

**KB SECURITIES VIETNAM JOINT STOCK COMPANY**  
(Incorporated in the Socialist Republic of Vietnam)

**FINANCIAL STATEMENTS  
FOR THE 3<sup>rd</sup> QUARTER OF 2020**

## STATEMENT OF FINANCIAL POSITION

As at 30 Sep 2020

Unit: VND

ITEMS	Codes	Notes	Closing balance	Opening balance
<b>ASSETS</b>				
<b>A. CURRENT ASSETS (100=110+130)</b>	<b>100</b>		<b>7,260,002,804,972</b>	<b>5,410,163,195,683</b>
<b>I. Financial assets</b>				
<b>(110=111+112+113+114+115+116+117+118+119+122+129)</b>	<b>110</b>		<b>7,248,427,629,118</b>	<b>5,403,540,259,659</b>
1. Cash	111	4	17,946,896,805	641,001,776,578
1.1. Cash	111.1		17,946,896,805	641,001,776,578
1.2. Cash equivalents	111.2		-	-
2. Financial assets at fair value through profit or loss (FVTPL)	112	6.1	3,028,106,692,053	1,317,734,651,599
3. Held-to-maturity (HTM) investments	113	6.2 (a)	1,425,173,000,000	997,000,000,000
4. Loans	114	6.3	2,641,419,600,414	2,348,961,187,363
5. Available-for-sale (AFS) financial assets	115	6.4	897,376,000	897,376,000
6. Provisions for impairment of financial assets and mortgages	116	6.3	(550,965,657)	(550,965,657)
7. Receivables	117	7.1	126,560,415,052	89,024,593,365
7.1. Receivables from disposals of financial assets	117.1		-	1,838,224,700
7.2. Receivable, interest of financial assets	117.2		126,560,415,052	87,186,368,665
7.2.1. Interest receivables	117.4		126,560,415,052	87,186,368,665
8. Prepayments to suppliers	118	7.2	1,394,003,200	4,003,658,400
9. Receivables from services provided by the Company	119	7.3	1,264,977,491	973,995,674
10. Other receivables	122	7.4	6,215,633,760	4,493,986,337
11. Provision for impairment of receivables	129		-	-
<b>II. Other current assets</b>				
<b>(130=131+133+134)</b>	<b>130</b>		<b>11,575,175,854</b>	<b>6,622,936,024</b>
1. Advances for business activities	131		90,000,000	167,950,305
2. Short-term prepaid expenses	133	8.1	8,281,622,094	3,277,831,959
3. Short-term mortgages and deposits	134		3,203,553,760	3,177,153,760

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The accompanying notes are an integral part of these financial statements

## STATEMENT OF FINANCIAL POSITION (Continued)

As at 30 Oct 2020

ITEMS	Codes	Notes	Closing balance	Opening balance
<b>B. NON-CURRENT ASSETS (200=220+250)</b>	<b>200</b>		<b>60,961,305,953</b>	<b>154,470,494,884</b>
<b>I. Financial asset</b>	210	6.2 (b)	-	<b>90,000,000,000</b>
Held-to-maturity (HTM) investments	212		-	90,000,000,000
<b>II. Fixed assets</b>	<b>220</b>	9.1	<b>27,640,209,708</b>	<b>28,116,343,356</b>
1. Tangible fixed assets	221		11,814,123,613	14,040,746,569
- Cost	222		31,072,192,855	29,075,956,855
- Accumulated depreciation	223a		(19,258,069,242)	(15,035,210,286)
2. Intangible assets	227	9.2	15,826,086,095	14,075,596,787
- Cost	228		31,256,202,915	26,430,922,915
- Accumulated amortization	229a		(15,430,116,820)	(12,355,326,128)
<b>III. Other non-current assets</b>	<b>250</b>		<b>33,321,096,245</b>	<b>36,354,151,528</b>
1. Long-term mortgages and deposits	251		15,000,000	15,000,000
2. Long-term prepaid expenses	252	8.2	7,513,741,334	13,064,751,280
3. Deposit to Settlement support fund	254	10	15,774,400,248	13,274,400,248
4. Other long - term assets	255	11	10,017,954,663	10,000,000,000
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>7,320,964,110,925</b>	<b>5,564,633,690,567</b>

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## STATEMENT OF FINANCIAL POSITION (Continued)

As at 30 Sep 2020

Unit: VND

ITEMS	Codes	Notes	Closing balance	Opening balance
<b>RESOURCES</b>				
<b>C. LIABILITIES (300=310+340)</b>	<b>300</b>		<b>5,203,215,646,511</b>	<b>3,559,402,876,802</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>5,203,214,353,080</b>	<b>3,559,399,679,123</b>
1. Short-term loans and obligations under finance leases	311	12	4,508,879,628,480	3,283,765,000,000
1.1. Short-term loans	312		4,508,879,628,480	3,283,765,000,000
2. Trading obligations	318			3,057,276,380
3. Short-term trade payables	320		3,017,202,528	1,177,504,699
4. Short-term advances from customers	321		1,040,000,000	273,000,000
5. Taxes and amounts payable to the State budget	322	13	17,007,400,447	23,108,504,958
6. Payables to employees	323		10,622,175,178	14,671,679,605
7. Other employee benefits payables	324		986,650,949	716,862,260
8. Short-term accrued expenses	325	14	25,127,231,142	19,555,306,970
9. Other short-term payables	329	15	635,207,823,611	212,963,613,192
10. Bonus and welfare fund	331		1,326,240,745	110,931,059
<b>II. Long-term liabilities</b>	<b>340</b>		<b>1,293,431</b>	<b>3,197,679</b>
1. Deferred tax liabilities	356		1,293,431	3,197,679
<b>D. EQUITY (400=410)</b>	<b>400</b>		<b>2,117,748,464,414</b>	<b>2,005,230,813,765</b>
<b>I. Owners' equity</b>	<b>410</b>		<b>2,117,748,464,414</b>	<b>2,005,230,813,765</b>
1. Owner's contributed capital	411	16	1,675,020,900,000	1,675,020,900,000
1.1. Owner's contributed capital	411.1		1,675,020,900,000	1,675,020,900,000
a. Ordinary shares	411.1a		1,675,020,900,000	1,675,020,900,000
2. Charter capital supplement reserve	414		9,930,623,462	4,688,585,575
3. Financial and risk reserves	415		24,801,043,988	19,559,006,101
4. Retained earnings	417		407,995,896,964	305,962,322,089
4.1 Realised post tax profits	417.1		408,117,666,746	306,067,690,970
4.2 Unrealized profit	417.2		(121,769,782)	(105,368,881)
<b>TOTAL LIABILITIES AND EQUITY (440=300+400)</b>	<b>440</b>		<b>7,320,964,110,925</b>	<b>5,564,633,690,567</b>

The accompanying notes are an integral part of these financial statements

## STATEMENT OF FINANCIAL POSITION (Continued)

As at 30 Sep 2020

## OFF-BALANCE SHEET ITEMS

Unit: VND

ITEMS	Codes	Notes	Closing balance	Opening balance
<b>A. COMPANY'S ASSETS AND ASSETS MANGAGED UNDER COMMITMENTS</b>				
<b>Vietnam Dong (VND)</b>				
1. Number of shares in issue (shares)	006		167,502,090	167,502,090
2. Treasury shares	007		-	-
3. The Company's financial assets listed/registered for trading at the Vietnam Securities Depository	008		31,320,000	1,832,380,000
<i>a. Transferable financial assets</i>	008.1		30,520,000	1,832,380,000
<i>b. Financial assets to be settled</i>	008.5		800,000	-
4. The Company's financial assets registered but not trading at the Vietnam Securities Depository	009		10,000	-
<i>a. Transferable financial assets registered but not trading at the Vietnam Securities Depository</i>	009.1		10,000	-
5. The Company's financial assets not yet registered at the Vietnam Securities Depository	012			336,000,000
<b>B. ASSETS AND LIABILITIES IN CUSTODY</b>				
<b>Number of securities (unit)</b>				
1. The investors' financial assets listed/registered for trading at the Vietnam Securities Depository	021		9,199,174,810,000	7,375,146,810,000
<i>a. Transferable financial assets</i>	021.1		7,866,982,090,000	6,867,251,250,000
<i>b. Limited trading financial assets</i>	021.2		263,161,240,000	55,668,670,000
<i>c. Collateralized financial assets</i>	021.3		434,544,100,000	146,159,790,000
<i>d. Blocked financial assets</i>	021.4		297,665,890,000	-
<i>d. Financial assets to be settled</i>	021.5		336,821,490,000	306,067,100,000
2. The investor's financial assets registered but not trading at the Vietnam Securities Depository	022		51,082,850,000	357,393,090,000
<i>a. Transferable financial assets registered but not trading at the Vietnam Securities Depository</i>	022.1		51,082,850,000	86,200,440,000
<i>b. Limited trading financial assets</i>	022.2		-	271,192,650,000

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**STATEMENT OF FINANCIAL POSITION (Continued)**

As at 30 Sep 2020

Unit: VND

<b>ITEMS</b>	<b>Codes</b>	<b>Notes</b>	<b>Closing balance</b>	<b>Opening balance</b>
<b>B. ASSETS AND LIABILITIES IN CUSTODY (CONTINUED)</b>				
<i>Vietnam Dong (VND)</i>				
3. Investors' deposits	☞	026	1,277,043,052,848	279,432,874,373
3.1. Investors' deposits for securities trading managed by the Company	☞	027	1,120,646,730,583	220,515,650,362
<i>a. Customer's deposit at VSD</i>	☞	027.1	132,923,719,483 <sup>*</sup>	39,634,082,327
3.2. Deposits for clearing and settlement of trading securities		029	23,472,602,782	19,283,141,684
<i>a. Domestic investors' deposits for clearing and settlement of trading securities</i>		029.1	18,693,275,484 <sup>*</sup>	14,482,155,016
<i>b. Foreign investors' deposits for clearing and settlement of trading securities</i>		029.2	4,779,327,298 <sup>*</sup>	4,800,986,668
4. Payables to investors for deposits for securities trading managed by the Company	☞	031	1,278,794,027,765	282,142,518,682
4.1. Payables to domestic investors for their deposits for securities trading managed by the Company	☞	031.1	1,278,794,027,765	261,104,267,731
4.2. Payables to foreign investors for their deposits for securities trading managed by the Company	☞	031.2		21,038,250,951
5. Payables to stock issuers	☞	032	46,740,000	-
6. Dividends, bond principals and interests payable	☞	035	34,660,750	-



**Nguyen Thanh Huyen**  
Chief Accountant



**Nguyen Duc Hoan**  
Chief Executive Officer

Hanoi, 16 Oct 2020

**KB SECURITIES VIETNAM JOINT STOCK COMPANY****FORM B 02-CTCK**

G,M, 2<sup>nd</sup> & 7<sup>th</sup> Floors, Sky City Tower, No. 88 Lang Ha Street, Dong Da District, Hanoi, Vietnam.

Issued under Circular No.334/2016/TT-BTC  
Dated 27 December 2016 of the Ministry of Finance

**STATEMENT OF INCOME**

For the 3<sup>rd</sup> quarter of 2020

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period	Accumulated Current period	Accumulated Current period
<b>I. OPERATING REVENUE</b>						
1.1. Gain from financial assets at fair value through profit or loss	01		5,152,854,453	21,319,944,063	44,084,380,961	28,775,437,240
<i>a. Gain from sales of financial assets at fair value through profit or loss</i>	01.1		5,150,553,349	21,317,156,742	44,093,310,538	29,442,933,790
<i>b. Gain from revaluation of financial assets at fair value through profit or loss</i>	01.2		1,990,704	2,439,681	(9,521,241)	(670,268,419)
<i>c. Dividends and interest on financial assets at fair value through profit or loss</i>	01.3		310,400	347,640	591,664	2,771,869
1.2. Gain from held-to-maturity investments	02		62,630,346,615	32,886,742,242	149,380,503,815	62,304,588,817
1.3. Gain from loans and receivables	03		54,751,649,137	56,556,643,801	155,323,077,017	139,146,250,489
1.4. Revenue from securities brokerage services	06		32,979,032,883	23,557,135,510	77,789,828,866	60,980,380,569
1.5. Revenue from securities underwriting and public offering agent	07		1,470,681,818	525,200,000	8,092,931,817	11,504,909,091
1.6. Revenue from consultant investment securities	08		1,679,827,272	153,615,900	2,567,554,544	153,615,900
1.7. Revenue from securities depository services	09		1,456,522,560	884,719,950	5,323,653,443	2,230,333,132
1.8. Revenue from financial advisory services	10		-	918,181,818	113,636,363	3,136,363,636
1.9. Other revenue	11		748,730,417	659,165,262	1,542,169,774	1,006,319,485
<b>Total operating revenue</b> <b>(20=01+02+03+06+07+09+10+11)</b>	<b>20</b>		<b>160,869,645,155</b>	<b>137,461,348,546</b>	<b>444,217,736,600</b>	<b>309,238,198,359</b>

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**STATEMENT OF INCOME(Continued)**

For the 3<sup>rd</sup> quarter of 2020

Unit: VND

ITEMS	Codes	Notes	Prior period		Current period	
			Current period	Prior period	Accumulated Current period	Accumulated Current period
<b>II. OPERATING EXPENSES</b>						
2.1. Loss on financial assets at fair value through profit or loss	21		99,957,238	421,705,468	2,025,007,760	1,561,874,149
a. Loss from sale of financial assets at fair value through profit or loss	21.1		109,605,052	444,462,379	2,018,128,100	1,788,903,683
b. Loss from revaluation of financial assets at fair value through profit or loss	21.2		(9,647,814)	(22,756,911)	6,879,660	(227,029,534)
2.2. Expenses for securities brokerage services	27		40,957,255,999	30,888,887,037	100,562,547,870	77,777,138,572
2.3. Expenses for securities underwriting and public offering agent	28		-	255,961,390	-	255,961,390
2.4 Expense for investment consultancy securities	29		-	99,227,500	-	99,227,500
2.5. Expenses for securities depository	30		1,808,534,072	1,140,776,387	4,896,460,160	3,150,479,082
2.6. Expenses for financial advisory services	31		2,680,784,074	1,544,958,255	14,788,425,668	13,247,509,504
2.7. Other expenses	32		-	2,134,000	-	2,134,000
<b>Total operating expenses</b> <b>(40=21+27+28+30+31+32)</b>	<b>40</b>		<b>45,546,531,383</b>	<b>34,353,650,037</b>	<b>122,272,441,458</b>	<b>96,094,324,197</b>

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Dated 27 December 2016 of the Ministry of Finance

**STATEMENT OF INCOME(Continued)**

For the 3<sup>rd</sup> quarter of 2020

Unit: VND

ITEMS	Codes	Notes	For the 3 <sup>rd</sup> quarter of 2020		Prior period	Accumulated	
			Current period	Current period		Current period	Current period
<b>III. FINANCIAL INCOME</b>							
3.1. Realised and unrealised gains from foreign exchange difference	41		1,046,998	-	-	2,028,112	-
3.2. Dividends and demand deposit interest earned and accrued	42		533,032,167	876,339,449		2,443,965,493	3,109,799,333
<b>Total financial income (50 = 41+42)</b>	<b>50</b>		<b>534,079,165</b>	<b>876,339,449</b>		<b>2,445,993,605</b>	<b>3,109,799,333</b>
<b>IV. FINANCIAL EXPENSES</b>							
4.1. Realised and unrealised loss from foreign exchange differences	51		247,500	-	-	2,029,500	-
4.2. Borrowing cost	52		56,058,658,498	39,249,743,334		152,008,063,339	69,803,203,779
4.3. Other finance charges	55		7,335,887,805	6,140,600,479		11,293,855,050	6,561,904,419
<b>Total financial expenses (60=51+52+55)</b>	<b>60</b>		<b>63,394,793,803</b>	<b>45,390,343,813</b>		<b>163,303,947,889</b>	<b>76,365,108,198</b>
<b>V. GENERAL AND ADMINISTRATION EXPENSES</b>							
	62		9,150,511,968	8,678,489,919		29,637,891,652	24,574,769,255
<b>VI. OPERATING RESULTS (70=20+50-40-60-62)</b>	<b>70</b>		<b>43,311,887,166</b>	<b>49,915,204,226</b>		<b>131,449,449,206</b>	<b>115,313,796,042</b>
<b>VII. OTHER INCOME AND EXPENSES</b>							
7.1. Other income	71		(30,600,010)	-		(30,600,010)	-
7.2. Other expenses	72		-	-		-	1,509,214,335
<b>Other operating results (80=71-72)</b>	<b>80</b>		<b>(30,600,010)</b>	<b>-</b>		<b>(30,600,010)</b>	<b>(1,509,214,335)</b>

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**STATEMENT OF INCOME(Continued)**

For the 3<sup>rd</sup> quarter of 2020

Unit: VND

<b>VIII. ACCOUNTING PROFIT BEFORE TAX (90=70+80)</b>	<b>90</b>	<b>43,281,287,156</b>	<b>49,915,204,226</b>	<b>131,418,849,196</b>	<b>113,804,581,707</b>
8.1. Realized accounting profit	91	43,269,648,638	49,890,007,634	131,435,250,097	114,247,820,592
8.2. Unrealized accounting profit	92	11,638,518	25,196,592	(16,400,901)	(443,238,885)
<b>IX. CORPORATE INCOME TAX EXPENSE</b>	<b>100</b>	<b>8,654,327,869</b>	<b>9,978,489,462</b>	<b>26,285,145,771</b>	<b>20,425,235,113</b>
9.1. Current corporate income tax expense	100.1	8,653,929,728	9,978,001,527	26,287,050,019	20,559,288,797
9.2. Deferred corporate income tax expense	100.2	398,141	487,935	(1,904,248)	(134,053,684)
<b>X. ACCOUNTING PROFIT AFTER TAX (200=90-100)</b>	<b>200</b>	<b>34,626,959,287</b>	<b>39,936,714,764</b>	<b>105,133,703,425</b>	<b>93,379,346,594</b>
10.1. Profit after tax attributable to shareholders	201	34,626,959,287	39,936,714,764	105,133,703,425	93,379,346,594



**Nguyen Thanh Huyen**  
Chief Accountant



**Nguyen Duc Hoan**  
Chief Executive Officer

Hanoi, 16 Oct 2020

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## STATEMENT OF CASH FLOWS

For the quarter ended 30 Sep 2020

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. Cash flows from operating activities</b>			
<b>1. Profit before corporate income tax</b>	<b>01</b>	<b>131,418,849,196</b>	<b>113,804,581,707</b>
<b>2. Adjustments for:</b>	<b>02</b>	<b>30,303,361,942</b>	<b>(22,145,643,799)</b>
- Depreciation and amortization	03	7,297,649,648	4,496,369,328
- Provisions	04	-	573,454,013
- (-Gain)/(+Loss) from unrealised foreign exchange	05	2,029,500	2,348,166
- Interest expense	06	152,008,063,339	39,249,743,334
- (Gain) from investing activities	07	(2,443,965,493)	(876,687,089)
- Accrued interests	08	(126,560,415,052)	(65,590,871,551)
<b>3. Increase in non-cash expenses</b>	<b>10</b>	<b>9,521,241</b>	-
Increase in revaluation losses of financial assets at FVTPL	11	9,521,241	-
<b>4. Decrease in non-cash income</b>	<b>18</b>	<b>(6,879,660)</b>	-
Decrease in revaluation gains of financial assets at FVTPL	19	(6,879,660)	-
<b>5. Operating profit before movements in working capital</b>	<b>30</b>	<b>(2,003,072,844,972)</b>	<b>(2,289,904,255,515)</b>
- Decrease (increase) in financial assets at fair value through profit or loss	31	(1,710,374,682,035)	(1,372,542,039,932)
- Decrease (increase) in held-to-maturity investments	32	(338,173,000,000)	(208,994,520,548)
- (Increase) decrease in loans receivable	33	(292,458,413,051)	(957,471,159,899)
- Decrease in receivables from sales of financial	35	1,838,224,700	-
- Decrease in dividends and interests accrued and receivables on financial assets	36	87,150,446,878	15,391,662,148
- (Increase) decrease in receivables from services rendered	37	(290,981,817)	49,450,822,509
- (Increase) decrease in other receivables	39	885,978,277	(4,627,368,552)
- (Increase) decrease in other assets	40	77,950,305	(560,746,035)
- Increase (decrease) in accrued expenses (excluding accrued loan interest)	41	1,464,678,100	(45,007,601,132)
- Increase/(decrease) in prepaid expenses	42	547,219,811	(3,205,239,742)
- Corporate income tax paid	43	(24,780,808,574)	(15,045,333,045)
- Interest paid	44	(147,900,817,267)	(34,404,330,413)
- Decrease (increase) in trade payables	45	(450,578,551)	(3,145,641,600)
- Increase (decrease) in Other employee benefits payables	46	(611,716,780)	110,795,038
- Increase (decrease) in taxes and amounts payable to the State budget (excluding corporate income tax payable)	47	1,873,416,423	2,589,590,654
- Increase, (decrease) in payables to employees	48	(4,049,504,427)	(17,282,876)
- Increase in other short-term payables	50	422,244,210,419	300,970,372,036
- Other cash inflows	51	-	(13,396,234,126)
- Other cash outflows	52	(64,467,383)	-
<b>Net cash (used in)/generated by operating activities</b>	<b>60</b>	<b>(1,841,347,992,253)</b>	<b>(2,198,245,317,607)</b>

The accompanying notes are an integral part of these financial statements

**STATEMENT OF CASH FLOWS (Continued)**

For the quarter ended 30 Sep 2020

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>II. Cash flows from investing activities</b>			
1. Acquisition and construction of fixed assets, investment properties and other non-current	61	(6,821,516,000)	(8,615,949,300)
2. Proceeds from interest earned, dividends and profits received from long-term investments	65	-	876,687,089
<b>Net cash generated by investing activities</b>	<b>70</b>	<b>(6,821,516,000)</b>	<b>(7,739,262,211)</b>
<b>III. Cash flows from financial activities</b>			
1. Proceeds from issuance of shares	71	-	567,942,300,000
2. Proceeds from borrowings	73	15,964,761,844,293	8,334,267,194,595
2.1. Other borrowings	73.2	15,964,761,844,293	8,334,267,194,595
3. Repayment of borrowings	74	(14,739,647,215,813)	(6,675,758,577,545)
3.1 Repayment of borrowings - support Fund	74.1	-	-
3.2 Repayment of borrowings - financial assets	74.2	-	-
3.3. Repayment of other borrowings - principal	74.3	(14,739,647,215,813)	(6,675,758,577,545)
<b>Net cash generated by/(used in) financial activities</b>	<b>80</b>	<b>1,225,114,628,480</b>	<b>2,226,450,917,050</b>
<b>IV. Net decrease in cash</b>	<b>90</b>	<b>(623,054,879,773)</b>	<b>20,466,337,232</b>
<b>V. Cash and cash equivalents at the beginning of the year</b>	<b>101</b>	<b>641,001,776,578</b>	<b>105,406,769,560</b>
- Cash	101.1	641,001,776,578	10,255,536,683
- Cash equivalents	101.2	-	95,151,232,877
<b>VI. Cash and cash equivalents at the end of the year</b>	<b>103</b>	<b>17,946,896,805</b>	<b>125,873,106,792</b>
- Cash	103.1	17,946,896,805	125,873,106,792
- Cash equivalents	103.2	-	-

The accompanying notes are an integral part of these financial statements

## STATEMENT OF CASH FLOWS (Continued)

For the quarter ended 30 Sep 2020

Unit: VND

## CASH FLOWS FROM CUSTOMERS' SECURITIES BROKERAGE AND ENTRUSTED INVESTMENTS SERVICES

ITEMS	Codes	Current year	Prior year
<b>I. Cash flows from brokerage and entrusted investment services</b>		-	-
1. Proceeds from sale of customers' securities	01	21,464,110,503,788	43,134,538,805,480
2. Cash outflows for buying securities for customers	02	(29,303,337,718,636)	(43,079,317,379,219)
7. Receipts for settlement of customers' transactions	07	9,916,166,076,537	-
8. Net deposit in customers' margin accounts at VSD for derivative trading	08	(1,079,328,683,214)	-
<b>Net increase/decrease in cash</b>	<b>20</b>	<b>997,610,178,475</b>	<b>55,221,426,261</b>
<b>II. Cash and cash equivalents at the beginning of the year</b>	<b>30</b>	<b>279,432,874,373</b>	<b>292,095,528,768</b>
Bank deposits at the beginning of the year	31	279,432,874,373	292,095,528,768
- Investors' deposits for securities trading managed by the Company	32	220,515,650,362	290,377,896,888
- Deposits for clearing and settlement of trading securities	34	58,917,224,011	1,717,631,880
<b>III. Cash and cash equivalents at the end of the year (40=20+30)</b>	<b>40</b>	<b>1,277,043,052,848</b>	<b>347,316,955,029</b>
Bank deposits at the beginning of the year	41	1,277,043,052,848	347,316,955,029
- Investors' deposits for securities trading managed by the Company	42	1,120,646,730,583	344,774,454,705
- Deposits for clearing and settlement of trading securities	44	156,396,322,265	2,542,500,324



**Nguyen Thanh Huyen**  
Chief Accountant



**Nguyen Duc Hoan**  
Chief Executive Officer

Hanoi, 16 Oct 2020

The accompanying notes are an integral part of these financial statements

**STATEMENT OF CHANGES IN EQUITY**

For the quarter ended 30 Jun 2020

Unit: VND

ITEMS	Notes	Opening balance		For period ended 30.09.2019		For period ended 30.09.2020		Closing balance	
		2019 VND	2020 VND	Increase VND	Decrease VND	Increase VND	Decrease VND	2019	2020
1. Owner's contributed capital	16	1,107,078,600,000	1,675,020,900,000	567,942,300,000	-	-	-	1,675,020,900,000	1,675,020,900,000
1.1. Owner's contributed capital		1,107,078,600,000	1,675,020,900,000	567,942,300,000	-	-	-	1,675,020,900,000	1,675,020,900,000
2. Charter capital supplement reserve		2,937,033,810	4,688,585,575	1,751,551,765	-	5,242,037,887	-	4,688,585,575	9,930,623,462
3. exchange rate differences		-	-	2,348,166	-	-	-	2,348,166	-
4. Financial and risk reserves		17,807,454,336	19,559,006,101	1,751,551,765	-	5,242,037,887	-	19,559,006,101	24,801,043,988
5. Retained earnings		205,675,598,941	305,962,322,089	93,822,585,479	4,997,273,474	114,630,866,705	12,597,291,830	294,500,910,946	407,995,896,964
5.1. Realised post tax profits		206,339,253,909	306,067,690,970	93,822,585,479	4,554,034,589	114,630,866,705	12,580,890,929	295,607,804,799	408,117,666,746
5.2. Unrealized profit		(663,654,968)	(105,368,881)	-	443,238,885	-	16,400,901	(1,106,893,853)	(121,769,782)
<b>Total</b>		<b>1,333,498,687,087</b>	<b>2,005,230,813,765</b>	<b>665,270,537,175</b>	<b>4,997,273,474</b>	<b>125,114,942,479</b>	<b>12,597,291,830</b>	<b>2,117,750,788</b>	<b>2,117,748,464,414</b>



**Nguyen Thanh Huyen**  
Chief Accountant



**Nguyen Bức Hoan**  
Chief Executive Officer

Hanoi, 16 Oct 2020

The accompanying notes are an integral part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**

*These notes are an integral part of and should be read in conjunction with the accompanying financial statements*

**1. GENERAL INFORMATION****Structure of ownership**

KB Securities Vietnam Joint Stock Company (formerly known as Maritime Securities Incorporation) the ("Company") was incorporated in Vietnam for an indefinite term under Decision No. 77/UBCK-GPHDKD dated 11 June 2008 of the State Securities Commission of Vietnam with the initial name of Standard Securities Joint Stock Company. During the course of operations, the Company was granted License No. 371/UBCK-GP dated 22 November 2010 on change of legal representative, License No. 381/UBCK-GP dated 31 December 2010 on increase in charter capital, License No. 09/GPDC-UBCK dated 27 January 2011 on change of the name of the Company and addition of business lines, License No. 25/GPDC-UBCK dated 08 April 2011 on change of the registered office address, Decision No. 401/QD-UBCK dated 02 July 2013 approving the establishment of Ho Chi Minh branch, Decision No. 379/QD-UBCK dated 26 May 2014 approving the establishment of Hanoi branch, License No. 35/GPDC-UBCK dated 07 August 2015 on changing the name of the Company and License No. 07/GPDC-UBCK dated 17 January 2018 on changing the name of the Company from Maritime Securities Incorporation to KB Securities Vietnam Joint Stock Company.

The Company is currently a member of Ho Chi Minh City Stock Exchange, Hanoi Stock Exchange and Vietnam Securities Depository.

The Company has three branches: Ho Chi Minh branch located on the 2<sup>nd</sup> Floor, No. 180-192 Nguyen Cong Tru street, Nguyen Thai Binh ward, district 1; Hanoi branch located on the 9<sup>th</sup> Floor, TNR Tower Hoan Kiem, 115 Tran Hung Dao street, Hoan Kiem district and Sai Gon Branch located on 1<sup>st</sup> Floor, Saigon Trade Center, 37 Ton Duc Thang, Ben Nghe ward, District 1.

The number of the Company's employees as at 30 Sep 2020 was 325.

**Operating industry and principal activities**

The Company operates in the securities sector.

The principal activities of the Company are to provide securities brokerage; financial advisory, securities investment advisory; proprietary securities trading; securities underwriting and depository services and other activities in accordance with regulations applicable to securities companies.

**Investment restrictions**

The Company complies with the following limitations set out in Article 44 of Circular No. 210/2012/TT-BTC dated 30 December 2012 and Circular No. 07/2016/TT-BTC dated 18 January 2016 issued by the Ministry of Finance:

A securities company is prohibited to purchase and contribute funds to buy real estate unless they are used as working office.

For the securities company which owns or invests in real estate as prescribed at Clause 1 of the Article 44 and fixed assets, the total carrying value of fixed assets and real estate should not exceed fifty percent (50%) of the total asset value of the securities company.

The securities company is prohibited to invest more than seventy percent (70%) of its owners' equity in corporate bonds. The securities company who is licensed for proprietary trading shall trade on quoted bonds in accordance with current regulations on bonds trading transactions.

The securities company is prohibited to directly perform or entrust any other entity or individual to perform the followings:

- a) Invest in shares or contribute capital to a company that owns more than fifty percent (50%) of its shares, except for buying of odd lots of shares at the request of customers;
- b) together with related parties, invest five percent (5%) or more of any other securities company's shares.
- c) invest more than twenty percent (20%) of the total shares and fund certificates which are in circulation of a listed company;
- d) invest more than fifteen percent (15%) of the total shares and fund certificates that are in circulation of a non-listed company. This regulation is not applicable to private fund certificates; portfolio conversion fund and open-ended fund.
- dd) invest or contribute capital of more than ten percent (10%) of the total contributed capital of a limited liability company or a business project;
- e) invest or contribute capital of more than fifteen percent (15%) of the total contributed capital of a business organization or a business project;
- g) invest more than seventy percent (70%) its equity in shares, contributed capital and business project, shall not invest more than twenty percent (20%) of the securities company's equity in unlisted shares, contributed capital and business project.

A securities company is allowed to establish or acquire a fund management company as its subsidiary. In this case, the securities company is exempted from the provisions of Points c, d and dd, Clause 4 of this Article. The securities company that intends to establish or acquire a fund management company as its subsidiary must meet the following conditions:

- a) The owners' equity, after contribution for establishment or acquisition of a fund management company, must be at least equal to the legal capital for its business operations;
- b) The capital adequacy ratio after contribution for establishment or acquisition of a fund management company must reach at least one hundred and eighty percent (180%);
- c) The securities company after capital contribution for the establishment or acquisition of a fund management company must ensure compliance with the loan restrictions specified in Article 42 of this Circular and the investment restrictions specified in Clause 3 of this Article and Point e, Clause 4 of this Article.

In case where securities company's investments exceed the limitation due to fulfilment of the obligation of underwriting in the form of a firm commitment, or consolidation/merger, or changes in its assets and/or its owners' equity or its investor, the securities company shall apply necessary measures to comply with the investment restrictions as stipulated in clauses 2, 3 and 4 of this Article within one (01) year.

#### **Disclosure of information comparability in the financial statements**

Comparative figures are the figures of the audited financial statements for the year ended 31 December 2016. Certain figures of the statement of financial position as at 31 December 2016, of the statement of income, statement of cash flows and statement of changes in equity for the year then ended have been restated to enhance the comparability with the prior year's figures due to effects of adoption of Circular No. 334/2016/TT-BTC in the preparation and presentation of the financial statements.



**2. ACCOUNTING CONVENTION AND ACCOUNTING YEAR**

**Accounting convention**

The Company has adopted the accounting regime for securities companies issued by the Ministry of Finance as stipulated in Circular No. 210/2014/QĐ-BTC, Circular No. 334/2016/TT-BTC guiding the accounting regime for securities companies. These Circulars set out regulations relating to accounting documents, chart of accounts as well as methods of preparation and presentation of financial statements of a securities company.

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

**Declaration on compliance with accounting standards and accounting regime**

The financial statements of the Company are presented in Vietnam Dong ("VND") in accordance with Vietnamese Accounting Standards, accounting regulations applicable to securities companies issued by Ministry of Finance as stipulated in Circular No. 210/2014/TT-BTC, Circular No. 334/2016/TT-BTC and legal regulations relating to financial reporting.

**Accounting year**

The Company's financial year begins on 01 January and ends on 31 December.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies, which have been adopted by the Company in the preparation of these financial statements, are as follows:

**Estimates**

The preparation of the financial statements in conformity with Vietnamese Accounting Standards, accounting regime applicable to securities companies issued by Ministry of Finance as stipulated in Circular No. 210/2014/TT-BTC, Circular No. 334/2016/TT-BTC and legal regulations relating to financial reporting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

**Cash**

Cash comprises cash in bank and bank deposit for clearing and settlement of trading securities.

Cash in bank includes demand deposits of the Company.

Bank deposits for clearing and settlement of securities trading include deposits in place of the Company for securities clearance and settlement.

### **Financial assets at fair value through profit or loss**

The financial assets at fair value through profit and loss (FVTPL) include financial assets held for trading, or other financial assets which are deemed to be more appropriate if classified as at FVTPL.

At the date of initial recognition, financial assets at PVTPL are recognised at cost and revalued at market price of fair value in the Company's statement of financial position. Any revaluation difference will be recognised as income or expense arising on financial assets at FVTPL in the Company's statement of income.

### **Held-to-maturity investments**

Held-to-maturity investments are any non-derivative financial assets with fixed maturity and fixed payments or may be determined that the Company has a positive intention and ability to hold to maturity, except for non-derivative financial assets classified as financial assets recognized at fair value through profit/loss, available-for-sale financial assets or a group of non-derivative financial assets that meet the definition of loans and receivables.

Held-to-maturity financial assets are initially recognized at cost of acquisition plus transaction costs arising directly from the acquisition of these financial assets. After initial recognition, held-to-maturity financial assets are recorded at amortized cost using the effective interest rate method.

### **Loan receivables**

Loan receivables are non-derivative financial assets with fixed or determinable payments, in compliance with current regulations applicable to securities companies. Loans are recognised at cost.

### **Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets designated on initial recognition as available for sale or any other instruments that are not classified as loans and receivables or held-to-maturity investments or financial assets at fair value through profit or loss.

Available-for-sale financial assets are initially recognised at purchase price plus directly attributable expenses arising from the acquisition of the financial assets. Subsequently, available-for-sale financial assets are recognised at fair value in the statement of financial position. In case the available-for-sale financial asset is an equity instrument which the price is not quoted on an active market or the fair value of the investment is not reliably measured, the available-for-sale financial asset is recognised at cost.

Fair value changes are recognized in the items "Gain/(loss) from re-measurement of available-for-sale financial assets" under "Other income" in the statement of income.

### **Principles of revaluation of financial assets**

The financial assets recognized at fair value through profit/loss and available for sale financial assets are revalued at the market price or fair value determined by the legal-accepted valuation method. In the absence of market prices at the latest trading date, the Company used fair value to revalue financial assets. Fair value is determined on the basis of the principles and methods or theoretical models of valuation of financial assets which has been approved by the Board of Management.

The market value of securities listed on the Hanoi Stock Exchange and Ho Chi Minh City Stock Exchange shall be the closing price on the latest trading date before the date of revaluation.

For securities of companies not listed on the stock market but has registered for trading on the market of the unlisted public companies (UPCom), the market value shall be the closing price on the latest trading date before the date of revaluation.

For delisted or suspended securities from the 6th trading day onwards, the stock price shall be the book value in the latest financial statements.

For unlisted securities and unregistered transactions on the trading market of unlisted public companies (UPCom), the stock price shall be the average price of the actual transactions according to the quoting of 3 companies trading securities at the latest date which is not more than one month before the date of revaluation.

The stock price without above references will be evaluated its impairment based on a review of the latest financial positions and the book value of the issuer.

### **Provision for impairment of financial assets**

The Company makes provision for impairment of held-to-maturity and available-for-sale financial assets when there is objective evidence of impairment of the fair value of financial assets under the guidance of Circular No. 210/2014/TT-BTC.

### **Receivables**

Receivables represent the amounts recoverable from customers or other debtors. Receivables are recognised at cost less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Receivables include receivables from securities trading activities, receivables from providing brokerage, consulting services to investors, interest accruals on financial services, and receivables on other services.

*Receivable from securities trading activities:* Receivable from securities trading activities includes loans receivable from margin trading, receivable from securities brokerage services and depository services.

### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices, and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Tangible fixed assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Current year</u> (Years)
Machinery and equipment	03 - 05

### **Intangible assets and amortisation**

Intangible asset comprises computer software. Computer software is initially recognized by purchased cost and is amortised using the straight-line method over the period from 03 years to 05 years.

#### **Long-term prepayments**

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods.

Long-term prepayments comprise prepaid expenses for services, costs of tools and supplies. These prepayments are expected to provide future economic benefits to the Company for one year or more. Long-term prepayments are allocated to profit or loss, using the straight-line method in accordance with the current prevailing accounting regulations.

#### **Dividends, principal and interest of bonds payment on behalf of other individuals and organizations**

Dividends, principal and interest of bonds payment on behalf of other individuals and organizations are the amounts of dividends, bond principal and interest payable by the Company on behalf of holders of securities issued by issuers of securities commissioner rights.

#### **Payables from securities trading activities**

Payables from securities trading activities include amounts paid for business activities, securities services provided by the Stock Exchanges, Vietnam Securities Depository and other payables.

#### **Revenue**

##### *Investments in financial instruments*

Income from investments in financial instruments includes interest income from financial assets recognized at fair value through profit/loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets; gain from sale of the Company's financial assets (which is recorded based on the result notification of clearing securities trading from Vietnam Securities Depository); dividends on shareholders' equity (which is recorded in profit or loss based on the dividends notification of shares' issuers); interest on bonds and gain from joint venture and associates (which is recorded in profit or loss based on accrual basis).

##### *Securities brokerage and depository*

Revenue from securities brokerage and depository activities are recognized in the statement of income when all four (4) of the following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

##### *Securities underwriting and public offering agent*

Revenue from underwriting and public offering agent is recognized in the statement of income upon completion of notification of securities issuance.

##### *Advisory services*

Revenue from advisory services is recognized in the statement of income upon completion of services, reliable measurement of revenue, and of the costs incurred for the transaction and costs to complete the transaction.

*Auction fiduciary activities*

Revenue from auction fiduciary activities is recognized in the statement of income when received.

*Other income*

Other income is recognized in the statement of income on accrual basis.

Revenue relating to multiple accounting periods are recorded at the stage of completion or allocated using the straight-line method during service term. Unallocated values are recorded as deferred revenue in the statement of financial position.

**Operating expenses**

Operating expenses include loss and transaction costs for the acquisition of financial assets, expenses for proprietary activities and services rendering.

Loss and transactions cost for the acquisition of financial assets represent loss on disposal of financial assets at fair value through profit/loss, transactions cost for the acquisition of financial assets at fair value through profit/loss, provision expenses for impairment of financial assets, provision expenses for doubtful debts and losses arising from financial assets under the Company's financial investment portfolio, including financial assets at fair value through profit/loss, available-for-sale financial assets, loan and receivable and expenses for securities trading.

Expenses for services rendering include directly attributable expenses for the provision of securities trading brokerage services, securities underwriting and public offering agent services, advisory services and other operating expenses.

**General and administration expenses**

General and administration expenses include overheads of the Company, comprising salaries and employee benefits of administrative employees, office materials, tools and supplies, depreciation and amortization, outsourced services and other monetary expenses related to the management of the Company.

### **Borrowing costs**

Borrowing costs are recognised in the profit and loss in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

### **Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit before tax as reported in the statement of income because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examination.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

4. CASH

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Bank deposits for the business operation	17,946,896,805	641,001,776,578
Bank deposits for clearing and settlement of trading securities	-	-
Cash equivalents (*)	-	-
	<b>17,946,896,805</b>	<b>641,001,776,578</b>

5. VALUE AND VOLUME OF TRANSACTIONS DURING THE YEAR

	<u>Volume of transactions</u>	<u>Value of transactions</u>
	Quantity	VND
<b>Proprietary trading</b>	<b>14,324,727</b>	<b>1,471,614,645,786</b>
Stocks	90,905	298,288,300
Bond	14,233,822	1,471,316,357,486
<b>Investors' securities</b>	<b>1,306,830,811</b>	<b>21,122,673,093,326</b>
Stocks	1,300,748,288	20,495,330,164,000
Bond	6,082,523	627,342,929,326

6. FINANCIAL ASSETS

1. Financial assets measured at fair value through profit or loss ("FVTPL")

	<u>Closing Balance</u>		<u>Opening Balance</u>	
	<u>Book value</u>	<u>Fair value</u>	<u>Book value</u>	<u>Fair value</u>
	VND	VND	VND	VND
<b>Financial assets measured at fair value through profit or loss (FVTPL)</b>				
<b>Listed stock</b>				
ACV	77,886,095	69,576,000		
Listed stock	27,619,153	28,431,883	107,862,534	116,766,067
<b>Bank CD</b>				
MB	-	-	100,000,000,000	100,000,000,000
LPB	-	-	100,000,000,000	100,000,000,000
VPBank	400,000,000,000	400,000,000,000		
HDBank	391,185,334,694	391,185,334,694		
BIDV	2,030,238,931,476	2,030,238,931,476	1,117,617,885,532	1,117,617,885,532
BIDV bond	206,584,418,000	206,584,418,000		
<b>Total</b>	<b>3,028,114,189,418</b>	<b>3,028,106,692,053</b>	<b>1,317,725,748,066</b>	<b>1,317,734,651,599</b>

6. FINANCIAL ASSETS (Continued)

Movements in market value of financial assets as at 30 Sep 2020 are as follows:

As at 30 Sep 2020	Revaluation differences			
	Book value VND	Increase value VND	Decrease value VND	Fair value VND
Stock	105,505,248	3,907,569	(11,404,934)	98,007,883
Bank CD	3,028,008,684,170	-	-	3,028,008,684,170
<b>Total</b>	<b>3,028,114,189,418</b>	<b>3,907,569</b>	<b>(11,404,934)</b>	<b>3,028,106,692,053</b>

Movements in market value of financial assets as at 31 December 2019 are as follows:

As at 31 Dec 2019	Revaluation differences			
	Book value VND	Increase value VND	Decrease value VND	Fair value VND
Stock	107,862,534	13,428,806	(4,525,273)	116,766,067
Bank CD	1,317,617,885,532	-	-	1,317,617,885,532
<b>Total</b>	<b>1,317,725,748,066</b>	<b>13,428,806</b>	<b>(4,525,273)</b>	<b>1,317,734,651,599</b>



6. FINANCIAL ASSETS (Continued)

2. Held-to-maturity (HTM) financial assets

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<b>(a) Deposits with term over 3 months to under 1 year</b>	-	-
<i>Asia Commercial Joint Stock Bank</i>	325,000,000,000	325,000,000,000
<i>Vietnam Thuong Tin Commercial Joint Stock Bank</i>	90,000,000,000	88,000,000,000
<i>Bank for Investment and Development of Vietnam</i>	-	80,000,000,000
<i>Vietnam Maritime Commercial Joint Stock Bank</i>	255,000,000,000	200,000,000,000
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade</i>	501,173,000,000	300,000,000,000
<i>Vietnam Technological and Commercial Joint Stock Bank</i>	202,000,000,000	2,000,000,000
<i>Military Commercial Joint Stock Bank</i>	2,000,000,000	2,000,000,000
<i>Viet A Joint Stock commercial Bank</i>	50,000,000,000	
	-	
	<b>1,425,173,000,000</b>	<b>997,000,000,000</b>
<b>(b) Deposits with term over 1 year</b>	-	-
<i>Vietnam Maritime Commercial Joint Stock Bank</i>	-	90,000,000,000
	-	<b>90,000,000,000</b>

3. Loans

	<u>Closing Balance</u>		<u>Opening Balance</u>	
	Original value VND	Provision VND	Original value VND	Provision VND
<i>Margin loans</i>	2,298,826,496,010	(550,965,657)	1,893,467,505,554	(550,965,657)
<i>Trading advances</i>	21,729,812	-	455,493,681,809	-
	<b>2,298,848,225,822</b>	<b>(550,965,657)</b>	<b>2,348,961,187,363</b>	<b>(550,965,657)</b>

4. Available-for-sale financial assets

BTL	897,376,000	897,376,000	897,376,000	897,376,000
<b>Total</b>	<b>897,376,000</b>	<b>897,376,000</b>	<b>897,376,000</b>	<b>897,376,000</b>

**7. SHORT – TERM RECEIVABLES**

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
<b>1. Dividends and interests accrued and receivables on financial assets</b>		
Receivable sale financial asset		1,838,224,700
Accrued interest on term deposits	111,585,343,584	45,809,155,567
Accrued interest on advances for receivable from securities trading	-	26,870,172,603
Margin interest receivables	14,975,071,468	14,507,040,495
	<b>126,560,415,052</b>	<b>89,024,593,365</b>
<b>2. Advances to suppliers</b>		
Financial Software Solutions JSC.	1,087,500,000	912,500,000
TechX Software JSC.	-	2,044,575,000
Sao Bac Dau Technologies Corporation	-	761,050,400
Vu Thao computer Co., Ltd	240,000,000	
Other suppliers	66,503,200	285,533,000
	<b>1,394,003,200</b>	<b>4,003,658,400</b>
<b>3. Receivables from services rendered</b>		
Receivable from securities underwriting and issuance agency services	1,062,977,491	475,000,000
Financial consultancy service fees receivable	86,500,000	290,995,673
Receivables from other activities	115,500,000	208,000,001
	<b>1,264,977,491</b>	<b>973,995,674</b>
<b>4. Other receivables</b>		
Receivable from customer	2,067,561,689	607,921,248
Receivable custody fee	1,439,293,702	1,152,215,349
Others	2,708,778,369	2,733,849,740
	<b>6,215,633,760</b>	<b>4,493,986,337</b>

**8. PREPAID EXPENSES**

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
<b>1. Short-term prepaid expenses</b>	-	-
- Rental fee	969,388,297	929,603,398
- Other short-term prepaid expenses (maintainace, IT)	7,312,233,797	2,348,228,561
	<u><b>8,281,622,094</b></u>	<u><b>3,277,831,959</b></u>
<b>2. Long-term prepaid expenses</b>	-	-
- Prepaid expenses of office repairs	4,091,648,487	4,139,876,988
- Other long-term prepaid expenses	3,422,092,847	8,924,874,292
<b>Total</b>	<u><b>7,513,741,334</b></u>	<u><b>13,064,751,280</b></u>

**9. FIXED ASSETS**

**1. INTANGIBLE FIXED ASSETS**

	<u>Machinery, equipment</u> VND
<b>COST</b>	
<b>Opening balance</b>	<b>29,075,956,855</b>
- Purchases	1,996,236,000
- Other decreases	-
<b>Closing balance</b>	<u><b>31,072,192,855</b></u>
<b>ACCUMULATED DEPRECIATION</b>	
<b>Opening balance</b>	<b>(15,035,210,286)</b>
- Charge for the year	(4,222,858,956)
- Other decreases	-
<b>Closing balance</b>	<u><b>(19,258,069,242)</b></u>
<b>NET BOOK VALUE</b>	
<b>Opening balance</b>	<u><b>14,040,746,569</b></u>
<b>Closing balance</b>	<u><b>11,814,123,613</b></u>

9. FIXED ASSETS (Continued)

2. TANGIBLE FIXED ASSETS

	<u>Computer software</u> VND
<b>COST</b>	
<b>Opening balance</b>	<b>26,430,922,915</b>
- Purchases	4,825,280,000
- Other decreases	-
<b>Closing balance</b>	<b>31,256,202,915</b>
<b>ACCUMULATED AMORTISATION</b>	
<b>Opening balance</b>	<b>(12,355,326,128)</b>
- Charge for the year	(3,074,790,692)
- Other decreases	-
<b>Closing balance</b>	<b>(15,430,116,820)</b>
<b>NET BOOK VALUE</b>	
<b>Opening balance</b>	<b>14,075,596,787</b>
<b>Closing balance</b>	<b>15,826,086,095</b>

10. DEPOSIT TO SETTLEMENT SUPPORT FUND

According to Decision No. 45/QĐ-VSD dated 22 May 2014 issued by the Vietnam Securities Depository, the Company is required to deposit an initial amount of VND 120,000,000 at the Vietnam Securities Depository and an additional annual contribution equivalent to 0.01% of the total value of brokered securities in the previous year up to the maximum limit of VND 2,500,000,000 per year. The maximum amount of contribution to the Settlement Supporting Fund is VND 20,000,000,000.

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

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Initial deposit	120,000,000	120,000,000
Additional deposit	13,192,467,631	11,462,863,250
Interests earned for the year	2,461,932,617	1,691,536,998
	<b>15,774,400,248</b>	<b>13,274,400,248</b>

11. OTHER LONG - TERM ASSETS

Other non-current assets

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Deposit in the Derivatives Trading Clearing Fund (*)	10,000,000,000	10,000,000,000
Interests earned for the year	-	-
	17,954,663	-
	<b>10,017,954,663</b>	<b>10,000,000,000</b>

(\*) This is a deposits in the Derivatives Trading Clearing Fund. According to the Policy on Management and Use of Derivatives Trading Clearing Fund issued in conjunction with Decision No. 97/QĐ-VSD dated 23 March 2017 by the Vietnam Securities Depository, the minimum amount of initial contribution applicable to direct clearing members is VND 10 billion.

**12. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES**

<b>Short-term borrowing</b>	<b>Opening balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Closing balance</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
Vietnam Maritime Commercial Joint Stock Bank	825,500,000,000	3,922,000,000,000	4,047,500,000,000	700,000,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Thanh Branch	284,000,000,000	1,143,199,876,205	1,427,199,876,205	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam	676,000,000,000	6,833,198,230,019	6,097,198,230,019	1,412,000,000,000
Kookmin Bank - Hong Kong branch	170,325,000,000	-	170,325,000,000	-
Vietnam International Bank	100,000,000,000	936,000,000,000	1,036,000,000,000	-
Vietnam Prosperity Joint-Stock Commercial Bank	-	1,580,484,109,589	1,460,484,109,589	120,000,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade	300,000,000,000	-	300,000,000,000	-
KB Kookmin Bank Tokyo Branch	927,940,000,000	185,480,000,000	940,000,000	1,112,480,000,000
SMBC - Singapore Branch	-	464,399,628,480	-	464,399,628,480
Woori Bank VietNam Limited	-	200,000,000,000	-	200,000,000,000
Indovina Bank Limited	-	700,000,000,000	200,000,000,000	500,000,000,000
<b>Total</b>	<b>3,283,765,000,000</b>	<b>15,964,761,844,293</b>	<b>14,739,647,215,813</b>	<b>4,508,879,628,480</b>

**13. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET**

<b>Items</b>	<b>Opening balance</b>	<b>Amount payable in the year</b>	<b>Amount paid in the year</b>	<b>Closing balance</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
Corporate income tax	18,780,808,574	16,806,287,640	24,780,808,574	10,806,287,640
Personal income tax withheld and paid on behalf of investors	3,074,712,479	32,269,292,398	30,989,523,225	4,354,481,652
Personal income tax withheld and paid on behalf of employees	1,093,911,224	2,203,748,823	2,233,044,969	1,064,615,078
Value added tax	154,632,572	446,085,731	555,088,317	45,629,986
Foreign Contractor Tax	4,440,109	1,563,665,870	831,719,888	736,386,091
<b>Total</b>	<b>23,108,504,958</b>	<b>53,289,080,462</b>	<b>59,390,184,973</b>	<b>17,007,400,447</b>

**14 SHORT-TERM ACCRUED EXPENSES**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Accruals of loans' interest expense	24,425,431,142	19,299,006,970
Other accrued expenses	701,800,000	256,300,000
	<b><u>25,127,231,142</u></b>	<b><u>19,555,306,970</u></b>

**15. OTHER SHORT-TERM PAYABLES**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Dividends payable on behalf of MSB	411,259,251	2,365,399,505
Dividends paid on behalf of Vietnam Maritime Commercial Joint Stock Bank (*)	2,276,357,370	2,309,361,985
Payable relating to commitment to repurchase of certificates of deposit (**)	597,006,000,000	205,090,348,677
Payable to investor	31,251,196,780	481,150,686
Others	4,263,010,210	2,717,352,339
	<b><u>635,207,823,611</u></b>	<b><u>212,963,613,192</u></b>

(\*) The balance represents the dividend which has not yet paid to shareholder of Vietnam Maritime Commercial Joint Stock Bank in accordance with the Contract No.01/2011/MSBS-MSB dated 5 May 2011 in which the Company was engaged to pay dividends on behalf of MSB.

(\*\*) The balance represents the amount received from sales of Certificates of Deposit in which the Company also signed contract to repurchase in future. Therefore, the received amount is presented as an other payable.

**16. OWNER'S CONTRIBUTED CAPITAL**

	<u>Closing balance</u>		<u>Opening balance</u>	
	Number of shares	VND	Number of shares	VND
<b>Authorised share capital</b>	<b>167,502,090</b>	<b>1,675,020,900,000</b>	<b>167,502,090</b>	<b>1,675,020,900,000</b>
<b>Issued share capital</b>				
Ordinary shares	167,502,090	1,675,020,900,000	167,502,090	1,675,020,900,000
<b>Outstanding shares</b>				
Ordinary shares	167,502,090	1,675,020,900,000	167,502,090	1,675,020,900,000

17. CURRENT CORPORATE INCOME TAX EXPENSE

	<u>Current period</u> VND	<u>prior period</u> VND
Net accounting profit before tax	43,269,648,638	49,890,007,634
Adjustment for:		
Income not subject to tax		
Expenses not deductible for tax purposes		
Taxable income	43,269,648,638	49,890,007,634
Tax rate	20%	20%
Corporate income tax – current	8,653,929,728	9,978,001,527
Corporate income tax – deferred	-	-
<b>Business income tax</b>	<b>8,653,929,728</b>	<b>9,978,001,527</b>

**Nguyen Thanh Huyen**  
 Chief Accountant



**Nguyen Duc Hoan**  
 Chief Executive Officer

Hanoi, 16 Oct 2020