

# **Viet Dragon Securities Corporation**

Interim consolidated financial statements

For the six-month period ended 30 June 2022



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For the six-month period ended 30 June 2022



# Viet Dragon Securities Corporation

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# Viet Dragon Securities Corporation

## GENERAL INFORMATION

### THE COMPANY

Viet Dragon Securities Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to Securities Trading License No. 32/UBCK-GPHĐKD issued by the State Securities Commission on 21 December 2006 and subsequent amended licenses which the latest license is No. 66/GPĐC-UBCK dated 9 August 2021.

The Company's primary activities are to provide brokerage service, securities trading, finance and investment advisory service, underwriting for securities issues, securities custodian service and derivatives service.

The Company's head office is located at 1-2-3-4 Floor, 141 Nguyen Du Street, Ben Thanh Ward, District 1, Ho Chi Minh City. As at 30 June 2022, the Company has branches located in Ha Noi, Nha Trang and Can Tho.

As at 30 June 2022, the Company has one (1) directly owned subsidiary.

### BOARD OF DIRECTORS

Members of the Board of Directors during the period and at the date of this report are as follows:

<i>Name</i>	<i>Title</i>	<i>Date of appointment/reappointment/resignation</i>
Mr. Nguyen Mien Tuan	Chairman	Reappointed on 5 April 2022
Ms. Pham My Linh	Member	Reappointed on 5 April 2022
Mr. Nguyen Thuc Vinh	Member	Reappointed on 5 April 2022
Mr. Nguyen Hieu	Member	Reappointed on 5 April 2022
Ms. Nguyen Thi Thu Huyen	Member	Reappointed on 5 April 2022
Mr. Nguyen Chi Trung	Member	Appointed on 5 April 2022
Ms. Hoang Hai Anh	Member	Reappointed on 5 April 2022
Mr. Tran Nam Trung	Member	Appointed on 5 April 2022
Mr. Nguyen Quoc Bao	Member	Resigned on 5 April 2022

### BOARD OF SUPERVISION

Members of the Board of Supervision during the period and at the date of this report are as follows:

<i>Name</i>	<i>Title</i>	<i>Date of appointment/reappointment/resignation</i>
Mr. Ho Tan Dat	Head of Board	Reappointed on 5 April 2022
Mr. Nguyen Trung Quan	Member	Appointed on 5 April 2022
Ms. Nguyen Bich Diep	Member	Appointed on 5 April 2022
Mr. Nguyen Van Minh	Member	Resigned on 5 April 2022
Ms. Nguyen Thi Thuy Hang	Member	Resigned on 5 April 2022



# Viet Dragon Securities Corporation

## GENERAL INFORMATION (continued)

### MANAGEMENT AND CHIEF ACCOUNTANT

Members of the Management during the period and at the date of this report are as follows:

<i>Name</i>	<i>Title</i>	<i>Date of appointment/reappointment</i>
Ms. Nguyen Thi Thu Huyen	General Director	Appointed on 8 February 2021
Mr. Le Minh Hien	Deputy General Director	Appointed on 8 February 2021
Ms. Duong Kim Chi	Chief Accountant	Reappointed on 8 February 2022

### LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr. Nguyen Mien Tuan, Chairman.

Ms. Nguyen Thi Thu Huyen - General Director is authorized by the Board of Directors to sign the accompanying interim consolidated financial statements for the six-month period ended 30 June 2022 in accordance with the Decision of Board of Directors No. 04/2022/QĐ-HDQT dated 12 January 2022.

### AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

# Viet Dragon Securities Corporation

## REPORT OF MANAGEMENT

Management of Viet Dragon Securities Corporation ("the Company") is pleased to present this report and the interim consolidated financial statements of the Company and its subsidiary (collectively referred to as "the Group") for the six-month period ended 30 June 2022.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the interim consolidated financial statements of each financial period which give a true and fair view of the interim consolidated financial position of the Group and of the interim consolidated results of its operations, its interim consolidated cash flows and its interim consolidated changes in owners' equity for the period. In preparing those interim consolidated financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements 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 interim consolidated financial statements; and
- ▶ prepare the interim consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. Management is also responsible for safeguarding the assets of the Group 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 interim consolidated financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements give a true and fair view of the interim consolidated financial position of the Group as at 30 June 2022 and of the interim consolidated results of its operations, its interim consolidated cash flows and its interim consolidated changes in owners' equity for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.



Ms. Nguyen Thi Thu Huyen  
General Director

Ho Chi Minh City, Vietnam

26 August 2022



Reference: 60752721/22987378-HN/SX

## **REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**To: The Shareholders of Viet Dragon Securities Corporation**

We have reviewed the accompanying interim consolidated financial statements of Viet Dragon Securities Corporation ("the Company") and its subsidiary (collectively referred to as the "Group"), as prepared on 26 August 2022 and set out on pages 6 to 74, which comprise the interim consolidated statement of financial position as at 30 June 2022, the interim consolidated results of its operations, the interim consolidated cash flow statement and the interim consolidated statement of changes in owners' equity for the six-month period then ended and the notes thereto.

### ***Management's responsibility***

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

### ***Auditors' responsibility***

Our responsibility is to express a conclusion on the interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not give a true and fair view, in all material respects, of the interim consolidated financial position of the Company as at 30 June 2022, and of the interim consolidated results of its operations, its interim consolidated cash flows and its interim consolidated changes in owners' equity for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

### **Ernst & Young Vietnam Limited**



Nguyen Rhuong Nga  
Deputy General Director  
Audit Practicing Registration  
Certificate No. 0763-2019-004-1

Ho Chi Minh City, Vietnam

26 August 2022

# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
as at 30 June 2022

B01a-CTCK/HN

Code	ITEMS	Notes	30 June 2022 VND	31 December 2021 VND
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>4,051,238,246,264</b>	<b>3,920,238,302,698</b>
<b>110</b>	<b>I. Financial assets</b>		<b>4,010,755,552,343</b>	<b>3,909,039,072,772</b>
111	1. Cash and cash equivalents	5	729,789,391,485	473,558,363,475
111.1	1.1 Cash		688,789,391,485	412,558,363,475
111.2	1.2 Cash equivalents		41,000,000,000	61,000,000,000
112	2. Financial assets at fair value through profit and loss ("FVTPL")	7	872,408,504,720	612,637,689,591
114	3. Loans	7	2,421,004,441,258	2,700,131,242,001
115	4. Available-for-sale financial assets ("AFS")	7	-	147,511,976,000
116	5. Provision for impairment of financial assets and mortgage assets	7	(44,087,269,454)	(44,087,269,454)
117	6. Receivables	8	5,519,396,883	8,087,287,810
117.1	6.1 Receivables from disposal of financial assets		-	-
117.2	6.2 Receivables and accruals from dividend and interest income		5,519,396,883	8,087,287,810
117.3	6.2.1 Receivables and accruals for due dividend and interest income		144,794,905	244,551,648
117.4	6.2.2 Accruals for undue dividend and interest income		5,374,601,978	7,842,736,162
118	7. Advances to suppliers	8	14,843,102,926	1,536,612,512
119	8. Receivables from services provided by the Company	8	11,187,682,211	9,570,283,969
122	9. Other receivables	8	2,068,510,792	2,071,095,346
129	10. Provision for impairment of receivables	8	(1,978,208,478)	(1,978,208,478)
<b>130</b>	<b>II. Other current assets</b>		<b>40,482,693,921</b>	<b>11,199,229,926</b>
131	1. Advances		375,395,331	316,502,858
132	2. Office supplies, tools and materials		1,371,972,610	1,276,446,136
133	3. Short-term prepaid expenses	9	16,990,581,841	9,513,765,394
134	4. Short-term deposits, collaterals and pledges		55,400,000	85,400,000
136	5. Tax and other receivables from the State	21	21,689,344,139	7,115,538



# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued) B01a-CTCK/HN  
as at 30 June 2022

Code	ITEMS	Notes	30 June 2022 VND	31 December 2021 VND
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>124,380,945,066</b>	<b>112,915,805,873</b>
<b>210</b>	<b>I. Non-current financial assets</b>	<b>10</b>	<b>32,500,000,000</b>	<b>25,000,000,000</b>
212	1. Long-term financial assets		32,500,000,000	25,000,000,000
212.4	1.2 Other long-term investment		32,500,000,000	25,000,000,000
<b>220</b>	<b>II. Fixed assets</b>		<b>31,819,763,150</b>	<b>32,503,047,037</b>
221	1. Tangible fixed assets	11	28,213,916,489	28,928,122,756
222	1.1 Cost		77,369,136,669	73,561,165,669
223a	1.2 Accumulated depreciation		(49,155,220,180)	(44,633,042,913)
227	2. Intangible fixed assets	12	3,605,846,661	3,574,924,281
228	2.1 Cost		20,845,749,791	20,017,349,791
229a	2.2 Accumulated amortization		(17,239,903,130)	(16,442,425,510)
<b>240</b>	<b>III. Construction in progress</b>		<b>4,097,060,856</b>	<b>3,355,380,600</b>
<b>250</b>	<b>IV. Other non-current assets</b>		<b>55,964,121,060</b>	<b>52,057,378,236</b>
251	1. Long-term deposits, collaterals and pledges	13	5,097,160,657	4,043,857,839
252	2. Long-term prepaid expenses	9	9,496,525,049	5,018,737,136
254	3. Deposits to Settlement Assistance Fund	14	20,000,000,000	20,000,000,000
255	4. Other non-current assets	15	10,000,000,000	10,000,000,000
256	5. Goodwill	16	11,370,435,354	12,994,783,261
<b>270</b>	<b>TOTAL ASSETS</b>		<b>4,175,619,191,330</b>	<b>4,033,154,108,571</b>



# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued) B01a-CTCK/HN  
as at 30 June 2022

Code	ITEMS	Notes	30 June 2022 VND	31 December 2021 VND
<b>300</b>	<b>C. LIABILITIES</b>		<b>2,701,287,370,623</b>	<b>2,387,290,809,084</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>2,577,984,284,352</b>	<b>2,322,942,181,672</b>
311	1. Short-term borrowings and financial leases	17	376,584,999,112	241,468,000,000
312	1.1 Short-term borrowings		376,584,999,112	241,468,000,000
316	2. Short-term bond issuance	18	2,107,775,000,000	1,937,950,000,000
318	3. Payables for securities trading activities	19	2,922,873,802	5,844,480,475
320	4. Short-term trade payables	20	1,302,256,751	31,126,883,240
321	5. Short-term advances from customers		9,678,678,000	2,547,128,000
322	6. Statutory obligations	21	10,341,950,287	51,047,457,788
323	7. Payables to employees		298,296,756	32,784,763,102
325	8. Short-term accrued expenses	22	48,853,948,950	19,374,593,187
329	9. Other short-term payables	23	20,226,280,694	798,875,880
<b>340</b>	<b>II. Non-current liabilities</b>		<b>123,303,086,271</b>	<b>64,348,627,412</b>
346	1. Long-term bond issuance	18	121,450,000,000	47,300,000,000
353	2. Other long-term payables		511,016,000	568,008,000
356	3. Deferred tax liabilities	24	1,342,070,271	16,480,619,412
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>1,474,331,820,707</b>	<b>1,645,863,299,487</b>
<b>410</b>	<b>I. Owners' equity</b>		<b>1,474,331,820,707</b>	<b>1,645,863,299,487</b>
411	1. Share capital	25	1,060,286,768,792	1,060,286,768,792
411.1	1.1 Capital contribution		1,051,046,650,000	1,051,046,650,000
411.1a	1.1.1 Ordinary shares		1,051,046,650,000	1,051,046,650,000
411.2	1.2 Share premium		9,240,118,792	9,240,118,792
412	2. Differences from revaluation of financial assets at fair value	38	-	30,012,348,800
414	3. Charter capital supplementary reserve		44,251,450,208	44,251,450,208
415	4. Operational risk and financial reserve		44,251,450,208	44,251,450,208
417	5. Undistributed profit	25.1	306,353,959,665	442,391,853,566
417.1	5.1 Realized profit		521,046,909,465	409,584,811,010
417.2	5.2 Unrealized (loss)/profit		(214,692,949,800)	32,807,042,556
418	6. Non-controlling interests	26	19,188,191,834	24,669,427,913
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>4,175,619,191,330</b>	<b>4,033,154,108,571</b>

# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued) B01a-CTCK/HN  
as at 30 June 2022

## INTERIM CONSOLIDATED OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	30 June 2022 VND	31 December 2021 VND
	<b>A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS</b>			
006	1. Outstanding shares ( <i>shares</i> )	25.2	105,104,665	105,104,665
008	2. Financial assets listed/registered for trading at Vietnam Securities Depository ("VSD") of the Company	27.1	250,788,180,000	119,148,600,000
	2.1 <i>Unrestricted and traded financial assets</i>		250,788,180,000	119,148,600,000
	2.2 <i>Financial assets awaiting for settlement</i>		-	-
	2.3 <i>Restricted financial assets</i>		-	-
009	3. Non-traded financial assets deposited at VSD of the Company	27.2	7,598,480,000	6,230,000
	3.1 <i>Unrestricted and non-traded financial assets</i>		2,450,000	2,450,000
	3.2 <i>Unrestricted and awaited for trading financial assets</i>		7,596,030,000	3,780,000
010	4. Financial assets awaiting for arrival of the Company	27.3	30,000,000	6,000,000,000
012	5. Financial assets which have not been deposited at VSD of the Company	27.4	250,135,670,000	246,529,760,000
013	6. Entitled financial assets of the Company		9,451,030,000	130,420,000

# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued) B01a-CTCK/HN  
as at 30 June 2022

## INTERIM CONSOLIDATED OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	30 June 2022 VND	31 December 2021 VND
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENTS WITH INVESTORS</b>			
021	1. Financial assets listed/registered at VSD of investors	27.5	2,385,334,826	2,007,844,616
021.1	a. <i>Unrestricted and traded financial assets</i>		1,920,088,875	1,615,515,807
021.2	b. <i>Restricted and traded financial assets</i>		39,684,225	15,214,147
021.3	c. <i>Mortgaged and traded financial assets</i>		303,865,289	241,249,958
021.4	d. <i>Blocked financial assets</i>		107,301,576	111,485,572
021.5	e. <i>Financial assets awaiting for settlement</i>		14,394,665	24,378,895
021.7	f. <i>Customers' deposits for derivatives trading</i>		196	237
022	2. Non-traded financial assets deposited at VSD of investors	27.6	50,794,679	15,790,092
022.1	a. <i>Unrestricted and non-traded financial assets</i>		49,072,164	15,278,966
022.2	b. <i>Restricted and non-traded financial assets</i>		1,722,515	511,126
023	3. Financial assets awaiting for arrival of investors	27.7	18,517,790	22,145,700
025	4. Entitled financial assets of investors	27.8	15,099,507	29,706,370



# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued) B01a-CTCK/HN  
as at 30 June 2022

## INTERIM CONSOLIDATED OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	30 June 2022 VND	31 December 2021 VND
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENTS WITH INVESTORS (continued)</b>			
026	5. Investors' deposits	27.9	1,515,841,448,081	1,453,347,682,256
027	5.1 Investors' deposits for securities trading activities managed by the Company		1,502,077,087,474	1,441,103,783,667
027.1	5.2 Investors' deposits at VSD		11,432,874,651	11,850,419,876
029	5.3 Investors' deposits for clearing and settlement		1,388,289,555	339,253,943
029.1	a. Domestic investors' deposits for clearing and settlement securities transactions		1,069,165,365	261,610,809
029.2	b. Foreign investors' deposits for clearing and settlement securities transactions		319,124,190	77,643,134
030	5.4 Deposits of securities issuers		943,196,401	54,224,770
031	6. Payables to investors - investors' deposits for securities trading activities managed by the Company	27.10	1,512,748,723,205	1,438,067,059,409
031.1	6.1 Payables to domestic investors' deposits for securities trading activities managed by the Company		1,439,110,462,070	1,431,818,848,654
031.2	6.2 Payables to foreign investors' deposits for securities trading activities managed by the Company		73,638,261,135	6,248,210,755
035	7. Dividend, bond principal and interest payables	27.11	3,092,724,876	15,280,622,847

Prepared by:



Ms. Luong Thi Hong Phuong  
Deputy Manager of Finance  
and Accounting Department

Reviewed by:



Ms. Duong Kim Chi  
Chief Accountant

Approved by:



Ms. Nguyen Thi Thu Huyen  
General Director

Ho Chi Minh City, Vietnam

26 August 2022

# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED INCOME STATEMENT  
for the six-month period ended 30 June 2022

B02a-CTCK/HN

Code	ITEMS	Notes	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
	<b>I. OPERATING INCOME</b>			
01	1. Gain from financial assets at fair value through profit and loss ("FVTPL")		65,666,891,531	208,402,685,373
01.1	1.1 Gain from disposal of financial assets at FVTPL	28.1	96,959,344,319	169,662,407,871
01.2	1.2 (Decrease)/increase in gain from revaluation of financial assets at FVTPL	28.2	(38,177,309,706)	36,017,679,729
01.3	1.3 Dividend, interest income from financial assets at FVTPL	28.3	6,884,856,918	2,722,597,773
03	2. Gain from loans and receivables	28.3	192,738,055,195	125,294,401,561
06	3. Revenue from brokerage services		148,375,230,803	133,668,732,566
07	4. Revenue from underwriting and issuance agency services		20,094,263,699	55,800,000,000
09	5. Revenue from securities custodian services		4,430,616,616	3,361,007,722
10	6. Revenue from financial advisory services		5,050,206,057	3,730,090,908
11	7. Revenue from other operating activities		3,668,708,776	4,036,214,737
20	<b>Total operating income</b>		<b>440,023,972,677</b>	<b>534,293,132,867</b>
	<b>II. OPERATING EXPENSES</b>			
21	1. (Loss)/gain from financial assets at FVTPL		(288,717,831,185)	27,322,070,936
21.1	1.1 Loss from disposal of financial assets at FVTPL	28.1	(69,920,140,620)	(3,389,425,051)
21.2	1.2 (Increase)/decrease in loss from revaluation of financial assets at FVTPL	28.2	(218,235,495,271)	31,178,708,868
21.3	1.3 Transaction costs of acquisition of financial assets at FVTPL		(562,195,294)	(467,212,881)
24	2. Provision expenses for diminution in value and impairment of financial assets, doubtful debts and borrowing costs of loans	29	(119,587,810,171)	(68,980,818,692)
26	3. Expenses for proprietary trading activities	30	(3,851,968,063)	(4,427,665,338)
27	4. Expenses for brokerage services	31	(89,590,072,278)	(78,143,586,526)
28	5. Expenses for underwriting and issuance agency services	32	(11,656,029,952)	(18,393,942,671)
29	6. Expenses for securities investment advisory services		-	-
30	7. Expenses for securities custodian services	33	(4,132,309,122)	(3,535,539,369)
31	8. Expenses for financial advisory services	34	(9,484,175,393)	(9,151,360,335)
32	9. Expenses for other operating activities	35	(7,937,889,134)	(9,917,798,942)
40	<b>Total operating expenses</b>		<b>(534,958,085,298)</b>	<b>(165,228,640,937)</b>



# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED INCOME STATEMENT (continued)  
for the six-month period ended 30 June 2022

B02a-CTCK/HN

Code	ITEMS	Notes	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
	<b>III. FINANCE INCOME</b>			
41	1. Realized and unrealized gain from changes in foreign exchange rates		258,714,217	195,000,000
42	2. Dividend and interest income from demand deposits		17,189,223,901	13,521,310,658
<b>50</b>	<b>Total finance income</b>		<b>17,447,938,118</b>	<b>13,716,310,658</b>
	<b>IV. FINANCE EXPENSES</b>			
51	1. Realized and unrealized loss from changes in foreign exchange rates		(8,119,000,000)	(681,000,000)
52	2. Interest expenses		(2,818,306,333)	-
<b>60</b>	<b>Total finance expenses</b>		<b>(10,937,306,333)</b>	<b>(681,000,000)</b>
<b>62</b>	<b>V. GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>36</b>	<b>(60,772,106,822)</b>	<b>(66,362,860,084)</b>
<b>70</b>	<b>VI. OPERATING PROFIT</b>		<b>(149,195,587,658)</b>	<b>315,736,942,504</b>
	<b>VII. OTHER INCOME AND EXPENSES</b>			
71	1. Other income		40,995,738	480,907,989
72	2. Other expenses		(1)	(57,500,093)
<b>80</b>	<b>Total other operating profit</b>		<b>40,995,737</b>	<b>423,407,896</b>
<b>90</b>	<b>VIII.(LOSS)/PROFIT BEFORE TAX</b>		<b>(149,154,591,921)</b>	<b>316,160,350,400</b>
91	1. Realized profit		107,258,213,056	248,963,961,803
92	2. Unrealized (loss)/profit		(256,412,804,977)	67,196,388,597
<b>100</b>	<b>IX. CORPORATE INCOME TAX (CIT) EXPENSES</b>	<b>37</b>	<b>7,635,461,941</b>	<b>(64,758,943,750)</b>
100.1	1. Current CIT expense	37.2	-	(57,555,407,804)
100.2	2. Deferred CIT income/(expense)	37.3	7,635,461,941	(7,203,535,946)
<b>200</b>	<b>X. (LOSS)/PROFIT AFTER TAX</b>		<b>(141,519,129,980)</b>	<b>251,401,406,650</b>
201	1. Attributable to the Company's ordinary shareholders		(136,037,893,901)	248,366,250,227
203	2. Attributable to non-controlling interests		(5,481,236,079)	3,035,156,423



# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED INCOME STATEMENT (continued)  
for the six-month period ended 30 June 2022

B02a-CTCK/HN

Code	ITEMS	Notes	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
<b>300</b>	<b>XI. OTHER COMPREHENSIVE INCOME AFTER CIT</b>		<b>(30,012,348,800)</b>	<b>7,644,261,000</b>
301	1. (Expense)/Income from revaluation available-for-sale financial assets	39	(30,012,348,800)	7,644,261,000
<b>400</b>	<b>Total other comprehensive (expense)/income</b>		<b>(30,012,348,800)</b>	<b>7,644,261,000</b>
401	1. Attributable to the Company's ordinary shareholders		(30,012,348,800)	7,644,261,000
<b>500</b>	<b>XII. NET INCOME PER SHARE</b>		<b>(136,037,893,901)</b>	<b>248,366,250,227</b>
501	1. Basic earnings per share (VND/share)	40.4	(1,294)	2,363
502	2. Diluted earnings per share (VND/share)	40.4	(1,294)	2,363

Prepared by:



Ms. Luong Thi Hong Phuong  
Deputy Manager of Finance  
and Accounting Department

Reviewed by:



Ms. Duong Kim Chi  
Chief Accountant

Approved by:



Ms. Nguyen Thi Thu Huyen  
General Director

Ho Chi Minh City, Vietnam

26 August 2022

# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED CASH FLOW STATEMENT  
for the six-month period ended 30 June 2022

B03b-CTCK/HN

Code	ITEMS	Notes	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>1. (Loss)/Profit before tax</b>		<b>(149,154,591,921)</b>	<b>316,160,350,400</b>
02	<b>2. Adjustments for</b>		<b>(8,740,617,990)</b>	<b>(12,781,332,527)</b>
03	- Depreciation and amortization expense		5,319,654,887	3,623,976,351
04	- Provisions	7.5	-	-
05	- Unrealized loss from changes in foreign exchange rates	17	7,094,000,000	35,000,000
07	- Gain from investing activities		(17,259,223,901)	(13,948,583,383)
08	- Accrued interest income	8	(5,519,396,883)	(4,116,073,403)
09	- Other adjustments		1,624,347,907	1,624,347,908
10	<b>3. Increase/(decrease) in non-monetary expenses</b>		<b>218,235,495,271</b>	<b>(31,178,708,868)</b>
11	- Loss/(gain) from revaluation of financial assets at FVTPL	28.2	218,235,495,271	(31,178,708,868)
18	<b>4. Increase/(decrease) in non-monetary income</b>		<b>38,177,309,706</b>	<b>(36,017,679,729)</b>
19	- Loss/(gain) from revaluation of financial assets at FVTPL	28.2	38,177,309,706	(36,017,679,729)
30	<b>5. Operating gains before changes in working capital</b>		<b>(218,665,738,813)</b>	<b>(1,049,012,590,783)</b>
31	- Increase in financial assets at FVTPL		(516,183,620,106)	(190,592,702,869)
33	- Decrease/(increase) in loans		279,126,800,743	(907,084,590,760)
34	- Decrease/(increase) in AFS financial assets		109,996,540,000	(61,318,360,000)
35	- Decrease in receivables from sale of financial assets		-	1,682,898,000
36	- Decrease in receivables of dividend and accrued interests of financial assets		8,087,287,810	3,470,906,685
37	- (Increase)/decrease in receivables from services provided by the Company		(1,518,323,414)	7,524,070,563
39	- Increase in other receivables		(13,402,777,297)	(3,504,208,655)
40	- Increase in other assets		(22,859,950,366)	(1,617,376,249)
41	- Increase in accrued expenses (excluding interest expenses)		29,479,355,763	35,825,713,362
42	- Increase in prepaid expenses		(11,954,604,360)	(5,699,966,597)
43	- Corporate income tax paid		(51,439,551,102)	(50,250,061,040)
45	- (Decrease)/increase in trade payables		(29,824,489,779)	117,387,981,630
47	- Increase in taxes and statutory obligation payables (excluding CIT paid)		10,734,043,601	6,574,111,453
48	- Decrease in payables to employees		(32,486,466,346)	(16,504,744,238)
50	- Increase in other payables		23,580,016,040	15,093,737,932
60	<b>Net cash used in operating activities</b>		<b>(120,148,143,747)</b>	<b>(812,829,961,507)</b>



# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the six-month period ended 30 June 2022

B03b-CTCK/HN

Code	ITEMS	Notes	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
61	1. Purchase and construction of fixed assets, investment properties and other long-term assets		(5,378,051,256)	(8,267,648,200)
62	2. Sale proceeds from fixed assets, investment property and other assets		-	427,272,725
63	3. Investment in subsidiaries, affiliates, joint ventures and other investments		(7,500,000,000)	(51,449,919,931)
65	4. Interest and dividends from long-term investments received		17,259,223,901	13,521,310,658
<b>70</b>	<b>Net cash from/(used in) investing activities</b>		<b>4,381,172,645</b>	<b>(45,768,984,748)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
73	1. Drawdown of borrowings		4,318,197,000,000	2,530,636,000,000
73.2	1.1 Other borrowings		4,318,197,000,000	2,530,636,000,000
74	2. Repayment of borrowings		(3,946,199,000,888)	(2,021,736,000,000)
74.3	2.1 Other repayment of borrowings		(3,946,199,000,888)	(2,021,736,000,000)
76	3. Profit distributed to shareholders		-	(30,153,788,700)
<b>80</b>	<b>Net cash from financing activities</b>		<b>371,997,999,112</b>	<b>478,746,211,300</b>
<b>90</b>	<b>NET CASH DURING THE PERIOD</b>		<b>256,231,028,010</b>	<b>(379,852,734,955)</b>
<b>101</b>	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>5</b>	<b>473,558,363,475</b>	<b>582,254,424,536</b>
101.1	1. Cash		412,558,363,475	482,254,424,536
101.2	2. Cash equivalents		61,000,000,000	100,000,000,000
<b>103</b>	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>5</b>	<b>729,789,391,485</b>	<b>202,401,689,581</b>
103.1	1. Cash		688,789,391,485	171,401,689,581
103.2	2. Cash equivalents		41,000,000,000	31,000,000,000

# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the six-month period ended 30 June 2022

B03b-CTCK/HN

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

Code	ITEMS	Notes	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
	<b>I. Cash flows from brokerage and trust activities of the customers</b>			
01	1. Cash receipts from disposal of brokerage securities of customers		8,152,398,590,812	6,323,178,419,782
02	2. Cash payments for acquisition of brokerage securities of customers		(8,151,349,555,200)	(6,337,553,413,740)
07	3. Cash receipts for settlement of securities transactions of customers		87,022,870,543,906	58,841,876,823,431
07.1	4. Investors' deposits at VSD		187,276,797,855	328,669,311,044
08	5. Cash payments for securities transactions of customers		(87,152,522,431,142)	(58,796,578,752,261)
14	6. Cash receipts from securities issuers		467,088,717,258	708,520,117,723
15	7. Cash payments to securities issuers		(466,199,745,627)	(709,869,199,444)
20	<b>Net increase in cash during the period</b>		<b>59,562,917,862</b>	<b>358,243,306,535</b>
30	<b>II. Cash and cash equivalents of the customers at the beginning of the period</b>	27.9	<b>1,456,278,530,219</b>	<b>1,106,260,893,503</b>
31	Cash at banks at the beginning of the period:		1,456,278,530,219	1,106,260,893,503
32	- Investors' deposits managed by the Company for securities trading activities		1,455,885,051,506	1,087,260,194,833
	In which: Investors' deposits at VSD		11,850,419,876	22,680,648,936
34	- Deposits for clearing and settlement of securities transaction		339,253,943	17,176,996,823
35	- Securities issuers' deposits		54,224,770	1,823,701,847


# Viet Dragon Securities Corporation

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the six-month period ended 30 June 2022

B03b-CTCK/HN

Code	ITEMS	Notes	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
40	<b>III. Cash and cash equivalents of the customers at the end of the period</b>	<b>27.9</b>	<b>1,515,841,448,081</b>	<b>1,464,504,200,038</b>
41	Cash at banks at the end of the period:		1,515,841,448,081	1,464,504,200,038
42	- Investors' deposits managed by the Company for securities trading activities		1,513,509,962,125	1,461,227,577,047
	In which: Investors' deposits at VSD		11,432,874,651	6,533,068,170
44	- Deposits for clearing and settlement of securities transaction		1,388,289,555	2,802,002,865
45	- Securities issuers' deposits		943,196,401	474,620,126

Prepared by:



Ms. Luong Thi Hong Phuong  
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Reviewed by:



Ms. Duong Kim Chi  
Chief Accountant

Approved by:



Ms. Nguyen Thi Thu Huyen  
General Director

Ho Chi Minh City, Vietnam

26 August 2022



# Viet Dragon Securities Corporation

INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY  
for the six-month period ended 30 June 2022

B04a-CTCK/HN

ITEMS	Notes	Opening balance		Increase/(decrease)				Ending balance	
		1 January 2021 VND	1 January 2022 VND	Previous period		Current period		30 June 2021 VND	30 June 2022 VND
				Increase VND	Decrease VND	Increase VND	Decrease VND		
<b>I. CHANGES IN OWNERS' EQUITY</b>									
1. Share capital		1,010,239,178,792	1,060,286,768,792	-	-	-	-	1,010,239,178,792	1,060,286,768,792
1.1 Ordinary share		1,000,999,060,000	1,051,046,650,000	-	-	-	-	1,000,999,060,000	1,051,046,650,000
1.2 Share premium		9,240,118,792	9,240,118,792	-	-	-	-	9,240,118,792	9,240,118,792
2. Charter capital supplementary reserve		22,861,758,906	44,251,450,208	-	-	-	-	22,861,758,906	44,251,450,208
3. Operational risk and financial reserve		22,861,758,906	44,251,450,208	-	-	-	-	22,861,758,906	44,251,450,208
4. Differences from revaluation of financial assets at fair value		-	30,012,348,800	7,644,261,000	-	-	(30,012,348,800)	7,644,261,000	-
5. Undistributed profit		109,553,873,535	442,391,853,566	248,366,250,227	-	111,462,098,455	(247,499,992,356)	357,920,123,762	306,353,959,665
- Realized profit		97,712,005,131	409,584,811,010	181,791,751,467	-	111,462,098,455	-	279,503,756,598	521,046,909,465
- Unrealized (loss)/profit		11,841,868,404	32,807,042,556	66,574,498,760	-	-	(247,499,992,356)	78,416,367,164	(214,692,949,800)
6. Non-controlling interests		-	24,669,427,913	26,628,676,525	-	-	(5,481,236,079)	26,628,676,525	19,188,191,834
<b>TOTAL</b>	<b>26</b>	<b>1,165,516,570,139</b>	<b>1,645,863,299,487</b>	<b>282,639,187,752</b>	<b>-</b>	<b>111,462,098,455</b>	<b>(282,993,577,235)</b>	<b>1,448,155,757,891</b>	<b>1,474,331,820,707</b>



# Viet Dragon Securities Corporation

INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY (continued)  
for the six-month period ended 30 June 2022

B04a-CTCK/HN

ITEMS	Notes	Opening balance		Increase/(decrease)				Ending balance	
		1 January 2021 VND	1 January 2022 VND	Previous period		Current period		30 June 2021 VND	30 June 2022 VND
				Increase VND	Decrease VND	Increase VND	Decrease VND		
<b>II. OTHER COMPREHENSIVE INCOME</b>									
1. Income from revaluation of AFS financial assets		-	30,012,348,800	7,644,261,000	-	-	(30,012,348,800)	7,644,261,000	-
<b>TOTAL</b>	<b>38</b>	-	<b>30,012,348,800</b>	<b>7,644,261,000</b>	-	-	<b>(30,012,348,800)</b>	<b>7,644,261,000</b>	-

Prepared by:



Ms. Luong Thi Hong Phuong  
Deputy Manager of Finance  
and Accounting Department

Reviewed by:



Ms. Duong Kim Chi  
Chief Accountant

Approved by:



Ms. Nguyen Thi Thu Huyen  
General Director

Ho Chi Minh City, Vietnam

26 August 2022

## 1. CORPORATE INFORMATION

Viet Dragon Securities Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to Securities Trading License No. 32/UBCK-GPHĐKD issued by the State Securities Commission on 21 December 2006 and subsequent amended licenses which the latest license is No. 66/GPĐC-UBCK dated 9 August 2021.

The Company's primary activities are to provide brokerage service, securities trading, finance and investment advisory service, underwriting for securities issues, securities custodian service and derivatives service.

The Company's head office is located at 1-2-3-4 Floor, 141 Nguyen Du Street, Ben Thanh Ward, District 1, Ho Chi Minh City. As at 30 June 2022, the Company has branches located in Ha Noi, Nha Trang and Can Tho.

The number of the Company's employees as at 30 June 2022 is 445 persons (31 December 2021: 394 persons).

### ***Main features of operation of the Company***

#### *Capital*

According to the interim consolidated statement of financial position as at 30 June 2022, the Company's charter capital amounts to VND1,051,046,650,000 while its owners' equity is VND1,474,331,820,707 and its total assets are VND4,175,619,191,330.

#### *Investment objectives*

The Group's aims are to contribute to the development of the securities market and bring benefits to its customers, investors and shareholders.

#### *Investment restrictions*

The Group is required to comply with Article 28, Circular No. 121/2020/TT-BTC dated 31 December 2020 prescribing on operation of securities companies. The current applicable practices on investment restrictions are as follows:

- ▶ Securities company is not allowed to invest, contribute capital to invest in real-estate investment 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 provision on trading Government bonds.



# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
as at 30 June 2022 and for the six-month period then ended

## 1. CORPORATE INFORMATION (continued)

### *Investment restrictions (continued)*

- ▶ 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 or contribute more than fifteen percent (15%) of its 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 equity in unlisted shares, capital contribution and a business project.
- ▶ Securities company was established, acquired a fund management company as a subsidiary. In this case, the securities company is not required to comply with the following provisions: Invest more than twenty percent (20%) of the total number of outstanding shares and fund certificates of a listed organization; Invest more than fifteen percent (15%) of the total number of outstanding shares and fund certificates of an unlisted organization, this provision does not apply to member fund certificates, exchange-traded funds and open-ended funds; Invest or contribute more than ten percent (10%) of the total capital contributed by a limited liability company or a business project.

### ***Subsidiary***

As at 30 June 2022, the Company has one (01) subsidiary is as follow:

<i>Subsidiary</i>	<i>Main activity</i>	<i>Direct ownership rate</i>
Viet Long Securities Investment Fund Management Corporation ("Viet Long")	Establishing and managing the investment funds, securities investment companies, securities portfolio management, securities investment advisory services and securities investment, and other related business activities in accordance with law.	51%

Viet Long is a joint stock company incorporated under the Law on Enterprises of Vietnam pursuant to Business Registration Certificate No. 4103005757 issued by Ho Chi Minh City Department of Planning and Investment on 20 December 2006; The Company was granted Securities Operating Licence No. 10/UBCK-GPHĐQLQ on 22 December 2006. According to the fifth amended business registration certificate dated 17 February 2022, adjusted to Business Registration Certificate No. 0304746375 and its subsequent amendment licenses which the latest license is No. 68/GPDC-UBCK dated 4 August 2022 issued by the State Securities Commission.

# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
as at 30 June 2022 and for the six-month period then ended

## 2. BASIS OF PREPARATION

### 2.1 *Applied accounting standards and system*

The interim consolidated financial statements of the Group are prepared in Vietnam Dong ("VND") 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, Vietnamese Accounting Standard No. 27 - Interim Financial Statements and other Vietnamese Accounting Standards promulgated by the Ministry of Finance as per:

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

### 2.2 *Registered accounting documentation system*

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

### 2.3 *Fiscal year*

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

The Group prepares its interim consolidated financial statements for the six-month period from 1 January to 30 June.

### 2.4 *Accounting currency*

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

### 2.5 *Basis for consolidation*

The interim consolidated financial statements comprise the financial statements of the Company and its subsidiary for the period ended 30 June 2022.

Subsidiary is fully interim consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be interim consolidated until the date that such control ceases.

The financial statements of the Company and its subsidiary are prepared for the same reporting period, using consistent accounting policies.

All intra-company balances, income 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 subsidiary which are not held by the Company and are presented separately in the interim consolidated income statement and within equity in the interim consolidated balance sheet.



**3. STATEMENT ON THE COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEMS**

Management confirms that the Company has complied with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

Accordingly, the accompanying interim consolidated financial statements, including their utilization 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 interim consolidated financial position, interim consolidated results of operations, interim consolidated cashflows and interim consolidated changes in owners' equity in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**4.1 *Changes in accounting policies and disclosures***

The accounting policies adopted by the Company in the preparation and presentation of the interim consolidate financial statements are consistent with those used in the preparation and presentation of the consolidate financial statements for the year ended 31 December 2021 and interim consolidate financial statements for the six-month period ended 30 June 2021, except for:

*Circular No. 114/2021/TT-BTC was issued to cancel Circular No. 146/2014/TT-BTC of the Minister of Finance guiding the financial regulations for securities companies, fund management companies ("Circular 114").*

On 17 December 2021, the Ministry of Finance issued Circular 114 with the main changes are:

- ▶ The making of provision and resolution for devaluation of inventories, impairment of investments, bad debts will be conducted by securities companies, fund management companies, branches of foreign fund management companies who are licensed to establish and operate in Vietnam in compliance with the provisions of Circular 48/2019/TT-BTC dated 08 August 2019 of the Minister of Finance guiding the setting up and handling provisions for devaluation of inventory, impairment of investments, bad debts and warranties for products, goods, services, construction works at the enterprise and amendment documents, supplement, replace (if any);
- ▶ For charter capital supplementary reserve which is appropriated under provision of Circular No. 146/2014/TT-BTC: used to adjust and supplement the charter capital according to current regulations;
- ▶ For operational risk and financial reserve which is appropriated under provisions of Circular No. 146/2014/TT-BTC: used to supplement charter capital or utilized as per decision of the General Meeting shareholders, the Board of members or the Chairman of the company in accordance with current regulations.

# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
as at 30 June 2022 and for the six-month period then ended

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.1 *Changes in accounting policies and disclosures* (continued)

*Circular No. 24/2022/TT-BTC ("Circular No. 24") dated 7 April 2022 amending and supplementing a number of articles of Circular No. 48/2019/TT-BTC ("Circular No. 48") dated 8 August 2019 of the Ministry of Finance guiding the establishment and handling of provisions for devaluation of inventories, failed investments, bad debts and warranties for products, goods and services, services, construction works at enterprises.*

Circular No. 24 is effective from 25 May 2022 amending and supplementing regulations on objects of provisioning. Accordingly, subjects for provision making comprise securities issued by domestic economic organizations under privilege laws which are owned by enterprises and being listed or registered for trading on the domestic stock market. As at the reporting date, these securities have market value less than its book value recognizing on accounting book of enterprises.

Subjects for provision making do not include Government bonds, bond issued under guarantee by the Government and local government bonds.

### 4.2 *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 on the interim consolidated off-balance sheet.

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

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

- a) It is classified as held for trading. A financial asset is classified as held for trading if:
- ▶ It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
  - ▶ There is evidence of a recent actual pattern of short-term profit-taking; or
  - ▶ It is a derivative (except derivative that is a financial guarantee contract or effective hedging instrument).



**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

- 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 recognizing gains or losses on a different basis.
  - ▶ The assets and liabilities are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management 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 at fair value in comparison with the previous period is recognized into the interim consolidated income statement under "*Gain from revaluation of financial assets at FVTPL*". Decrease in the difference arising from revaluation of financial assets at FVTPL at fair value in comparison with the previous period is recognized into the interim 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 incur as expenses in the interim consolidated income statement.

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

Loans are recognized initially at cost. 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 financial asset is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility (if any).

Loans are subject to an assessment of impairment at the interim consolidated financial statement 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 interim consolidated income statement under "*Provision expense for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans*".



**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.5 Available-for-sale financial assets (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 and 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, available-for-sale financial assets are subsequently measured at fair value.

Difference arising from the revaluation of AFS in comparison with previous period is recognized under "Gain/(loss) from revaluation of AFS financial assets" in "Other comprehensive income after tax" which is a part of the interim consolidated income statement.

As at the interim consolidated financial statement date, the Group assessed whether there is any objective evidence that an AFS is impaired. Any increase/decrease in the balance of provision is recognized in the interim 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.
- ▶ Where a debt instrument is classified as available-for-sale, the assessment of impairment is made when there is objective evidence that the amount of the loan is uncollectible or is uncertain. Investment results from one or more loss events occurring that adversely affect the expected future cash flows of the investments. Objective evidence of impairment may include the market value/fair value (if any) of the impairment debt, signs that the debtor or group of debtors is experiencing financial difficulties. Significant financial exposure, default or default in interest or principal payments, the possibility of the debtor becoming bankrupt or a financial restructuring, and observable data indicating a decline. It is possible to quantify expected future cash flows, such as changes in repayment, conditions, a financial position associated with the possibility of default. When there is evidence of impairment, provision is made based on the difference between the amortized amount and the fair value at the time of assessment.

**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 provision.
- ▶ For unlisted securities registered for trading on the Unlisted Public Company Market ("UPCom"), their market prices are the average reference prices in the last 30 consecutive trading days until the revaluated date.
- ▶ For the delisted securities and suspended trading securities from the sixth day afterward, their prices are the book value at the latest financial report date.



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## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.6 Fair value/market value of financial assets (continued)

- ▶ The market price for unlisted securities and securities unregistered for trading on UPCoM the actual stock price is the actual trading price on the over-the-counter market ("OTC"), based on the separate financial statements of the issuer at the time of preparation of the interim consolidated financial statements.
- ▶ For securities which do not have reference price from the above sources, the impairment is determined based on the financial performance and the book value of securities issuers as at the assessment date.

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.48/2019/TT-BTC dated 8 August 2019 ("Circular 48") issued by the Ministry of Finance.

### 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 asset have expired;
- ▶ The Group has transferred its rights to receive cash flows from the asset 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 Group has substantially transferred all the risks and rewards of the asset, or
  - The Group has substantially neither transferred nor retained all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group's continuing involvement in the asset. In that case, the Group 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 Group has retained.

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

### 4.8 Reclassification of financial assets

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

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



**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.8 Reclassification of financial assets (continued)**

*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 classify 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 "Gain/loss from revaluation of assets at fair value" in Owners' equity.

**4.9 Long-term financial investments**

*Investments in equity of other entities*

Investments in equity of other entities are recognized at cost in the interim consolidated financial statements.

*Provision for loss of financial investments*

Provision for loss of financial investments is recorded when there is solid evidence regarding impairment in investments value at the date of fiscal year-end.

An increase or decrease in the provision is recognized as financial expense in the interim consolidated income statement.

**4.10 Receivables**

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

Receivables are subject to review for impairment based on their overdue status or estimated loss arising from undue debts of corporate debtors who have bankruptcy or are under liquidation; or of individual debtors who are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or are currently suffering from a fatal disease (certified by the hospital) or dead or the debt has been sued for debt collection by the enterprise but the case has been suspended. Increases or decreases to the provision balance are recorded as "Provision expenses for diminution in value and impairment of financial assets, doubtful debts and borrowing costs of loans" in the interim consolidated income statement.

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## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.10 *Receivables* (continued)

The Company has made provision for doubtful receivables in accordance with Circular No. 48/2019/TT-BTC dated 8 August 2019 issued by the Ministry of Finance. Accordingly, the provision rates for overdue receivables are as follows:

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

### 4.11 *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 interim 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 interim consolidated income statement.

### 4.12 *Intangible fixed assets*

Intangible fixed 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 interim 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 interim consolidated income statement.

### 4.13 *Depreciation and amortization*

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

Means of transportation	6 years
Office equipment	3 - 8 years
Computer software	3 - 8 years
Trademark	5 years
Copyrights	3 - 5 years
Other intangible fixed assets	5 years



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## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.14 *Operating leases*

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

### 4.15 *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 interim accounting period.

### 4.16 *Prepaid expenses*

Prepaid expenses, including short-term prepaid expenses and long-term prepaid expenses in the interim consolidated statement of financial position, are amortized 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 short-term and long-term prepaid expenses and are amortized over the period from one (1) year to three (3) years to the interim consolidated income statement:

- ▶ Office renovation expenses;
- ▶ Office tools and consumables;
- ▶ Office rental expenses; and
- ▶ Other prepaid expenses.

### 4.17 *Business combinations and goodwill*

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the acquiree's interest in the fair value of the net identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the interim consolidated statement of income. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill is amortized over the five (5) years period on a straight-line basis. The parent company conducts a periodical review for impairment of goodwill of investment in subsidiary. If there are indicators of impairment loss incurred is higher than the yearly cumulative amortization of goodwill, the higher amount will be recorded in the interim consolidated statement of income.



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## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.18 Payables and accrued expenses

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

### 4.19 Employee benefits

#### 4.19.1 Post-employment benefits

Post-employment benefits are paid to retired employees of the Group by the Social Insurance Agency, which belongs to the Ministry of Labor 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% (from 1 July 2021 to 30 June 2022, at the rate of 17%) of an employee's basic salary, salary-related allowances and other supplements. Other than that, the Group has no further obligation relating to post-employment benefits.

#### 4.19.2 Severance allowance

The Company has the obligation, under Article 46 of the Vietnam Labor Code No. 45/2019/QH14 taking effect on 1 January 2021, 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.

#### 4.19.2 Unemployment allowance

According to prevailing regulations, the Group is required to pay the unemployment insurance at 1% of salary fund of employees who engage in the unemployment insurance program and to deduct 1% from each employer's basic salary to contribute to the Unemployment Insurance Fund. From 01 October 2021 to 30 September 2022, the Group is entitled to reduce the unemployment insurance contributions rate of 1% mentioned above to 0%.

### 4.20 Foreign currency transactions

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- ▶ Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment;
- ▶ Capital contributions are recorded at the buying exchange rates of the commercial banks designated for capital contribution; and
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

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## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.20 *Foreign currency transactions* (continued)

At the end of the period, monetary balances denominated in foreign currencies are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Group conduct transactions regularly; and
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conduct transactions regularly.
- ▶ Outstanding borrowings in foreign currency are translated at buying exchange rate of the commercial bank where the Company opened its account.

All foreign exchange differences incurred are taken to the interim consolidated income statement.

### 4.21 *Revenue recognition*

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group 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 recognized:

#### *Revenue from brokerage services*

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

#### *Revenue from trading of securities*

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

#### *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 Group's entitlement as an investor to receive the dividend is established, except for dividend received in shares in which only the number of shares is updated.

#### *Other income*

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



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## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.21 *Revenue recognition* (continued)

#### *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.

### 4.22 *Borrowing costs*

Borrowing costs consist of interest and other costs that incurs in connection with the Group's borrowing of funds. Borrowing costs are recorded as expense during the period in which they are incurred.

### 4.23 *Cost of securities sold*

The Group applies moving weighted average method to calculate cost of proprietary securities sold.

### 4.24 *Corporate income tax*

#### *Current income tax*

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

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

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to set off current tax assets against current tax liabilities and when the Group 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 amount for interim consolidated financial reporting purposes.

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



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## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.24 *Corporate income tax* (continued)

#### *Deferred income tax* (continued)

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset realized or the liability is settled based on tax rates and tax laws that have been enacted at the reporting date. Deferred tax is recorded to the interim consolidated income statement, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in the 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 Group intends to settle its current tax assets and liabilities on a net basis.

### 4.25 *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 realized and unrealized undistributed profit.

Unrealized profit of the period is the difference between gain and loss arisen from revaluation of FVTPL financial assets or other financial assets through profit and loss in the interim consolidated income statement.

Realized profit during the period is the net difference between total revenue and income, and total expenses in the interim consolidated income statement of the Group, except for gain or loss arisen from revaluation of financial assets recognized in unrealized profit.

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## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 4.25 *Owners' equity* (continued)

#### *Reserves*

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

### 4.26 *Distribution of net profits*

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

### 4.27 *Segment information*

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

The Group's principal activities are mainly taking place throughout Vietnam. Therefore, the Group's risks and returns are not impacted by the locations where the Group is trading. As a result, the management is of the view that there is only one segment for geography and therefore the Group only presents the segmental information based on activities.

### 4.28 *Related parties*

Parties are considered related to the Group if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and the other party are subject to common control or significant influence. The above stakeholders can be companies or individuals, including close members of their families.

### 4.29 *Nil balances*

Items or balances required by Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular No. 334/2016/TT-BTC dated 27 December 2016 issued by the Ministry of Finance that are not shown in these interim consolidated financial statements indicate nil balance.

# Viet Dragon Securities Corporation

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## 5. CASH AND CASH EQUIVALENTS

	30 June 2022 VND	31 December 2021 VND
<b>Cash</b>	<b>688,789,391,485</b>	<b>412,558,363,475</b>
Cash on hand	92,086,872	47,447,055
Cash at banks for operation of the Group	685,462,530,030	412,438,028,915
Cash for clearing and settlement securities transaction	3,234,774,583	72,887,505
<b>Cash equivalents</b>	<b>41,000,000,000</b>	<b>61,000,000,000</b>
	<b>729,789,391,485</b>	<b>473,558,363,475</b>

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

	Volume of trading in the period (Unit)	Value of trading in the period (VND)
a. The Group	<b>52,776,270</b>	<b>4,859,850,704,592</b>
- Shares	49,413,622	2,298,852,277,465
- Bonds	3,362,648	2,560,998,427,127
- Others	-	-
b. Investors	<b>2,969,923,219</b>	<b>87,799,163,733,025</b>
- Shares	2,879,225,224	87,128,625,242,368
- Bonds	5,580,595	562,615,484,657
- Others	85,117,400	107,923,006,000
	<b>3,022,699,489</b>	<b>92,659,014,437,617</b>



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## 7. FINANCIAL ASSETS

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

	30 June 2022		31 December 2021	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Listed shares	817,748,990,360	591,765,381,530	253,884,375,655	287,156,363,620
Unlisted shares	34,653,797,971	32,126,994,112	84,522,544,461	79,309,248,080
Listed bonds	10,012,068,782	10,012,100,000	10,012,779,297	10,359,700,000
Unlisted bonds	232,264,224,438	238,504,029,078	230,075,762,032	235,812,377,891
	<b>1,094,679,081,551</b>	<b>872,408,504,720</b>	<b>578,495,461,445</b>	<b>612,637,689,591</b>

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

	30 June 2022		31 December 2021	
	Cost VND	Revaluation value VND	Cost VND	Revaluation value VND
Listed shares	-	-	<b>109,996,540,000</b>	<b>147,511,976,000</b>

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## 7. FINANCIAL ASSETS (continued)

### 7.3 Loans

	30 June 2022			31 December 2021		
	Cost VND	Provision VND	Fair value (iii) VND	Cost VND	Provision VND	Fair value (iii) VND
Margin activities (i)	2,149,341,591,223	(44,087,269,454)	2,105,254,321,769	2,237,907,521,353	(44,087,269,454)	2,193,820,251,899
Advances to customers (ii)	271,662,850,035	-	271,662,850,035	462,223,720,648	-	462,223,720,648
	<b>2,421,004,441,258</b>	<b>(44,087,269,454)</b>	<b>2,376,917,171,804</b>	<b>2,700,131,242,001</b>	<b>(44,087,269,454)</b>	<b>2,656,043,972,547</b>

(i) Securities under margin transaction are used as collaterals for the loans granted by the Group to investors. As at 30 June 2022 and 31 December 2021, the par value of those securities that are used as collaterals for margin trading was VND2,415,057,100,000 and VND3,169,027,650,000 respectively, the market value of those securities that are used as collaterals for margin trading was VND6,187,362,254,480 and VND12,562,218,532,330 respectively.

(ii) These relate to advances to investors during the period that the shares selling proceeds are awaiting to be received.

(iii) Determining the fair value of financial assets

The fair value of margin loans, cash advances of selling securities and investment cooperation approximates their carrying value, which is cost less provision, due to short-term maturities of these instruments.



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## 7. FINANCIAL ASSETS (continued)

### 7.4 Changes in market values of financial assets

30 June 2022						31 December 2021				
Cost VND	Fair value VND	Revaluation difference		Revaluation value VND	Cost VND	Fair value VND	Revaluation difference		Revaluation value VND	
		Increase VND	Decrease VND				Increase VND	Decrease VND		
I. Financial assets at fair value through profit and loss (FVTPL)										
1. Listed shares										
DBC	192,900,040,284	128,637,014,800	-	(64,263,025,484)	128,637,014,800	68,102,907	90,885,000	22,782,093	-	90,885,000
TCB	130,967,888,798	95,992,643,250	-	(34,975,245,548)	95,992,643,250	3,895,562	4,250,000	354,438	-	4,250,000
CTG	122,514,796,325	95,944,663,800	-	(26,570,132,525)	95,944,663,800	105,012,278,995	103,255,671,000	-	(1,756,607,995)	103,255,671,000
HPG	84,843,353,587	55,142,146,600	-	(29,701,206,987)	55,142,146,600	15,798,762,650	12,945,600,000	-	(2,853,162,650)	12,945,600,000
ACB	67,372,964,363	61,510,944,000	-	(5,862,020,363)	61,510,944,000	6,417,270	7,417,500	1,000,230	-	7,417,500
HSG	73,838,113,014	35,263,508,000	-	(38,574,605,014)	35,263,508,000	52,664,739,374	57,582,723,000	4,917,983,626	-	57,582,723,000
OCB	41,588,861,588	38,161,872,000	-	(3,426,989,588)	38,161,872,000	41,556,344,048	61,976,187,000	20,419,842,952	-	61,976,187,000
Others	103,722,972,401	81,112,589,080	327,961,231	(22,938,344,552)	81,112,589,080	38,773,834,849	51,293,630,120	12,833,207,169	(313,411,898)	51,293,630,120
	817,748,990,360	591,765,381,530	327,961,231	(226,311,570,061)	591,765,381,530	253,884,375,655	287,156,363,620	38,195,170,508	(4,923,182,543)	287,156,363,620
2. Unlisted shares										
BSR	24,844,650,000	24,981,300,000	136,650,000	-	24,981,300,000	-	-	-	-	-
DORU										
FOAM	4,450,000,000	1,800,000,000	-	(2,650,000,000)	1,800,000,000	4,450,000,000	1,800,000,000	-	(2,650,000,000)	1,800,000,000
Others	5,359,147,971	5,345,694,112	5,904,268	(19,358,127)	5,345,694,112	80,072,544,461	77,509,248,080	12,509,761	(2,575,806,142)	77,509,248,080
	34,653,797,971	32,126,994,112	142,554,268	(2,669,358,127)	32,126,994,112	84,522,544,461	79,309,248,080	12,509,761	(5,225,806,142)	79,309,248,080

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## 7. FINANCIAL ASSETS (continued)

### 7.4 Changes in market values of financial assets (continued)

30 June 2022					31 December 2021				
Cost VND	Fair value VND	Revaluation difference		Revaluation value VND	Cost VND	Fair value VND	Revaluation difference		Revaluation value VND
		Increase VND	Decrease VND				Increase VND	Decrease VND	
I. Financial assets at fair value through profit and loss (FVTPL) (continued)									
3. Listed bonds									
10,012,068,782	10,012,100,000	31,218	-	10,012,100,000	10,012,779,297	10,359,700,000	346,920,703	-	10,359,700,000
4. Unlisted bonds									
232,264,224,438	238,504,029,078	6,239,804,640	-	238,504,029,078	230,075,762,032	235,812,377,891	6,333,060,091	(596,444,232)	235,812,377,891
II. Available-for-sale financial assets (AFS)									
1. Listed shares									
DBC	-	-	-	-	109,996,540,000	147,511,976,000	37,515,436,000	-	147,511,976,000



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## 7. FINANCIAL ASSETS (continued)

### 7.5 Provision for impairment of financial assets

Breakdown of financial assets recognized at cost and corresponding provision for impairment is as follows:

<i>Financial assets</i>	<i>Basis for provision</i>		<i>Provision at 30 June 2022 VND</i>	<i>Provision at 31 December 2021 VND</i>	<i>Charge of provision during the period VND</i>
	<i>Cost VND</i>	<i>Revaluation value VND</i>			
<b>Loans</b>					
Margin activities	2,149,341,591,223	2,105,254,321,769	44,087,269,454	44,087,269,454	-
Advances to customers	271,662,850,035	271,662,850,035	-	-	-
	<b>2,421,004,441,258</b>	<b>2,376,917,171,804</b>	<b>44,087,269,454</b>	<b>44,087,269,454</b>	<b>-</b>

# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
as at 30 June 2022 and for the six-month period then ended

## 8. RECEIVABLES

	30 June 2022 VND	31 December 2021 VND
Receivables and accruals from dividends and interest income from financial assets	5,519,396,883	8,087,287,810
- <i>Receivables and accruals for due dividend and interest income</i>	144,794,905	244,551,648
- <i>Accruals for undue dividend and interest income</i>	5,374,601,978	7,842,736,162
Advances to suppliers	14,843,102,926	1,536,612,512
Receivables from services provided by the Company	11,187,682,211	9,570,283,969
- <i>Receivables from custodian services</i>	7,433,245,906	6,533,910,973
- <i>Other receivables</i>	3,754,436,305	3,036,372,996
Other receivables	2,068,510,792	2,071,095,346
Provision for impairment of receivables	(1,978,208,478)	(1,978,208,478)
	<b>31,640,484,334</b>	<b>19,287,071,159</b>

Details of provision for impairment of receivables:

	Doubtful debts		Provision		
	31 December 2021 VND	30 June 2022 VND	31 December 2021 VND	Addition/ (reversal) VND	30 June 2022 VND
Other receivables					
- <i>Van Thien Hung</i>	<b>1,978,208,478</b>	<b>1,978,208,478</b>	<b>1,978,208,478</b>	-	<b>1,978,208,478</b>

## 9. PREPAID EXPENSES

	30 June 2022 VND	31 December 2021 VND
Short-term prepaid expenses	<b>16,990,581,841</b>	<b>9,513,765,394</b>
- <i>Office supplies, tools and materials</i>	3,618,122,675	2,464,957,272
- <i>Software maintenance</i>	2,963,236,032	1,340,496,264
- <i>Employee insurance</i>	617,500,767	298,607,912
- <i>Office renovation expenses</i>	259,416,441	254,677,901
- <i>Other expenses</i>	9,532,305,926	5,155,026,045
Long-term prepaid expenses	<b>9,496,525,049</b>	<b>5,018,737,136</b>
- <i>Office renovation expenses</i>	5,692,180,477	4,721,594,955
- <i>Software maintenance</i>	1,199,843,339	-
- <i>Office supplies, tools and materials</i>	2,088,197,306	-
- <i>Other expenses</i>	516,303,927	297,142,181
	<b>26,487,106,890</b>	<b>14,532,502,530</b>



# Viet Dragon Securities Corporation

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## 10. LONG-TERM INVESTMENTS

	30 June 2022 VND	31 December 2021 VND
Other long-term investments	32,500,000,000	25,000,000,000
- Quang Nam Ngoc Linh Ginseng Pharmaceutical Trading Joint Stock Company	32,500,000,000	25,000,000,000
	<b>32,500,000,000</b>	<b>25,000,000,000</b>

## 11. TANGIBLE FIXED ASSETS

	Means of transportation VND	Office equipment VND	Total VND
<b>Cost</b>			
1 January 2022	8,310,304,400	65,250,861,269	73,561,165,669
Increase during the period	1,949,950,000	1,858,021,000	3,807,971,000
30 June 2022	10,260,254,400	67,108,882,269	77,369,136,669
<b>Accumulated depreciation</b>			
1 January 2022	4,797,524,981	39,835,517,932	44,633,042,913
Depreciation during the period	610,116,358	3,912,060,909	4,522,177,267
30 June 2022	5,407,641,339	43,747,578,841	49,155,220,180
<b>Net book value</b>			
1 January 2022	3,512,779,419	25,415,343,337	28,928,122,756
30 June 2022	4,852,613,061	23,361,303,428	28,213,916,489

Cost of tangible fixed assets which have been fully depreciated but are still in use at 30 June 2022 amounted to VND31,474,894,253 (31 December 2021: VND32,440,699,535).

# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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## 12. INTANGIBLE FIXED ASSETS

	<i>Computer software VND</i>	<i>Trademark VND</i>	<i>Copyrights VND</i>	<i>Others VND</i>	<i>Total VND</i>
<b>Cost</b>					
1 January 2022	17,545,497,066	307,500,192	1,661,848,751	502,503,782	20,017,349,791
Increase during the period	373,000,000	455,400,000	-	-	828,400,000
30 June 2022	17,918,497,066	762,900,192	1,661,848,751	502,503,782	20,845,749,791
<b>Accumulated amortization</b>					
1 January 2022	13,970,572,785	307,500,192	1,661,848,751	502,503,782	16,442,425,510
Amortization during the period	749,587,943	47,889,677	-	-	797,477,620
30 June 2022	14,720,160,728	355,389,869	1,661,848,751	502,503,782	17,239,903,130
<b>Net book value</b>					
1 January 2022	3,574,924,281	-	-	-	3,574,924,281
30 June 2022	3,198,336,338	407,510,323	-	-	3,605,846,661

Cost of intangible fixed assets which have been fully amortized but are still in use at 30 June 2022 amounted to VND13,105,931,628 (31 December 2021: VND12,256,131,628).

# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
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## 13. LONG-TERM DEPOSITS, COLLATERALS AND PLEDGES

These are security deposits for office rentals at Head Office, Ha Noi, Nha Trang and Can Tho Branch.

## 14. DEPOSITS TO SETTLEMENT ASSISTANCE FUND

Advances to settlement assistance fund represent amounts deposited at Vietnam Securities Depository.

According Decision No. 105/QĐ-VSD dated 20 August 2021 regarding the regulations on management and usage of the Assistance Fund issued 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 VND2.5 billion per annum. The maximum contribution of each custody member to the Settlement Assistance Fund is VND 20 billion for custody members who are the company having trading securities and brokerage activities.

Details of the advance to settlement assistance fund during the period are as follows:

	30 June 2022 VND	31 December 2021 VND
Initial payment	120,000,000	120,000,000
Addition payment	13,464,509,286	13,464,509,286
Interests	6,415,490,714	6,415,490,714
	<b>20,000,000,000</b>	<b>20,000,000,000</b>

## 15. OTHER NON-CURRENT ASSETS

Other non-current assets are the 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 VND10 billion.



# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
as at 30 June 2022 and for the six-month period then ended

## 16. GOODWILL

	<i>Goodwill acquired in a business combination Viet Long Securities Investment Fund Management Corporation</i>	
	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
<b>Cost</b>		
Opening balance	16,243,479,077	-
Increase by acquisition of subsidiary	-	16,243,479,077
Ending balance	16,243,479,077	16,243,479,077
<b>Accumulated amortization</b>		
Opening balance	3,248,695,816	-
Amortization for the period	1,624,347,907	1,624,347,908
Ending balance	4,873,043,723	1,624,347,908
<b>Net carrying amount</b>		
Opening balance	12,994,783,261	-
Ending balance	11,370,435,354	14,619,131,169

# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 17. SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES

	<i>Interest rate % per annum</i>	<i>31 December 2021 VND</i>	<i>Addition during the period VND</i>	<i>Repayment during the period VND</i>	<i>Revaluation VND</i>	<i>30 June 2022 VND</i>
Short-term borrowings						
- From a foreign bank (i)	1.5 - 3.9	141,468,000,000	625,447,000,000	(397,424,000,888)	7,094,000,000	376,584,999,112
- From domestic banks	4.2 - 6.5	100,000,000,000	2,745,000,000,000	(2,845,000,000,000)	-	-
		<b>241,468,000,000</b>	<b>3,370,447,000,000</b>	<b>(3,242,424,000,888)</b>	<b>7,094,000,000</b>	<b>376,584,999,112</b>

(i) The ending balance as at 30 June 2022 represents the unsecured borrowings with a total value of USD16,200,000 and longest tenor not exceeding 3 months from the date of drawdown.

## 18. BOND ISSUANCE

	<i>Interest rate % per annum</i>	<i>31 December 2021 VND</i>	<i>Addition during the period VND</i>	<i>Repayment during the period VND</i>	<i>30 June 2022 VND</i>
Short-term bond issuance					
- Held by individuals	8.8 - 9.5	556,450,000,000	708,520,000,000	(334,675,000,000)	930,295,000,000
- Held by corporations	7.8 - 9.6	1,381,500,000,000	630,980,000,000	(835,000,000,000)	1,177,480,000,000
		<b>1,937,950,000,000</b>	<b>1,339,500,000,000</b>	<b>(1,169,675,000,000)</b>	<b>2,107,775,000,000</b>
Long-term bond issuance					
- Held by individuals	8.8 - 9.5	37,300,000,000	49,250,000,000	(100,000,000)	86,450,000,000
- Held by corporations	7.8 - 9.6	10,000,000,000	45,000,000,000	(20,000,000,000)	35,000,000,000
		<b>47,300,000,000</b>	<b>94,250,000,000</b>	<b>(20,100,000,000)</b>	<b>121,450,000,000</b>

These are registered, unconvertible and unsecured bonds issued privately to individuals and institutions. Each bond has a par value of VND1,000,000 and a tenor from 1 year to 2 years since its issue date.

# Viet Dragon Securities Corporation

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as at 30 June 2022 and for the six-month period then ended

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## 19. PAYABLES FOR SECURITIES TRADING ACTIVITIES

These are expenses payable to the stock exchanges.

## 20. SHORT-TERM TRADE PAYABLES

	30 June 2022 VND	31 December 2021 VND
Payables for purchases of listed securities	346,800,000	30,000,000,000
Payables for purchases of goods and services	955,456,751	1,126,883,240
	<b>1,302,256,751</b>	<b>31,126,883,240</b>

## 21. STATUTORY OBLIGATIONS

Items	31 December 2021 VND	Payables during the period VND	Payment during the period VND	30 June 2022 VND
Corporate income tax	30,244,387,675	-	(51,439,551,102)	(21,195,163,427)
Value added tax	479,386,795	1,129,419,801	(1,344,436,663)	264,369,933
Personal income tax on behalf of investors	14,548,750,337	51,096,787,491	(56,941,857,639)	8,703,680,189
Personal income tax	5,306,020,004	16,165,834,693	(20,760,844,512)	711,010,185
- Payables	5,313,135,542			1,205,190,897
- Receivables	(7,115,538)			(494,180,712)
Foreign contractor tax	461,797,439	2,055,656,426	(2,348,744,597)	168,709,268
Business registration tax	-	9,000,000	(9,000,000)	-
	<b>51,040,342,250</b>	<b>70,456,698,411</b>	<b>(132,844,434,513)</b>	<b>(11,347,393,852)</b>
In which:				
- Receivables	(7,115,538)			(21,689,344,139)
- Payables	51,047,457,788			10,341,950,287



# Viet Dragon Securities Corporation

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as at 30 June 2022 and for the six-month period then ended

## 22. SHORT-TERM ACCRUED EXPENSES

	30 June 2022 VND	31 December 2021 VND
Accrued additional salary	11,000,000,000	-
Interests on bonds and borrowings	34,834,317,427	13,450,047,732
Board of Directors' remuneration	1,976,666,667	4,810,000,000
Brokerage fee and custody fee	575,542,592	585,373,055
Others	467,422,264	529,172,400
	<b>48,853,948,950</b>	<b>19,374,593,187</b>

## 23. OTHER SHORT-TERM PAYABLES

	30 June 2022 VND	31 December 2021 VND
Dividend payables	148,205,200	148,205,200
- Dividend payables to shareholders	148,205,200	148,205,200
Others (*)	20,078,075,494	650,670,680
	<b>20,226,280,694</b>	<b>798,875,880</b>

Included in other payables as at 30 June 2022 is a coupon interest to investors amounting to VND13,198,829,479 and amount of VND5,880,000,000 being paid by existing shareholders to buy subsidiary shares in accordance with Resolution No. 07/2022/NQ-HĐQT dated 6 June 2022 of the Board of Directors of the subsidiary. As at 30 June 2022, the issuance is still in the process of completing procedures to increase charter capital according to current regulations.

Movement in the dividend payable during the period is as follows:

	30 June 2022 VND	31 December 2021 VND
Opening balance	148,205,200	30,463,378,900
Dividend paid	-	(30,315,173,700)
Ending balance	<b>148,205,200</b>	<b>148,205,200</b>

## 24. DEFERRED TAX LIABILITIES

	30 June 2022 VND	31 December 2021 VND
Taxable temporary differences:		
Increase in revaluation gain of financial assets at FVTPL	6,710,351,356	44,887,661,063
Increase in revaluation gain of financial assets at AFS	-	37,515,436,000
Calculated at tax rate 20% applicable to the Company	<b>1,342,070,271</b>	<b>16,480,619,412</b>

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## 25. OWNERS' EQUITY

### 25.1 Undistributed profit

	30 June 2022 VND	31 December 2021 VND
Realized profit	521,046,909,465	409,584,811,010
Unrealized (loss)/profit	(214,692,949,800)	32,807,042,556
	<b>306,353,959,665</b>	<b>442,391,853,566</b>

### 25.2 Share capital

	Share capital VND	Share premium VND	Charter capital supplementary reserve VND	Operational risk and financial reserve VND	Differences from revaluation of financial assets at fair value VND	Undistributed profit VND	Non-controlling interests VND	Total VND
As at 1 January 2022	1,051,046,650,000	9,240,118,792	44,251,450,208	44,251,450,208	30,012,348,800	442,391,853,566	24,669,427,913	1,645,863,299,487
Net loss for the period	-	-	-	-	-	(136,037,893,901)	(5,481,236,079)	(141,519,129,980)
Other comprehensive income after CIT	-	-	-	-	(30,012,348,800)	-	-	(30,012,348,800)
<b>As at 30 June 2022</b>	<b>1,051,046,650,000</b>	<b>9,240,118,792</b>	<b>44,251,450,208</b>	<b>44,251,450,208</b>	<b>-</b>	<b>306,353,959,665</b>	<b>19,188,191,834</b>	<b>1,474,331,820,707</b>

Detail of Company share capital as at 30 June 2022:

	Share Unit	Amount VND	Ratio %
Nguyen Mien Tuan	18,701,500	187,015,000,000	17.79%
Nguyen Xuan Do	17,850,000	178,500,000,000	16.98%
Nguyen Hoang Hiep	17,850,000	178,500,000,000	16.98%
Pham My Linh	12,517,339	125,173,390,000	11.91%
Other shareholders	38,185,826	381,858,260,000	36.34%
	<b>105,104,665</b>	<b>1,051,046,650,000</b>	<b>100.00%</b>

# Viet Dragon Securities Corporation

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## 25. OWNERS' EQUITY (continued)

### 25.2 Share capital (continued)

The Company's shares are as follows:

	30 June 2022 Unit	31 December 2021 Unit
Authorized shares	105,104,665	105,104,665
Ordinary shares	105,104,665	105,104,665
Shares issued and fully paid	105,104,665	105,104,665
Ordinary shares	105,104,665	105,104,665
Outstanding shares	105,104,665	105,104,665
Ordinary shares	105,104,665	105,104,665

### 25.3 Profit distribution to shareholders

	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
1. Undistributed realized profit at the beginning of the period (as at 1/1/2022 and 1/1/2021)	409,584,811,010	97,712,005,131
2. Unrealized loss at the end of the period (as at 30/6/2022 and 30/6/2021)	(214,692,949,800)	-
3. Realized profit of the period	111,462,098,455	181,791,751,467
4. Undistributed profit belonging to shareholders at the end of the period ((4) = (1) + (2) + (3))	306,353,959,665	279,503,756,598
5. Profit distributed to shareholders during the period under Resolution of the General Meeting of Shareholders		
- Dividend shares (i)	-	(50,047,590,000)
<b>Maximal profit available for distribution to shareholders</b>	<b>306,353,959,665</b>	<b>229,456,166,598</b>

- (i) According to the Resolution of the Annual General Meeting of Shareholders on 7 April 2021, the dividend rate of 2020 was 8% of the charter capital of VND1,000,999,060,000. On 25 June 2021, the Board of Directors approved the Decision No 58/2021/QĐ-HĐQT regarding to approve the list of shareholders entitled to receive the dividend of 2020 at 5% of the par value, the closing date for the list of shareholders is 9 July 2021.



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## 26. NON-CONTROLLING INTERESTS

Non-controlling interests from Viet Long Securities Investment Fund Management Corporation in the period is as follow:

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Beginning balance	24,669,427,913	-
Increase by acquisition of subsidiary	-	23,593,520,102
Realized profit during the period	(4,203,885,399)	2,413,266,586
Unrealized profit during the period	(1,277,350,680)	621,889,837
<b>Non-controlling interests</b>	<b>19,188,191,834</b>	<b>26,628,676,525</b>

## 27. DISCLOSURE OF INTERIM CONSOLIDATED OFF-BALANCE SHEET ITEMS

### 27.1 Financial assets listed/registered for trading at VSD of the Company

	<i>Par value</i>	
	<i>30 June 2022 VND</i>	<i>31 December 2021 VND</i>
Unrestricted and traded financial assets	<b>250,788,180,000</b>	<b>119,148,600,000</b>

### 27.2 Non-traded financial assets deposited at VSD of the Company

	<i>Par value</i>	
	<i>30 June 2022 VND</i>	<i>31 December 2021 VND</i>
Unrestricted and non-traded financial assets	2,450,000	2,450,000
Unrestricted and awaiting for trading financial assets	7,596,030,000	3,780,000
	<b>7,598,480,000</b>	<b>6,230,000</b>

### 27.3 Financial assets awaiting for arrival of the Company

	<i>Par value</i>	
	<i>30 June 2022 VND</i>	<i>31 December 2021 VND</i>
Financial assets awaiting for arrival	<b>30,000,000</b>	<b>6,000,000,000</b>

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## 27. DISCLOSURE OF INTERIM CONSOLIDATED OFF-BALANCE SHEET ITEMS (continued)

### 27.4 Financial assets unregistered at VSD of the Company

	Par value	
	30 June 2022 VND	31 December 2021 VND
Unregistered Financial assets	<b>250,135,670,000</b>	<b>246,529,760,000</b>

### 27.5 Financial assets listed/registered at VSD of investors

	Quantity	
	30 June 2022	31 December 2021
Unrestricted and traded financial assets	1,920,088,875	1,615,515,807
Restricted and traded financial assets	39,684,225	15,214,147
Mortgage and traded financial assets	303,865,289	241,249,958
Blocked financial assets	107,301,576	111,485,572
Financial assets awaiting for settlement	14,394,665	24,378,895
Customers' deposits for derivatives trading	196	237
	<b>2,385,334,826</b>	<b>2,007,844,616</b>

### 27.6 Non-traded financial assets deposited at VSD of investors

	Quantity	
	30 June 2022	31 December 2021
Unrestricted and non-traded financial assets	49,072,164	15,278,966
Restricted and non-traded financial assets	1,722,515	511,126
	<b>50,794,679</b>	<b>15,790,092</b>

### 27.7 Financial assets awaiting for arrival of investors

	Quantity	
	30 June 2022	31 December 2021
Shares	<b>18,517,790</b>	<b>22,145,700</b>

### 27.8 Entitled financial assets of investors

	Quantity	
	30 June 2022	31 December 2021
Shares	<b>15,099,507</b>	<b>29,706,370</b>

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## 27. DISCLOSURE OF INTERIM CONSOLIDATED OFF-BALANCE SHEET ITEMS (continued)

### 27.9 Investors' deposits

	30 June 2022 VND	31 December 2021 VND
Investors' deposits for securities trading activities managed by the Company	1,502,077,087,474	1,441,103,783,667
- Domestic investors' deposits for securities trading activities managed by the Company	1,428,438,826,339	1,434,855,572,912
- Foreign investors' deposits for securities trading activities managed by the Company	73,638,261,135	6,248,210,755
Investors' deposits at VSD	11,432,874,651	11,850,419,876
Investors' deposits for clearing and settlement	1,388,289,555	339,253,943
- Domestic investors' deposits for clearing and settlement securities transactions	1,069,165,365	261,610,809
- Foreign investors' deposits for clearing and settlement securities transactions	319,124,190	77,643,134
Deposits of securities issuers	943,196,401	54,224,770
	<b>1,515,841,448,081</b>	<b>1,453,347,682,256</b>

### 27.10 Payables to investors – investors' deposits for securities trading activities managed by the Company

	30 June 2022 VND	31 December 2021 VND
Payables to investors - Investors' deposits for securities trading activities managed by the Company	1,512,748,723,205	1,438,067,059,409
- Domestic investors	1,439,110,462,070	1,431,818,848,654
- Foreign investors	73,638,261,135	6,248,210,755
	<b>1,512,748,723,205</b>	<b>1,438,067,059,409</b>

### 27.11 Dividend, bond principal and interest payables

	30 June 2022 VND	31 December 2021 VND
Dividend payables	<b>3,092,724,876</b>	<b>15,280,622,847</b>



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

### 28.1 Gain/(loss) from sale of financial assets at FVTPL

	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
Gain from sale of financial assets at FVTPL	96,959,344,319	169,662,407,871
Loss from sale of financial assets at FVTPL	(69,920,140,620)	(3,389,425,051)
	<b>27,039,203,699</b>	<b>166,272,982,820</b>

Details of net realized gain/(loss) from disposals of FVTPL financial assets by category are as follows:

No	Financial assets	Quantity Shares	Proceeds VND	Cost of disposals (*) VND	Gain(loss) from sale during the current period VND	Gain/(loss) from sale during the previous period VND
1	Listed shares	15,582,085	717,481,661,175	704,372,178,522	13,109,482,653	151,178,032,402
2	Unlisted shares	3,848,130	233,015,300,500	229,158,528,834	3,856,771,666	6,140,077,439
3	Listed bonds	612,800	61,268,934,000	61,346,099,415	(77,165,415)	(175,573,600)
4	Unlisted bonds	1,184,417	1,223,180,692,225	1,213,030,577,430	10,150,114,795	9,130,446,579
		<b>21,227,432</b>	<b>2,234,946,587,900</b>	<b>2,207,907,384,201</b>	<b>27,039,203,699</b>	<b>166,272,982,820</b>

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

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## 28. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)

### 28.2 Gain/(loss) from revaluation of financial assets

	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
(Decrease)/increase in revaluation gain of FVTPL financial assets	(38,177,309,706)	36,017,679,729
(Increase)/decrease in revaluation loss of FVTPL financial assets	(218,235,495,271)	31,178,708,868
	<b>(256,412,804,977)</b>	<b>67,196,388,597</b>

		30 June 2022				
No	Financial assets	Cost VND	Fair value VND	Revaluation difference 30 June 2022 VND	Revaluation difference as at 31 December 2021 VND	Difference adjustment in current period VND
1	Listed shares	817,748,990,360	591,765,381,530	(225,983,608,830)	33,271,987,965	(259,255,596,795)
2	Unlisted shares	34,653,797,971	32,126,994,112	(2,526,803,859)	(5,213,296,381)	2,686,492,522
3	Listed bonds	10,012,068,782	10,012,100,000	31,218	346,920,703	(346,889,485)
4	Unlisted bonds	232,264,224,438	238,504,029,078	6,239,804,640	5,736,615,859	503,188,781
		<b>1,094,679,081,551</b>	<b>872,408,504,720</b>	<b>(222,270,576,831)</b>	<b>34,142,228,146</b>	<b>(256,412,804,977)</b>

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## 28. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)

### 28.3 Dividend, interest income from financial assets at FVTPL, AFS, loans and receivables

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Dividend, interest from financial assets at FVTPL	6,676,665,145	2,288,624,515
Interest income from deposits	208,191,773	433,973,258
Interest income from loans and receivables	192,738,055,195	125,294,401,561
	<b>199,622,912,113</b>	<b>128,016,999,334</b>

## 29. PROVISION EXPENSES FOR DIMINUTION IN VALUE AND IMPAIRMENT OF FINANCIAL ASSETS, DOUBTFUL DEBTS AND BORROWING COSTS OF LOANS

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Borrowing costs to finance lending activities	119,587,810,171	68,980,818,692
Reversal of provision for impairment of loans	-	-
	<b>119,587,810,171</b>	<b>68,980,818,692</b>

## 30. EXPENSES FOR PROPRIETARY TRADING ACTIVITIES

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Salary expense and other related expenses, customer referral commission	3,098,342,742	4,118,403,588
Office rentals	120,129,768	157,250,958
Other expenses	633,495,553	152,010,792
	<b>3,851,968,063</b>	<b>4,427,665,338</b>



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## 31. EXPENSES FOR BROKERAGE SERVICES

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Salary expense and other related expenses	46,520,686,665	44,338,707,888
Transaction fee for brokerage activities	23,815,845,034	20,963,287,923
Office rentals	3,979,664,541	3,522,088,819
Commission expenses	7,795,980,063	5,695,149,889
Depreciation and amortization expenses	479,325,000	479,325,000
Other expenses	6,998,570,975	3,145,027,007
	<b>89,590,072,278</b>	<b>78,143,586,526</b>

## 32. EXPENSES FOR UNDERWRITING AND ISSUANCE AGENCY SERVICES

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Brokerage fee and partner commission	11,042,691,767	16,955,942,671
Sale commission salary	613,338,185	1,438,000,000
	<b>11,656,029,952</b>	<b>18,393,942,671</b>

## 33. EXPENSES FOR SECURITIES CUSTODIAN SERVICES

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Custody expenses	3,550,495,808	2,932,362,812
Other expenses	581,813,314	603,176,557
	<b>4,132,309,122</b>	<b>3,535,539,369</b>

## 34. EXPENSES FOR FINANCIAL ADVISORY SERVICES

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Salary expense and other related expenses	8,170,377,213	8,414,171,783
Office rentals	445,093,179	322,181,404
Other expenses	868,705,001	415,007,148
	<b>9,484,175,393</b>	<b>9,151,360,335</b>

# Viet Dragon Securities Corporation

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## 35. EXPENSES FOR OTHER OPERATING SERVICES

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Salary expense and other related expenses, customer referral commission	6,236,704,758	8,328,473,695
Office rentals	676,337,547	578,105,895
Other expenses	1,024,846,829	1,011,219,352
	<b>7,937,889,134</b>	<b>9,917,798,942</b>

## 36. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Salary expense and other related expenses	37,379,943,382	42,995,379,366
Remuneration of the Board of Directors	566,666,669	4,128,888,887
Office rentals	3,938,669,373	3,357,448,505
Depreciation and amortization expenses	4,840,329,887	3,144,651,351
Maintenance expenses	2,509,076,003	2,549,202,631
Goodwill amortization	1,624,347,907	1,624,347,908
Events and business trip expenses	1,150,921,246	1,292,345,963
Electricity, telecommunication services	817,958,536	813,392,737
Other expenses	7,944,193,819	6,457,202,736
	<b>60,772,106,822</b>	<b>66,362,860,084</b>

## 37. CORPORATE INCOME TAX

The Group has the obligations to pay the Corporate Income Tax ("CIT") at a rate of 20% of taxable profits (2021: 20%).

The tax returns filed by the Group 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 interim consolidated financial statements could change later upon final determination by the tax authorities.

### 37.1 Corporate income tax expense

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Current CIT expense	-	57,555,407,804
Deferred CIT (income)/expense	(7,635,461,941)	7,203,535,946
	<b>(7,635,461,941)</b>	<b>64,758,943,750</b>

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as at 30 June 2022 and for the six-month period then ended

## 37. CORPORATE INCOME TAX (continued)

### 37.2 Current CIT expense

The current tax payable is based on taxable profit for the period. The taxable profit of the Group for the period differs from the profit as reported in the interim consolidated statement income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the reporting date.

Reconciliation between CIT expense and accounting profit multiplied by CIT rate presented below:

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
<b>(Loss)/profit before tax</b>	<b>(149,154,591,921)</b>	<b>316,160,350,400</b>
At CIT rate of 20% applicable to the Company	(29,830,918,384)	63,232,070,080
<b>Increase adjustments</b>	<b>8,162,370,756</b>	<b>1,584,308,388</b>
Adjustment of loss due to consolidated financial statements	148,045,243	-
Non-deductible expenses	202,039,234	1,259,438,807
Decrease in gain from revaluation of financial assets at FVTPL	7,487,416,698	-
Goodwill amortization	324,869,581	324,869,581
<b>Decrease adjustments</b>	<b>717,452,658</b>	<b>7,749,063,864</b>
Dividend income	717,452,658	149,291,273
Increase in revaluation gain of financial assets at FVTPL	-	7,203,535,946
Reversal of expenses	-	88,093,200
Tax losses used	-	308,143,445
<b>Additional tax paid after finalization</b>	<b>-</b>	<b>488,093,200</b>
<b>Current CIT expense</b>	<b>-</b>	<b>57,555,407,804</b>

The Group have not been recognized deferred income tax arising from the tax losses of the six-month accounting period. This deferred income tax will be recognized at the year-end if occur.



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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
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## 37. CORPORATE INCOME TAX (continued)

### 37.3 Deferred CIT expense

The Company recognized the deferred CIT expense and deferred CIT liabilities with the movements in the current period and the previous period below:

	<i>Interim consolidated statement of financial position</i>		<i>Interim consolidated income statement</i>	
	<i>30 June 2022 VND</i>	<i>31 December 2021 VND</i>	<i>For the six- month period ended 30 June 2022 VND</i>	<i>For the six- month period ended 30 June 2021 VND</i>
<b>Deferred CIT liabilities</b>				
Gain from revaluation of financial assets at FVTPL	1,342,070,271	7,990,860,529	(7,635,461,941)	7,203,535,946
<b>Deferred CIT expense</b>			<b>(7,635,461,941)</b>	<b>7,203,535,946</b>

The tax authorities have finalized the parent company's corporate income tax up to 31 December 2017.

## 38. ACCUMULATED OTHER COMPREHENSIVE INCOME

<i>Items</i>	<i>31 December 2021 VND</i>	<i>Movement during the period VND</i>	<i>Changes in owners' equity recorded in income statement VND</i>	<i>30 June 2022 VND</i>
Income from revaluation of available-for-sale financial assets (AFS)	30,012,348,800	(30,012,348,800)	-	-

## 39. ADDITIONAL INFORMATION FOR INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

Income and gain are recorded directly to owner's equity as follows:

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Income recorded directly to owner's equity	(30,012,348,800)	7,644,261,000
- Income from revaluation of AFS financial assets	(30,012,348,800)	7,644,261,000
	<b>(30,012,348,800)</b>	<b>7,644,261,000</b>

# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
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## 40. OTHER INFORMATION

### 40.1 Related party transactions

Parties are considered to be related parties of the Group if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of the family of any such individual.

Details of the relationship between the Group and related parties are as follows:

<i>Related party</i>	<i>Relationship</i>
Mr. Nguyen Mien Tuan	Major shareholder
Mr. Nguyen Xuan Do	Major shareholder
Mr. Nguyen Hoang Hiep	Major shareholder
Ms. Pham My Linh	Major shareholder
Hoang Trieu Company Limited	Member of Board of Directors of the Company is the legal representative of Hoang Trieu Company Limited
Board of Directors and Board of Management	Key management

Significant transactions with related parties during the period are as follows:

<i>Related parties</i>	<i>Transactions</i>	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Hoang Trieu Company Limited	Office rentals and related services	6,529,234,675	6,001,914,073
Major shareholders	Dividend paid	-	14,019,668,700
Board of Directors and Management	Remuneration, salary and other benefit	4,289,503,328	7,338,079,314

# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
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## 40. OTHER INFORMATION (continued)

### 40.1 Related party transactions (continued)

Balances with related parties at the reporting date are as follows:

Related parties	Transactions	Payables	
		30 June 2022 VND	31 December 2021 VND
Hoang Trieu Company Limited	Trade payables	221,761,826	-

### 40.2 Segment information

- ▶ Brokerage services segment and securities services segment generate revenues and expenses related to securities brokerages, securities investment advisory services, margin and securities custodian service.
- ▶ Proprietary activities segment generates revenues and expenses related to FVTPL financial assets.
- ▶ Financial advisory services segment generates revenues and expenses related to corporates financial advisory, underwriting, M&A consultancy and another consultancy.
- ▶ Other segments perform internal capital management of the Group.



# Viet Dragon Securities Corporation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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## 40. OTHER INFORMATION (continued)

### 40.2 Segment information (continued)

Segment information by business lines are as follows:

	<i>Proprietary activities VND</i>	<i>Brokerage and securities services VND</i>	<i>Financial advisory services VND</i>	<i>Others VND</i>	<i>Total VND</i>
<b>For the six-month period ended 30 June 2022</b>					
Net income from securities trading activities	72,282,501,120	346,595,682,076	20,710,628,161	435,161,320	440,023,972,677
Direct expenses	(303,431,198,372)	(257,059,306,300)	(11,297,087,875)	48,809,814,306	(522,977,778,241)
Depreciation and allocated expenses	(225,817,084)	(10,966,931,912)	(787,558,061)	-	(11,980,307,057)
<b>Segment result</b>	<b>(231,374,514,336)</b>	<b>78,569,443,864</b>	<b>8,625,982,225</b>	<b>49,244,975,626</b>	<b>(94,934,112,621)</b>
Net financial income	(8,993,306,333)			15,503,938,118	6,510,631,785
	<b>(240,367,820,669)</b>	<b>78,569,443,864</b>	<b>8,625,982,225</b>	<b>64,748,913,744</b>	<b>(88,423,480,836)</b>
General and administrative expenses					(60,772,106,822)
Net other income					40,995,737
<b>Operating result</b>					<b>(149,154,591,921)</b>
<b>As at 30 June 2022</b>					
Segment assets	948,017,893,068	2,436,775,861,937	1,042,500,000	-	3,385,836,255,005
Unallocated assets	-	-	-	-	789,782,936,325
<b>Total assets</b>	<b>948,017,893,068</b>	<b>2,436,775,861,937</b>	<b>1,042,500,000</b>	<b>-</b>	<b>4,175,619,191,330</b>
Segment liabilities	346,800,000	2,649,877,377,051	3,368,628,000	-	2,653,592,805,051
Unallocated liabilities	-	-	-	-	47,694,565,572
<b>Total liabilities</b>	<b>346,800,000</b>	<b>2,649,877,377,051</b>	<b>3,368,628,000</b>	<b>-</b>	<b>2,701,287,370,623</b>

# Viet Dragon Securities Corporation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 40. OTHER INFORMATION (continued)

### 40.2 Segment information (continued)

Segment information by business lines are as follows:

	<i>Proprietary activities VND</i>	<i>Brokerage services VND</i>	<i>Financial advisory services VND</i>	<i>Securities services and others VND</i>	<i>Total VND</i>
<b>For the six-month period ended 30 June 2021</b>					
Net income from securities trading activities	207,968,712,115	266,202,603,859	59,687,843,635	-	533,859,159,609
Direct expenses	23,069,233,334	(198,062,488,485)	(27,723,145,219)	44,245,081,566	(158,471,318,804)
Depreciation and allocated expenses	(174,827,736)	(6,150,336,610)	(432,157,787)	-	(6,757,322,133)
<b>Segment result</b>	<b>230,863,117,713</b>	<b>61,989,778,764</b>	<b>31,532,540,629</b>	<b>44,245,081,566</b>	<b>368,630,518,672</b>
Net financial income					13,469,283,916
General and administrative expenses					(66,362,860,084)
Net other income					423,407,896
<b>Operating result</b>					<b>316,160,350,400</b>
<b>As at 31 December 2021</b>					
Segment assets	848,258,088,957	2,709,377,517,305	60,000,000	-	3,557,695,606,262
Unallocated assets	-	-	-	-	475,458,502,309
<b>Total assets</b>	<b>848,258,088,957</b>	<b>2,709,377,517,305</b>	<b>60,000,000</b>	<b>-</b>	<b>4,033,154,108,571</b>
Segment liabilities	30,000,000,000	2,246,012,528,207	2,547,128,000	-	2,278,559,656,207
Unallocated liabilities	-	-	-	-	108,731,152,877
<b>Total liabilities</b>	<b>30,000,000,000</b>	<b>2,246,012,528,207</b>	<b>2,547,128,000</b>	<b>-</b>	<b>2,387,290,809,084</b>

# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
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## 40. OTHER INFORMATION (continued)

### 40.3 Operating lease commitments

The Group currently leases its offices under the operating lease contracts. As at 30 June 2022, the future rental fee payables as stated in the rental contracts are as follows:

	30 June 2022 VND	31 December 2021 VND
Within 1 year	20,049,920,480	16,212,903,960
From 1 - 5 years	44,949,431,425	39,154,883,580
	<b>64,999,351,905</b>	<b>55,367,787,540</b>

### 40.4 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit or loss after tax for the period attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the period.

For the purpose of preparing the interim consolidated financial statements, other comprehensive income has not been added to profit after tax to calculate basic earnings per share due to lack of detailed guidance.

Diluted earnings per share amounts are calculated by dividing the net profit or loss after tax attributable to ordinary equity holders of the Group (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations.

	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
Net (loss)/profit after tax attributable to shareholders (VND)	(136,037,893,901)	248,366,250,227
<b>Net (loss)/profit after tax attributable to ordinary equity holders for basic earnings (VND)</b>	<b>(136,037,893,901)</b>	<b>248,366,250,227</b>
<b>Weighted average number of ordinary shares adjusted for the effect of dilution (share) (*)</b>	<b>105,104,665</b>	<b>105,104,665</b>
Basic earnings per share (VND/share)	(1,294)	2,363
Diluted earnings per share (VND/share) (**)	(1,294)	2,363



# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
as at 30 June 2022 and for the six-month period then ended

## 40. OTHER INFORMATION (continued)

### 40.4 Earnings per share (continued)

(\*) According to Vietnamese Accounting Standard No. 30 - Earnings per share, the basic earnings per share for all reporting periods shall be adjusted retroactively if the number of common shares outstanding increases as a result of a capitalization, issuance of bonus shares, consolidation of shares or decreases as a result of a split of shares. If these changes occur after the end of the accounting year but before the financial statement issuance date, the data calculated per share of the current reporting period and any prior reporting periods in the financial statement is calculated based on the new number of shares. On 25 June 2021, the Board of Directors approved the Decision No 58/2021/QĐ-HĐQT regarding to approve the list of shareholders entitled to receive the dividend of 2020 at 5% of the par value, the closing date for the list of shareholders is 9 July 2021. Accordingly, the number of weighted average number of ordinary shares outstanding during the six-month period ended 30 June 2021 and 30 June 2022 has been adjusted to reflect the issuance of shares as a share dividend in 2021.

Profits used to calculate earnings per share for the six-month period ended 30 June 2022 have not been adjusted for the deduction of bonus and welfare funds from profits of 2022 due to the absence of the Resolution of the General Meeting of Shareholders for the current six-month period.

(\*\*) Earnings per share of the Company are not affected by the dilution factors.

### 40.5 Purposes and policies of financial risk management

Financial liabilities of the Group mainly comprised of trade payables and other payables. Primary purpose of financial liabilities is to finance main business operation of the Group. The Group possesses financial assets at FVTPL, loans, receivables from customers and other receivables, cash on hand and short-term deposit incurring directly from business operation of the Group. The Group does not hold or issue any derivative instruments.

The Group is exposed to market risk, credit risk and liquidity risk in its daily operation.

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

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

#### Market risk

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

#### 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 Group's exposure to market risk for changes in interest rate relates primarily to the Group's cash, short-term deposits and HTM investment.

The Group manages interest rate risk by looking at the competitive structure of the market to obtain relevant interest policies, which are favorable for its purposes within its risk management limits.

A sensitivity analysis is not performed for the interest rate risk as the Group's financial instrument bearing fixed interest rate.

# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
as at 30 June 2022 and for the six-month period then ended

## 40. OTHER INFORMATION (continued)

### 40.5 Purposes and policies of financial risk management (continued)

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities in which revenue or expense is denominated in a different currency. The Group manages its currency risk by continuously monitoring of foreign exchange rates and thereby timely updating its forecast of cash flows in foreign currencies. The Group's operations are exposed to risk of certain currencies, mainly the United States Dollar ("USD").

The Group's currency exposure to the USD is as follows:

	Original currency USD		Equivalent to VND	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<b>Financial assets</b>	-	-	-	-
<b>Financial liabilities</b>				
Short-term borrowings	16,200,000	6,200,000	376,584,999,112	141,468,000,000
<b>Net financial liability</b>	<b>(16,200,000)</b>	<b>6,200,000</b>	<b>(376,584,999,112)</b>	<b>141,468,000,000</b>
<b>Net currency exposure</b>	<b>(16,200,000)</b>	<b>(6,200,000)</b>	<b>(376,584,999,112)</b>	<b>(141,468,000,000)</b>

#### Share price risk

The Group's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities. The Group manages share price risk by establishing investment limit. Board of Director of the Group also reviews and approves decisions to invest in shares.

Changes in share price can affect to the Group's profit and equity.

At the reporting date, the fair value of both the Group's listed shares and unlisted shares amounted to VND623,892,375,642 (31 December 2021: VND366,465,611,700). A decrease by 10% on the stock market index may result in a decrease in the Group's profit before tax by VND62,389,237,564 (31 December 2021: VND36,646,561,170). An increase by 10% on the stock market index may result in an increase in the Group's profit before tax by VND62,389,237,564 (31 December 2021: VND36,646,561,170).



# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) B05a-CTCK/HN  
as at 30 June 2022 and for the six-month period then ended

## 40. OTHER INFORMATION (continued)

### 40.5 *Purposes and policies of financial risk management* (continued)

#### *Credit risk*

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for margin loans, advances to customers and trade receivables) and from its financing activities, including deposits with banks, HTM investments.

#### *Trade receivables*

The Group based on its established policies, procedures and controls relating to customer credit risk management manages customer credit risk.

The Group is regularly monitored outstanding customer receivables and required secured methods or credit insurance to large customers' receivables. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients. The Group has maintained strict control over its outstanding receivables and has a credit control department to minimize credit risk. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

#### *Deposits at banks*

The Group's bank balances are mainly maintained with well-known banks in Vietnam. Credit risk from balances with banks is managed by the Group's accounting department in accordance with the Group's policy. The Group's maximum exposure to credit risk for the components of the balance sheet at each reporting dates are the carrying amounts. The Group evaluates the concentration of credit risk in respect to bank deposit as low.

#### *Margin loans and advances to customers*

The Group manages its credit risks via the use of internal control policies, processes and procedures relevant to margin lending and advance payments to customers.

The Group assesses customers to determine their credit limits and margin rates before lending margin and advances to customers and periodically reassesses the financial position of customers to adjust the credit limits and margin rates accordingly. The credit limits are measured based on value of collateral assets, customer's credit rating and other indicators.



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as at 30 June 2022 and for the six-month period then ended

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## 40. OTHER INFORMATION (continued)

### 40.5 Purposes and policies of financial risk management (continued)

#### Credit risk (continued)

##### Loans and advances to customers (continued)

The following loans are considered as overdue as at 30 June 2022 (excluding of contracts that was extended or liquidated before the signing date of this report). Except for financial assets which are reserved for impairment, according to the Management's assessment, the remaining financial assets are neither overdue nor impaired as they are all liquid.

	Total VND	Balance provision VND	Neither past due nor impaired VND	Past due but not impairment			
				Under 3 months VND	From 3 - 6 months VND	Over 6 - 12 months VND	Over 1 year VND
Opening balance	2,700,131,242,001	44,087,269,454	2,656,043,972,547	-	-	-	-
Ending balance	2,421,004,441,258	44,087,269,454	2,376,917,171,804	-	-	-	-

#### Liquidity risk

The liquidity risk is the risk that the Group will encounter difficulties in meeting financial obligations due to the shortage of funds. The Group's exposure to liquidity risk arises primarily from the mismatches of maturities of financial assets and liabilities.

The Group monitors its liquidity risk by maintain a level of cash and cash equivalents and bank loans deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 40. OTHER INFORMATION (continued)

### 40.5 Purposes and policies of financial risk management (continued)

#### Liquidity risk (continued)

The table below summarizes the maturity profile of the Group's financial assets and financial liabilities as at 30 June 2022:

	Overdue VND	On demand VND	Up to 1 year VND	Over 1 to 5 years VND	Over 5 years VND	Total VND
<b>FINANCIAL ASSETS</b>						
Cash and cash equivalents	-	688,789,391,485	41,000,000,000	-	-	729,789,391,485
Financial asset at FVTPL	-	872,408,504,720	-	-	-	872,408,504,720
Loans	44,087,269,454	-	2,376,917,171,804	-	-	2,421,004,441,258
Receivables and accruals from dividend and interest income	-	-	5,519,396,883	-	-	5,519,396,883
Receivables from services provided by the Company	-	-	11,187,682,211	-	-	11,187,682,211
Advances to suppliers	-	-	14,843,102,926	-	-	14,843,102,926
Short-term deposits, collaterals and pledges	-	-	55,400,000	-	-	55,400,000
Other receivables	1,978,208,478	90,302,314	-	-	-	2,068,510,792
Advances	-	-	375,395,331	-	-	375,395,331
Other long-term investments	-	-	-	-	32,500,000,000	32,500,000,000
Long-term deposits, collaterals and pledges	-	-	650,354,720	4,446,805,937	-	5,097,160,657
Deposits to Settlement Assistance Fund	-	20,000,000,000	-	-	-	20,000,000,000
Other non-current assets	-	10,000,000,000	-	-	-	10,000,000,000
	<b>46,065,477,932</b>	<b>1,591,288,198,519</b>	<b>2,450,548,503,875</b>	<b>4,446,805,937</b>	<b>32,500,000,000</b>	<b>4,124,848,986,263</b>

# Viet Dragon Securities Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2022 and for the six-month period then ended

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## 40. OTHER INFORMATION (continued)

### 40.5 Purposes and policies of financial risk management (continued)

#### Liquidity risk (continued)

	Overdue VND	On demand VND	Up to 1 year VND	Over 1 to 5 years VND	Over 5 years VND	Total VND
<b>FINANCIAL LIABILITIES</b>						
Short-term borrowings and financial leases	-	-	376,584,999,112	-	-	376,584,999,112
Bond issuance	-	-	2,107,775,000,000	121,450,000,000	-	2,229,225,000,000
Payables for securities trading activities	-	-	2,922,873,802	-	-	2,922,873,802
Short-term trade payables	-	-	1,302,256,751	-	-	1,302,256,751
Short-term advance from customers	-	-	9,678,678,000	-	-	9,678,678,000
Short-term accrued expenses	-	-	48,853,948,950	-	-	48,853,948,950
Other short-term payables	-	20,226,280,694	511,016,000	-	-	20,737,296,694
	-	<b>20,226,280,694</b>	<b>2,547,628,772,615</b>	<b>121,450,000,000</b>	-	<b>2,689,305,053,309</b>
<b>Net liquidity gap</b>	<b>46,065,477,932</b>	<b>1,571,061,917,825</b>	<b>(97,080,268,740)</b>	<b>(117,003,194,063)</b>	<b>32,500,000,000</b>	<b>1,435,543,932,954</b>

The Group assessed that concentration of payment risk is low. The Group is in capable of accessing capital resource and borrowings that matures in 12 months could be renewed with existing lenders.



**41. EVENTS AFTER THE INTERIM CONSOLIDATED BALANCE SHEET DATE**

There is no matter or circumstance that has arisen since the interim consolidated statement of financial position date that requires adjustment or disclosure in the interim consolidated financial statements of the Group.

Prepared by:



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Reviewed by:



Ms. Duong Kim Chi  
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Approved by:



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Ho Chi Minh City, Vietnam

26 August 2022