972,347	-
Adjustments to decrease accounting profit:	(913,126,039,637)	(927,762,391,501)
- Income from tax exempted activities – dividends	(49,504,822,356)	(75,789,439,826)
- Reversal of provision for impairment of unlisted shares at the beginning of the year	(19,850,000,000)	(37,839,537,400)
- Reversal of provision for impairment of investment awaiting for payback at the beginning of the year	(153,208,011,211)	(198,657,082,945)
- Provision expenses for securities in the year	(150,951,518,874)	-
- Reversal of provision for impairment of loans at the beginning of the year	(32,070,269,995)	(40,051,234,311)
- Increase in differences from revaluation of financial assets at FVTPL	(249,068,059,560)	(363,520,691,804)
- Taxable income of 2015 of the investment awaiting for payback	(128,873,845,237)	(6,782,833,960)
- Earnings before tax from subsidiaries	(36,746,737,600)	(99,603,007,408)
- Earnings shared by associates	(69,602,389,877)	(105,518,563,847)
- Temporary taxable difference of the previous year	(23,250,384,927)	-
Estimated current taxable income	1,554,445,807,507	1,031,885,886,795
Corporate income tax rate	20%	20%
Estimated CIT expenses	310,889,161,502	206,377,177,359
Estimated CIT expenses in subsidiaries	8,516,740,990	20,541,749,229
Total	319,405,902,492	226,918,926,588
CIT payable at the beginning of the year	84,299,155,217	51,481,407,842
CIT adjustment in accordance with tax finalization	1,596,872,630	37,959,054
CIT adjustment in accordance with tax inspection decision	-	191,027,032
CIT adjustment in 2016, 2017 in accordance with amended finalization in 2018	(1,157,194,469)	-
CIT paid in the year	(363,396,519,872)	(194,330,165,299)
CIT payable at the end of the year	40,748,215,998	84,299,155,217

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

40. CORPORATE INCOME TAX (continued)

40.2 Deferred corporate income tax

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

	<i>Current year</i> VND	<i>Previous year</i> VND
Deferred income tax assets		
Opening balance	76,547,370,505	88,099,158,339
Decrease of non-deductible provision for diminution in value of unlisted shares in the year	(2,960,400,000)	(3,597,907,480)
Provision/(Reversal of provision) expense for impairment of collateral assets of investment awaiting for payback	(30,641,602,242)	(9,089,814,347)
Provision for non-deductible overdue receivables from selling securities	29,689,741,615	-
Revenue of which pay-back receipt is in progress in 2015	(25,774,769,047)	(1,356,566,792)
Provision/(Reversal of provision) expense for impairment of non-deductible loans in the year	(278,870,334)	(1,596,192,863)
Unrealized revenue from consolidated financial statement	3,535,210,077	-
Temporary taxable difference	1,731,440,013	4,088,693,648
Ending balance	51,848,120,587	76,547,370,505
Deferred income tax payables		
Opening balance	191,039,934,153	24,673,711,470
Temporary non-taxable income from subsidiary	(1,605,103,358)	(858,093,879)
Positive difference arising from revaluation of financial assets at FVTPL and AFS	(111,061,216,052)	167,224,316,562
Ending balance	78,373,614,743	191,039,934,153

The Company recognized the deferred income tax expense in the consolidated income statement for the year ended 31 December 2018 and 31 December 2017 as follows:

	<i>Current year</i> VND	<i>Previous year</i> VND
Deferred CIT arising from non-deductible provision for diminution in value of unlisted shares	2,960,400,000	3,597,907,480
Deferred CIT arising from provision for impairment of collateral assets of investment awaiting for payback	30,641,602,242	9,089,814,347
Deferred CIT arising from non-deductible overdue provision for selling securities	(29,689,741,615)	-
Deferred CIT arising from the revenue of which pay-back receipt is in progress in 2015	25,774,769,047	1,356,566,792
Deferred CIT arising from provision for impairment of loans	278,870,334	1,596,192,863
Deferred CIT arising from temporary taxable expense	(1,731,440,013)	(4,088,693,648)
Deferred CIT arising from unrealized revenue from consolidated financial statement	(3,535,210,077)	-
Temporary non-taxable income from subsidiary	(1,605,103,358)	(858,093,879)
Deferred CIT relating to positive difference arising from revaluation of financial assets at FVTPL	(22,663,505,816)	6,075,206,581
Deferred income tax (income)/expense	430,640,744	16,768,900,536

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

41. ACCUMULATED OTHER COMPREHENSIVE INCOME

<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	637,896,244,067	(181,456,906,020)	(178,636,319,022)	277,801,019,026

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

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

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Income recorded directly to owners' equity	124,000,000	14,875,467,199
- Gain arising from change in ownership rate associate in subsidiary	-	14,509,242,199
- Other income recorded directly to owners' equity	124,000,000	366,225,000
Expense recorded directly to owners' equity	(390,917,905,359)	(14,970,631,308)
- Loss from revaluation and reclassification for selling purpose of AFS financial assets	(360,095,225,041)	(14,896,631,308)
- Loss arising from change in ownership rate associate in subsidiary	(24,489,167,763)	-
- Loss arising from associates change the number of outstanding shares	(6,321,512,555)	-
- Other expenses recorded directly to owners' equity	(12,000,000)	(74,000,000)
Total	(390,793,905,359)	(95,164,109)

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 2018 is calculated as after-tax profit after deduction for setting up non-shareholders' reserves according to the actual appropriation ratio of 2017. 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)	1,213,585,067,924	1,082,224,335,018
Weighted average number of ordinary shares for calculation of earnings per share	499,834,406	490,089,282
Earnings per share (VND)	2,428	2,208

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 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.

After tax profit attributable to ordinary shareholders of the Company for the year ended 31 December 2018 is calculated as after-tax profit after deduction for setting up non-shareholders' reserves according to the actual appropriation ratio of 2017, 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.

	<i>Current year</i> VND	<i>Previous year</i> VND
Net profit after tax after deduction for setting up non-shareholder reserves – VND	1,213,585,067,924	1,082,224,335,018
Adjustment to profit for diluted EPS – VND	74,266,153,984	-
- <i>Interest expenses of convertible bonds during in the year</i>	<u>74,266,153,984</u>	<u>-</u>
Profit after adjustment – VND	1,287,851,221,908	1,082,224,335,018
Number of ordinary shares for calculation of diluted EPS (*)	<u>532,865,780</u>	<u>490,089,282</u>
Diluted EPS – VND	<u>2,417</u>	<u>2,208</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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 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 Ltd. and its subsidiaries	SSI's Chairman is the owner of NDH Investment Ltd.
Daiwa Securities Group Inc. and its subsidiaries	Strategic shareholder
The PAN Group JSC. and its subsidiaries	Chairman of SSI is also the Chairman of the PAN Group, associate company
Vietnam Fumigation Joint Stock Company (VFG)	Associate company of SSI until the end of 2 November 2018
Dong Nai Port Joint Stock Company (PND)	Associate company of SSI until the end of Quarter I of 2018
Saigon Dan Linh Real Estate Co., Ltd	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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 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 2018 and for the year then ended are as follows:

Parties	Transaction	Receivables/(Payables)		Ending VND	Revenues/ (Expenses) VND
		Beginning VND	Increase/ Decrease VND		
The PAN Group JSC and its subsidiaries	Revenue from securities transaction and other securities services	-	2,489,621,301	-	2,470,618,901
	Revenue from consultant contract	200,000,000	(30,965,220,000)	-	28,661,083,636
	Securities purchasing transactions	-	(100,000,000,000)	-	-
	Securities selling transaction	-	278,333,403,000	-	51,504,961,192
	Deposit for securities brokerage services and deposit management contracts	(180,000,000,000)	4,921,249,708,054	(1,222,675,189,617)	-
	Interest payable on deposit for securities brokerage services and deposit management contracts	(602,246,575)	48,637,588,390	(3,519,496,889)	51,554,838,704
	Expense for commodity purchase	-	3,741,188,566	-	3,651,086,066
	Payables on behalf from securities selling transaction	-	(13,491,708,625)	-	-
	Capital contribution under the equity method	545,928,657,960	237,451,076,910	734,668,285,301	15,157,486,946
	Bond interest	-	4,536,986,301	-	3,286,849,314
NDH investment Company Ltd. and its subsidiaries	Revenue from securities transaction and other securities services	-	189,485,396	-	189,485,396
	Portfolio management fee	12,245,025	(144,372,743)	116,808,959	248,936,677
	Securities selling transaction	-	664,654,560,000	-	(2,932,868,804)
	Securities purchasing transaction	-	(652,408,300,000)	-	-
	Advance for consultant services revenue SSI dividends	-	4,665,117,115	1,787,635,000	5,105,383,742
		-	(48,194,727,000)	-	-
Daiwa Securities Group Inc. and its subsidiaries	Revenue from securities transaction and other securities services	-	1,718,368,671	-	1,644,437,549
	Commission payable	-	(12,724,614,626)	(1,160,510,884)	(9,298,245,890)
	Consultant contract revenue	-	22,663,224,632	1,312,393,222	20,090,104,086
	Revenue from investment advisory SSI dividends	4,269,376,360	3,705,763,124	5,090,718,677	3,553,497,406
		-	(101,978,121,000)	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

45. OTHER INFORMATION (continued)

45.1 Transactions with related parties (continued)

Parties	Transaction	Receivables/(Payables)		Revenues/ (Expenses) VND
		Beginning VND	Ending VND	
Nguyen Saigon Co., Ltd	Revenue from securities transaction and other securities services	-	412,791,046	412,783,846
	Margin receivables	-	(412,791,046)	-
	SSI dividends	-	(30,591,309,674)	101,285,657
Saigon Dan Linh Real Estate Co., Ltd	Revenue from securities transaction and other securities services	-	2,000	-
	SSI dividends	-	(2,000)	-
Vietnam Fumigation Joint Stock Company	Revenue from securities transaction and other securities services	-	190,345,677	190,341,677
	SSI dividends	-	(30,154,063,000)	-
Dong Nai Port Joint Stock Company	Capital contribution under the equity method	166,807,929,717	16,782,550,254	16,782,067,904
	Capital contribution under the equity method	83,455,067,732	(88,234,367,040)	4,779,299,308
Other parties	Purchase of bonds issued by SSI	(60,000,000,000)	-	(60,000,000,000)
	Payables for bond interest issued by SSI	(4,901,666,666)	5,167,146,119	(4,934,054,428)

Transactions with other related parties

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

	Current year VND	Previous year VND
Salary and bonus	13,126,800,000	12,405,200,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

45. OTHER INFORMATION (continued)

45.2 Segment information

Segment information by business lines

	Brokerage and customer services (1) VND	Proprietary trading VND	Treasury VND	Portfolio Management VND	Investment banking and others VND	Total VND
Current year						
1. Direct income	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	-	-	-	-	-	166,570,361,598
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 and custodian services

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

45. OTHER INFORMATION (continued)

45.2 Segment information

	Brokerage and customer services (1) VND	Proprietary trading VND	Treasury VND	Portfolio Management VND	Investment banking and others VND	Total VND
Previous year						
1. Direct income	1,328,228,530,233	1,060,765,430,586	487,409,573,498	54,625,596,781	122,377,391,349	3,053,406,522,447
2. Direct expenses	576,680,904,667	499,054,518,576	320,741,963,916	6,887,284,443	79,482,128,456	1,482,846,800,058
3. Depreciation and allocated expenses	96,012,221,747	23,589,209,653	13,243,065,069	7,863,069,883	24,830,747,004	165,538,313,356
Profit before tax	655,535,403,819	538,121,702,357	153,424,544,513	39,875,242,455	18,064,515,889	1,405,021,409,033
As at 31 December 2017						
1. Direct segment assets	5,776,122,886,608	4,207,210,509,095	8,102,293,359,554	39,473,731,563	74,514,003,173	18,199,614,489,993
2. Allocated segment assets	162,693,458,911	39,972,099,819	22,440,477,091	13,324,033,273	42,075,894,546	280,505,963,640
3. Unallocated assets	-	-	-	-	-	284,254,718,215
Total assets	5,938,816,345,519	4,247,182,608,914	8,124,733,836,645	52,797,764,836	116,589,897,719	18,764,375,171,848
4. Direct segment liabilities	512,609,362,438	363,305,228,278	8,696,615,934,198	3,729,106,053	7,034,487,831	9,583,294,118,798
5. Allocated segment liabilities	134,319,418,768	33,000,891,680	18,526,816,382	11,000,297,227	34,737,780,716	231,585,204,773
6. Unallocated liabilities	-	-	-	-	-	333,246,152,375
Total liabilities	646,928,781,206	396,306,119,958	8,715,142,750,580	14,729,403,280	41,772,268,547	10,148,125,475,946

(1) Income mainly from brokerage, margin lending 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, expense and total assets (about 2% to 4%). As a result, the Company does not present segmental reports by geographical area in the notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 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 2018, the committed future rental payments under the operating lease agreements are as follows:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Less than 1 year	62,862,490,807	43,171,957,322
From 1 - 5 years	86,001,002,221	76,154,577,298
More than 5 years	69,222,045,000	-
Total	218,085,538,028	119,326,534,620

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 of 31 December 2018 and 31 December 2017 are as follows:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Head Office (in Ho Chi Minh City)	1,037,497,641,064	139,943,335,987
Hanoi	655,963,469,645	93,155,071,328
Hai Phong	27,915,623,565	5,631,539,372
Nguyen Cong Tru	97,025,923,901	23,976,923,313
Nha Trang	19,030,554,032	3,682,377,040
Vung Tau	23,287,102,244	3,920,953,710
My Dinh	40,513,753,430	15,840,641,665
Total	1,901,234,067,881	286,150,842,415

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 2018 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 and available-for-sale investments.

The Company manages market risk by analysing financial sensitivity of the Company as at 31 December 2018 and 31 December 2017. 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 2018 and 31 December 2017.

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 2,208,885,700,770. 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 2018 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 treasury department in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the statement of financial position at each reporting 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 2018 (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 2018 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			
			< 80 days	81–180 days	>180 days	>210 days
Beginning balance	5,764,072,330,098	56,063,514,700	5,705,264,586,971	2,201,503	70,390	2,326,494
Ending balance	5,966,651,185,939	33,732,119,327	5,931,945,546,892	5,001,214	1,371,439	5,351,928

Liquidity risk

The 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 year 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 2018 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 VND	On demand VND	Less than 1 year VND	1 – 5 year VND	Over 5 years VND	Total VND
As at 31 December 2018						
ASSETS						
<i>Cash and cash equivalents</i>	-	312,863,700,842	300,016,438,018	-	-	612,880,138,860
<i>Financial assets</i>	973,519,720	3,378,317,422,124	18,218,671,648,998	301,622,077,596	764,280,760,972	22,663,865,429,410
FVTPL	-	2,039,985,819,918	-	-	-	2,039,985,819,918
HTM investments	-	-	12,326,240,312,685	301,622,077,596	-	12,627,862,390,281
Loans (excluding provisions)	973,519,720	73,246,329,906	5,892,431,336,313	-	-	5,966,651,185,939
Available-for-sale	-	1,265,085,272,300	-	-	-	1,265,085,272,300
Long-term investments	-	-	-	-	764,280,760,972	764,280,760,972
<i>Other assets</i>	312,038,740,614	95,445,760,581	-	123,665,832,837	214,561,642,609	745,711,976,641
Deposits collaterals and pledges	-	24,835,208,516	-	-	-	24,835,208,516
Other receivables (excluding provisions)	312,038,740,614	25,348,927,823	-	-	-	337,387,668,437
Other assets	-	45,261,624,242	-	-	-	45,261,624,242
Fixed assets	-	-	-	123,665,832,837	214,561,642,609	338,227,475,446
Total	313,012,260,334	3,786,626,883,547	18,518,688,087,016	425,287,910,433	978,842,403,581	24,022,457,544,911
LIABILITIES						
Short-term borrowings	-	3,728,454,753,866	7,464,704,000,000	-	-	11,193,158,753,866
Bond issued	-	-	255,000,000,000	-	-	255,000,000,000
Convertible bond	-	-	-	1,068,320,391,534	-	1,068,320,391,534
Payables for securities transaction activities	-	20,890,746,200	-	-	-	20,890,746,200
Accrued expenses	-	19,391,942,610	94,500,079,438	-	-	113,892,022,048
Statutory obligation	-	69,950,280,972	-	-	-	69,950,280,972
Other liabilities	-	280,825,857,925	1,478,341,254,919	-	-	1,759,167,112,844
Total	-	4,119,513,581,573	9,292,545,334,357	1,068,320,391,534	-	14,480,379,307,464
Net liquidity difference	313,012,260,334	(332,886,698,026)	9,226,142,752,659	(643,032,481,101)	978,842,403,581	9,542,078,237,447

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 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 bank overdrafts and short-term borrowings from commercial banks. As at 31 December 2018, the total carrying value of term deposits and certificates of deposits used as collaterals for bank overdrafts were VND 4,345,000,000,000, and the total carrying value of term deposits used as collaterals for short-term borrowings were VND 7,267,000,000,000.

Among financial assets at fair value through profit and loss, financial assets available-for-sale and investment in associates as at 31 December 2018, there were 17,097,938 shares with the par value of VND 170,979,380,000 used as collaterals for short-term borrowings.

The Company held securities as collateral for margin loans to customers as at 31 December 2018.

Other than that, the Company did not hold any other party's collateral at 31 December 2018 and 31 December 2017.

45.6 Off-balance sheet item of subsidiary

SSIAM, a subsidiary of the Company, conducts portfolio management activities. As at 31 December 2018 and 31 December 2017, 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> VND	<i>Beginning balance</i> VND
Entrusted investor's deposits	130,461,339,967	108,045,084,509
Portfolio of entrusted investors	424,220,130,537	510,510,041,195
Receivables of entrusted investors	23,469,414,816	3,424,824,600
Payables of entrusted investor	581,058,983	3,641,194,874

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

45. OTHER INFORMATION (continued)

45.6 Off-balance sheet item of subsidiary (continued)

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

	Ending balance			Beginning balance		
	Amount	Cost VND	Decrease in value VND	Amount	Cost VND	Decrease in value VND
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)	349,770	7,455,292,146	(1,159,432,146)
MBB	360,848	8,047,930,035	(1,029,436,435)	114,100	2,912,600,611	(14,460,611)
VHM	200,728	18,446,441,744	(3,713,006,544)	-	-	-
ACB	233,445	9,025,054,205	(2,115,082,205)	-	-	-
Other	3,406,689	201,621,027,648	(10,428,556,055)	2,487,310	70,588,802,928	(4,580,916,428)
Total	6,122,920	298,225,329,806	(32,664,755,413)	2,951,180	80,956,695,685	(5,754,809,185)

45.7 Accounting ratios

	Ratios in 2018	Ratios in 2017
Assets ratios		
Current assets/ Total Assets	93.47%	91.81%
Non-current assets/ Total Assets	6.53%	8.19%
Owners' equity ratios		
Liabilities/ Total Assets	61.57%	54.08%
Owners' equity/ Total Assets	38.43%	45.92%
Profitability		
Return on assets (Profit after tax/ Total assets)	5.47%	6.19%
Return on equity (Profit after tax/ Owners' equity)	14.34%	13.60%
Profit after tax/ Charter capital	25.54%	23.22%
Profit after tax/ Income	33.08%	38.15%
Liquidity		
Current ratio (Current assets/ Current liabilities)	1.65	1.84
Quick ratio ((Cash and cash equivalents + Short-term investment)/ Current liabilities)	1.64	1.81


NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

46. EVENT AFTER THE REPORTING DATE

There has been no matter or circumstance that has arisen since the reporting date which is required to be disclosed in the consolidated financial statements.



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

22 March 2019

