



★ M.S.D.N.S.

VIET DRAGON SECURITIES CORPORATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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VIET DRAGON SECURITIES CORPORATION

CORPORATE INFORMATION

Establishment and operation licence

No. 32/UBCK-GPHĐKD dated 21 December 2006 issued by the State Securities Commission. The Establishment and operation licence was amended several times and the latest amendment No. 56/GPĐC-UBCK was issued on 2 August 2018.

Board of Directors

Mr. Tran Le Nguyen	Chairman
Mr. Nguyen Mien Tuan	Vice Chairman
Mr. Nguyen Hieu	Member
Mr. Kelly Yin Hon Wong	Member
Ms. Pham My Linh	Member
Mr. Vo Long Nguyen	Member
Mr. Dao Hong Chau	Member (until 28 March 2018)
Mr. Nguyen Quoc Bao	Member (since 28 March 2018)

Board of Supervision

Ms. Nguyen Thi Oanh	Chief Supervisor
Mr. Nguyen Thuc Vinh	Member
Mr. Nguyen Van Minh	Member

Key management

Board of Management

Mr. Nguyen Hieu	General Director
Mr. Nguyen Minh Nhut	Deputy General Director
Mr. Nguyen Chi Trung	Deputy General Director
Ms. Nguyen Thi Thu Huyen	Deputy General Director

Other key management

Mr. Le Minh Hien	Chief Finance Officer - cum Chief Accountant
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Legal Representative

Mr. Tran Le Nguyen	Chairman
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Registered office

1st-2nd-3rd-4th Floors, Viet Dragon Building
141 Nguyen Du Street, District 1
Ho Chi Minh City, Vietnam

Auditor

PwC (Vietnam) Limited

VIET DRAGON SECURITIES CORPORATION

RESPONSIBILITY OF THE COMPANY'S LEGAL REPRESENTATIVE IN RESPECT OF THE FINANCIAL STATEMENTS

The Legal Representative of Viet Dragon Securities Corporation ("the Company") authorised the Board of Management to be responsible for preparation of the financial statements which give a true and fair view of the financial position of the Company as at 31 December 2018 and of the results of its operations, cash flows and changes in equity for the year then ended. In preparing these financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and which enable the financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other errors.

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements as set out on pages 5 to 66 which give a true and fair view of the financial position of the Company as at 31 December 2018 and of the results of its operations, cash flows and changes in equity for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on preparation and presentation of financial statements applicable to securities companies operating in Vietnam.

On behalf of the Board of Management



Nguyen Hieu
General Director
Authorised signatory

Ho Chi Minh City, Vietnam
8 March 2019

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VIET DRAGON SECURITIES CORPORATION

We have audited the accompanying financial statements of Viet Dragon Securities Corporation ("the Company") which were prepared on 31 December 2018 and approved by the Board of Management on 8 March 2019. The financial statements comprise the statement of financial position as at 31 December 2018, the statement of income, the statement of cash flows and the statement of changes in equity for the year then ended, and explanatory notes to the financial statements including significant accounting policies, as set out on pages 5 to 66.

The Board of Management' Responsibility

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on preparation and presentation of financial statements applicable to securities companies operating in Vietnam and for such internal control which the Board of Management determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2018, the results of its operations, cash flows and changes in equity for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on preparation and presentation of financial statements applicable to securities companies operating in Vietnam.

Other matter

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English copies, the Vietnamese copy shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Nguyen Hoang Nam
Audit Practising Licence No.
0849-2018-006-1
Authorised signatory



Nguyen Thi Cam Nhung
Audit Practising Licence No.
2636-2018-006-1

Report reference number: HCM7679
Ho Chi Minh City, 8 March 2019

STATEMENT OF FINANCIAL POSITION

Code	ITEMS	Note	As at 31 December	
			2018 VND	2017 VND
	ASSETS			
100	CURRENT ASSETS		1,880,837,990,128	1,807,002,654,448
110	Financial assets		1,873,348,069,169	1,803,855,163,527
111	Cash and cash equivalents	3.1	71,744,099,797	238,873,951,937
111.1	Cash		71,744,099,797	238,873,951,937
112	Financial assets at fair value through profit or loss (FVTPL)	3.2	222,036,422,110	267,331,098,980
114	Loans	3.3	1,585,365,383,073	1,312,621,982,796
116	Provisions for impairment loss of financial assets and mortgages	3.3	(27,288,622,415)	(27,787,203,085)
117	Receivables	3.4	3,539,330,720	2,837,613,636
117.1	Receivables from disposals of financial assets		-	182,710,000
117.2	Dividend and interest receivables		3,539,330,720	2,654,903,636
117.4	Undue dividend and interest receivables		3,539,330,720	2,654,903,636
118	Prepayments to suppliers		597,735,273	2,077,336,500
119	Services related receivables	3.4	17,349,672,513	7,900,382,763
122	Other receivables	3.4	1,982,256,576	1,978,208,478
129	Provision for doubtful debts	3.4	(1,978,208,478)	(1,978,208,478)
130	Other current assets		7,489,920,959	3,147,490,921
131	Advances to employees	3.5	2,547,968,621	428,066,665
132	Office tools and supplies	3.5	62,271,700	-
133	Short-term prepaid expenses	3.5	3,074,807,176	2,665,194,684
134	Pledged assets, mortgages, security deposits in short term	3.5	21,400,000	48,550,000
136	Tax and other receivables from the State Budget	3.14	1,783,473,462	5,679,572
200	NON-CURRENT ASSETS		51,499,766,728	35,617,017,233
220	Fixed assets		14,618,771,551	15,467,769,333
221	Tangible fixed assets	3.6(a)	12,135,495,992	11,213,267,746
222	Historical cost		43,903,688,535	38,196,307,435
223a	Accumulated depreciation		(31,768,192,543)	(26,983,039,689)
227	Intangible fixed assets	3.6(b)	2,483,275,559	4,254,501,587
228	Historical cost		13,764,088,791	13,764,088,791
229a	Accumulated amortisation		(11,280,813,232)	(9,509,587,204)
240	Construction in progress	3.7	3,218,325,000	-
250	Other non-current assets		33,662,670,177	20,149,247,900
251	Pledged assets, mortgages, security deposits in long term	3.8	3,127,076,384	3,147,919,824
252	Long-term prepaid expenses	3.9	1,641,938,127	607,672,410
254	Deposits in the Settlement Supporting Fund	3.10	18,893,655,666	16,393,655,666
255	Other long-term assets		10,000,000,000	-
270	TOTAL ASSETS		1,932,337,756,856	1,842,619,671,681

The notes on pages 16 to 66 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
(continued)

Code	ITEMS	Note	As at 31 December	
			2018 VND	2017 VND
300	LIABILITIES		821,438,859,650	800,401,756,891
310	Current liabilities		820,947,212,327	796,877,000,248
311	Short-term borrowings and finance lease liabilities	3.11	216,300,000,000	47,720,765,000
312	<i>Short-term borrowings</i>		216,300,000,000	47,720,765,000
316	Short-term issued bonds	3.11	581,674,000,000	724,455,000,000
318	Trading obligations	3.12	1,462,093,407	1,667,969,687
320	Short-term trade accounts payable	3.13	167,554,100	164,424,541
321	Short-term advances from customers		744,200,000	694,400,000
322	Tax and other payables to the State Budget	3.14	5,447,743,588	8,191,972,423
323	Payables to employees		176,546,755	7,796,755
325	Short-term accrued expenses	3.15	14,254,810,696	12,805,836,138
329	Other short-term liabilities	3.16	720,263,781	1,168,835,704
340	Non-current liabilities		491,647,323	3,524,756,643
353	Other long-term liabilities		436,145,500	457,195,500
356	Deferred income tax liabilities	3.17	55,501,823	3,067,561,143
400	OWNERS' EQUITY		1,110,898,897,206	1,042,217,914,790
410	Capital and reserves	3.18	1,110,898,897,206	1,042,217,914,790
411	Owners' capital		1,010,239,178,792	919,240,118,792
411.1	<i>Share capital</i>		1,000,999,060,000	910,000,000,000
411.1a	<i>Ordinary shares</i>		1,000,999,060,000	910,000,000,000
411.2	<i>Share premium</i>		9,240,118,792	9,240,118,792
414	Supplementary capital reserve		13,624,381,369	10,190,332,248
415	Financial and operational risk reserve		13,624,381,369	10,190,332,248
417	Undistributed earnings	3.19	73,410,955,676	102,597,131,502
417.1	<i>Realised profits</i>		148,478,416,393	97,966,752,187
417.2	<i>Unrealised (losses)/profits</i>		(75,067,460,717)	4,630,379,315
440	TOTAL RESOURCES		1,932,337,756,856	1,842,619,671,681

The notes on pages 16 to 66 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
(continued)

OFF STATEMENT OF FINANCIAL POSITION ITEMS

Code	ITEMS	Note	As at 31 December	
			2018	2017
A	ASSETS OF THE COMPANY AND ASSETS IN TRUST			
006	Number of shares in issue (share)	4.1	100,099,906	91,000,000
			<i>Par value (VND)</i>	
008	Securities listed/registered to the Vietnam Securities Depository (VSD)		127,015,730,000	92,502,600,000
	<i>Freely traded securities</i>		127,015,730,000	92,478,400,000
	<i>Securities awaiting settlement</i>		-	24,200,000
009	Securities custodied at VSD but not yet traded		3,090,000	4,390,000
010	Securities awaiting settlement		-	-
012	Securities not custodied at VSD		9,592,580,000	29,592,510,000
013	Bonus shares, stock dividends and subscription rights		822,980,000	320,000
B	ASSETS OF AND LIABILITIES TO CUSTOMERS			
			<i>Quantity</i>	
021	Securities listed/registered to the Vietnam Securities Depository (VSD)		991,062,625	1,006,759,581
021.1	<i>Freely traded securities</i>		691,654,714	667,347,919
021.2	<i>Blocked securities</i>		6,072,633	4,075,451
021.3	<i>Morgaged securities</i>		191,454,831	213,582,842
021.4	<i>Suspended securities</i>		74,286,355	104,040,649
021.5	<i>Securities awaiting settlement</i>		27,593,680	17,712,720
021.7	<i>Customers' deposits for derivatives trading</i>		412	-
022	Securities custodied at VSD but not yet traded		3,110,126	36,237,084
022.1	<i>Securities custodied at VSD but not yet traded – freely traded securities</i>		2,806,126	8,219,050
022.2	<i>Securities custodied at VSD but not yet traded – blocked securities</i>		304,000	28,018,034
023	Securities awaiting settlement		31,425,272	10,169,542
025	Bonus shares, stock dividends and subscription rights		1,258,695	8,471,146

The notes on pages 16 to 66 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
(continued)OFF STATEMENT OF FINANCIAL POSITION ITEMS
(continued)

Code	ITEMS	As at 31 December	
		2018 VND	2017 VND
B	ASSETS OF AND LIABILITIES TO CUSTOMERS (continued)		
026	Customers' deposits	772,514,226,857	415,801,658,434
027	Customers' deposits for securities trading	619,604,766,756	411,697,196,243
027.1	Customers' deposits at VSD	12,786,914,195	-
029	Cash blocked for trading settlements	128,763,551,154	859,307,515
029.1	Cash blocked for trading settlements of domestic customers	128,616,469,545	322,082,439
029.2	Cash blocked for trading settlements of foreign customers	147,081,609	537,225,076
030	Securities issuers' deposits	11,358,994,752	3,245,154,676
031	Payables to customers relating to their deposits at the Company for securities trading	770,016,299,091	413,295,994,528
031.1	Payables to domestic customers relating to their deposits at the Company for securities trading	769,893,104,544	413,235,757,449
032.2	Payables to foreign customers relating to their deposits at the Company for securities trading	123,194,547	60,237,079
035	Dividends, bond principals and interests payable	2,497,927,766	2,505,663,906


Duong Kim Chi
Preparer

Le Minh Hien
Chief Accountant

 Nguyen Hieu
General Director
Authorised signatory
8 March 2019

STATEMENT OF INCOME

Code	ITEMS	Note	For the year ended 31 December	
			2018 VND	2017 VND
	OPERATING INCOME			
01	Gains from financial assets at fair value through profit or loss (FVTPL)		82,876,555,054	101,073,779,045
01.1	Realised gains on disposals of FVTPL financial assets	5.1(a)	92,462,610,942	79,796,388,798
01.2	(Decrease)/increase in revaluation gains of FVTPL financial assets	5.1(b)	(15,060,296,602)	15,337,805,715
01.3	Dividends and interest income from FVTPL financial assets		5,474,240,714	5,939,584,532
03	Interest income from loans and receivables		210,282,054,604	146,069,363,415
06	Brokerage fee income		112,169,672,813	87,002,042,082
07	Underwriting fee income and placing fee income		-	6,349,000,000
09	Custody service income		8,665,556,303	7,472,229,317
10	Financial consultancy service income		4,070,681,819	5,269,454,181
11	Other operating income		1,242,244,757	879,901,978
20	TOTAL OPERATING INCOME		419,306,765,350	354,115,770,018
	OPERATING EXPENSES			
21	Losses from financial assets at fair value through profit or loss (FVTPL)		(81,710,746,131)	(15,747,406,571)
21.1	Realised losses on disposals of FVTPL financial assets	5.1(a)	(17,073,202,701)	(29,594,339,433)
21.2	(Increase)/decrease in revaluation losses of FVTPL financial assets	5.1(b)	(64,637,543,430)	13,846,932,862
24	Provisions for diminution in value of financial assets and impairment losses and borrowing costs to finance lending activities	5.2	(87,764,645,546)	(67,488,928,956)
26	Self-trading expenses	5.3	(1,920,032,384)	(4,135,204,425)
27	Brokerage fee expenses	5.3	(83,336,331,858)	(61,770,746,362)
28	Underwriting expenses and placing expenses	5.3	(2,200,000)	(1,542,377,378)
29	Securities investment consultancy expenses	5.3	(1,720,375,520)	(943,458,689)
30	Custody fee expenses	5.3	(8,518,171,532)	(7,467,889,242)
31	Financial consultancy expenses	5.3	(7,809,400,711)	(5,967,798,494)
32	Other operating expenses	5.3	(9,834,267,974)	(9,277,136,939)
40	TOTAL OPERATING EXPENSES		(282,616,171,656)	(174,340,947,056)

The notes on pages 16 to 66 are an integral part of these financial statements.

STATEMENT OF INCOME
(continued)

Code	ITEMS	Note	For the year ended 31 December	
			2018 VND	2017 VND
	FINANCIAL INCOME			
41	Realised and unrealised foreign exchange gains		378,444,203	-
42	Dividend income and interest income from demand deposits		14,406,934,398	11,932,783,189
50	TOTAL FINANCIAL INCOME		14,785,378,601	11,932,783,189
	FINANCIAL EXPENSES			
51	Realised and unrealised foreign exchange losses		(1,989,621,703)	(51,475,000)
60	TOTAL FINANCIAL EXPENSES		(1,989,621,703)	(51,475,000)
62	GENERAL AND ADMINISTRATION EXPENSES	5.4	(64,423,881,395)	(53,643,744,436)
70	OPERATING RESULT		85,062,469,197	138,012,386,715
	OTHER INCOME AND EXPENSES			
71	Other income		69,899,577	368,312,102
72	Other expense		(333,085)	(39,111,307)
80	NET OTHER INCOME		69,566,492	329,200,795
90	NET ACCOUNTING PROFIT BEFORE TAX		85,132,035,689	138,341,587,510
91	Realised profit		164,829,875,721	109,156,848,933
92	Unrealised (loss)/profit		(79,697,840,032)	29,184,738,577
100	CORPORATE INCOME TAX	5.5	(16,451,053,273)	(26,984,674,394)
100.1	Corporate income tax – current		(19,463,112,593)	(23,917,113,251)
100.2	Corporate income tax – deferred		3,012,059,320	(3,067,561,143)
200	NET PROFIT AFTER TAX		68,680,982,416	111,356,913,116

The notes on pages 16 to 66 are an integral part of these financial statements.

STATEMENT OF INCOME
 (continued)

Code	ITEMS	Note	For the year ended 31 December	
			2018 VND	2017 VND
500	EARNINGS PER SHARE			
501	Basic earnings per share (VND/share)	5.6	686	1,440
502	Diluted earnings per share (VND/share)	5.6	686	1,440



 Duong Kim Chi
 Preparer



 Le Minh Hien
 Chief Accountant


 Nguyen Hieu
 General Director
 Authorised signatory
 8 March 2019

STATEMENT OF CASH FLOWS
(Indirect method)

Code	ITEMS	For the year ended 31 December	
		2018 VND	2017 VND
	Cash flows from operating activities		
01	Net profit before tax	85,132,035,689	138,341,587,510
02	Adjustments for:	(11,983,466,906)	(9,524,558,763)
03	Depreciation and amortisation	6,556,378,882	6,127,736,221
04	Reversal of provisions	(498,580,670)	(822,901,341)
05	Unrealised foreign exchange (gains)/losses	(95,000,000)	51,475,000
07	Profits from investing activities	(14,406,934,398)	(12,225,965,007)
08	Accrued interest income	(3,539,330,720)	(2,654,903,636)
10	Add/(less) non-cash expenses	64,637,543,430	(13,846,932,862)
11	Increase/(decrease) in revaluation losses of financial assets at fair value through profit or loss FVTPL	64,637,543,430	(13,846,932,862)
18	Add/(less) non-cash income	15,060,296,602	(15,337,805,715)
19	Decrease/(increase) in revaluation gains of financial assets at fair value through profit or loss FVTPL	15,060,296,602	(15,337,805,715)
30	Changes in working capital	(348,833,320,358)	(549,985,947,906)
31	(Increase)/decrease in financial assets at fair value through profit or loss FVTPL	(34,403,163,162)	97,419,504,256
33	Increase in loans and receivables	(272,743,400,277)	(451,201,730,076)
35	Decrease in receivables from disposals of financial assets	182,710,000	2,301,290,000
36	Decrease in interests and dividends receivable	2,654,903,636	1,661,678,317
37	Increase in services related receivables	(9,449,289,750)	(2,056,889,276)
39	Decrease/(increase) in other receivables	1,475,553,129	(414,499,500)
40	(Increase)/decrease in other assets	(3,911,974,106)	132,523,918,095
41	Increase in accrued expenses (exclusive of interest expenses)	3,966,378,453	5,537,049,090
42	Increase in prepaid expenses	(1,443,878,209)	(1,408,682,389)
43	Corporate income tax paid	(25,736,372,165)	(21,750,883,584)
45	Increase/(decrease) in trade payables	3,129,559	(19,872,852,924)
47	Increase in tax and other payables to the State Budget	3,529,030,737	717,699,707
48	Increase in payable to employees	168,750,000	-
50	Decrease in other payables	(625,698,203)	(290,644,121,861)
52	Other payments for operating activities	(12,500,000,000)	(2,797,427,761)
60	Net cash outflows for operating activities	(195,986,911,543)	(450,353,657,736)
	Cash flows from investing activities		
61	Purchases of fixed assets	(8,925,706,100)	(8,015,318,600)
62	Proceeds from disposals of fixed assets	-	293,181,818
65	Dividend receipt and profit distribution from investments	14,406,934,398	11,932,783,189
70	Net cash inflows from investing activities	5,481,228,298	4,210,646,407

The notes on pages 16 to 66 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS
(Indirect method)
(continued)

Code	ITEMS	Note	For the year ended 31 December	
			2018 VND	2017 VND
	Cash flows from financing activities			
71	Proceeds from issue of shares and capital contribution		-	210,000,000,000
73	Proceeds from borrowings	6.1	2,786,498,830,000	2,824,035,785,912
74	Repayments of borrowings	6.2	(2,763,122,998,895)	(2,555,031,495,912)
76	Dividend paid		-	(42,000,000,000)
80	Net cash inflows from financing activities		23,375,831,105	437,004,290,000
90	Net decrease in cash and cash equivalents		(167,129,852,140)	(9,138,721,329)
101	Cash and cash equivalents at beginning of year		238,873,951,937	248,012,673,266
101.1	Cash		238,873,951,937	248,012,673,266
101.2	Cash equivalents		-	-
103	Cash and cash equivalents at end of year		71,744,099,797	238,873,951,937
103.1	Cash		71,744,099,797	238,873,951,937
103.2	Cash equivalents		-	-

The notes on pages 16 to 66 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS
(Indirect method)
(continued)

CASH FLOWS OF BROKERAGE AND TRUSTING ACTIVITIES

Code	ITEMS	For the year ended 31 December	
		2018 VND	2017 VND
	Cash flows of brokerage and trusting activities		
01	Trade proceeds	6,857,795,298,521	7,189,541,985,430
02	Trade settlements	(6,729,891,054,882)	(7,203,763,517,640)
07	Receipts in customers' trading accounts	50,026,329,150,934	42,505,278,452,818
07.1	Customers' deposits at VSD	69,650,516,518	-
08	Payments from customers' trading accounts	(49,875,285,182,744)	(42,359,074,995,350)
14	Receipts from securities issuers	762,515,743,146	1,534,198,468,914
15	Payments to securities issuers	(754,401,903,070)	(1,539,446,717,990)
20	Net increase in customers' deposits	356,712,568,423	126,733,676,182
30	Customers' deposits at beginning of year	415,801,658,434	289,067,982,252
31	Cash at bank at beginning of year	415,801,658,434	289,067,982,252
32	Customers' deposits at the Company for securities trading	411,697,196,243	265,493,738,775
34	Cash blocked for trading settlements	859,307,515	15,080,839,725
35	Securities issuers' deposits	3,245,154,676	8,493,403,752
40	Customers' deposits at end of year	772,514,226,857	415,801,658,434
41	Cash at bank at end of year	772,514,226,857	415,801,658,434
42	Customers' deposits at the Company for securities trading	619,604,766,756	411,697,196,243
42.1	Customers' deposits at VSD	12,786,914,195	-
44	Cash blocked for trading settlements	128,763,551,154	859,307,515
45	Securities issuers' deposits	11,358,994,752	3,245,154,676



Duong Kim Chi
Preparer



Le Minh Hien
Chief Accountant



Nguyen Hieu
General Director
Authorised signatory
8 March 2019

The notes on pages 16 to 66 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

Items	As at		For the year ended 31 December 2017		For the year ended 31 December 2018		As at	
	1.1.2017	1.1.2018	Increase	Decrease	Increase	Decrease	31.12.2017	31.12.2018
1. Owners' equity	709,240,118,792	919,240,118,792	210,000,000,000	-	90,999,060,000	-	919,240,118,792	1,010,239,178,792
1.1 Share capital	700,000,000,000	910,000,000,000	210,000,000,000	-	90,999,060,000	-	910,000,000,000	1,000,999,060,000
1.2 Share premium	9,240,118,792	9,240,118,792	-	-	-	-	9,240,118,792	9,240,118,792
2. Financial and operational risk reserve	4,622,486,592	10,190,332,248	5,567,845,656	-	3,434,049,121	-	10,190,332,248	13,624,381,369
3. Supplementary capital reserve	4,622,486,592	10,190,332,248	5,567,845,656	-	3,434,049,121	-	10,190,332,248	13,624,381,369
5. Undistributed earnings	44,375,909,698	102,597,131,502	111,356,913,116	(53,135,691,312)	148,378,822,448	(177,564,998,274)	102,597,131,502	73,410,955,676
5.1 Realised profits	68,930,268,960	97,966,752,187	82,172,174,539	(53,135,691,312)	148,378,822,448	(97,867,158,242)	97,966,752,187	148,478,416,393
5.2 Unrealised (losses)/profits	(24,554,359,262)	4,630,379,315	29,184,738,577	-	-	(79,697,840,032)	4,630,379,315	(75,067,460,717)
Total	762,861,001,674	1,042,217,914,790	332,492,604,428	(53,135,691,312)	246,245,980,690	(177,564,998,274)	1,042,217,914,790	1,110,898,897,206



Duong Kim Chi
Preparer



Le Minh Hien
Chief Accountant



Nguyen Hieu
General Director
Authorised signatory
8 March 2019

The notes on pages 16 to 66 are an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018****1 GENERAL INFORMATION*****Establishment and listing status***

Viet Dragon Securities Corporation ("the Company") is a joint stock company incorporated in Vietnam pursuant to the Business Registration Certificate No. 4103005723 dated 15 December 2006 issued by the Department of Planning and Development of Ho Chi Minh City and the Establishment and operation licence No. 32/UBCK-GPHĐKD dated 21 December 2006 issued by the State Securities Commission ("SSC"). The Establishment and operation licence was amended several times and the latest amendment No. 56/GPĐC-UBCK was on 2 August 2018.

The Company was listed on the Ho Chi Minh City Stock Exchange in accordance with Decision No. 229/QĐ-SGDHCM issued by the Ho Chi Minh City Stock Exchange on 29 June 2017.

Headquarter and contact information

The Company is headquartered at 141 Nguyen Du Street, District 1, Ho Chi Minh City. As at 31 December 2018, the Company had three (3) branches in Hanoi, Nha Trang City and Can Tho.

Contact information:

Telephone: (+84) 28 6299 2006

Charter

The Company's prevailing charter was issued on 11 September 2018.

Principal activities

The principal activities of the Company are brokerage services, securities trading, securities investment consultancy services, corporate finance consultancy services, underwriting and securities custodian services.

Charter capital

The Company's charter capital according to its latest Establishment and operation licence is VND1,000,999,060,000.

Investment objectives

Being a listed broker firm in the Vietnamese securities market, the Company aims to contribute to development of the securities market and deliver benefits to customers, investors and its shareholders.

Investment restrictions

The Company's investment portfolio and its restrictions shall be in compliance with Articles 44 of Circular 210/2012/TT-BTC dated 30 November 2012 issued by the Ministry of Finance providing guidance on establishment and operation of securities companies and Circular 07/2016/TT-BTC dated 18 January 2016 issued of the Ministry of Finance amending some articles of Circular 210/2012/TT-BTC.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System, Circular 210/2014/TT-BTC dated 30 December 2014 ("Circular 210/2014/TT-BTC"), Circular 334/2016/TT-BTC dated 27 December 2016 ("Circular 334/2016/TT-BTC") both issued by the Ministry of Finance, and prevailing regulations on preparation and presentation of financial statements applicable to securities companies operating in Vietnam. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss (FVTPL) based on market value or fair value (in case market value is indeterminable).

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

The financial statements in Vietnamese language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Vietnamese language financial statements.

2.2 Form of records applied

The Company uses the accounting software tailored in general journal to record its transactions.

2.3 Fiscal year

The Company's fiscal year is from 1 January to 31 December.

2.4 Currency

The financial statements are measured and presented in Vietnamese Dong ("VND").

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognised in profit or loss of the statement of income.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are respectively translated at the buying and selling exchange rates at the reporting date of the commercial bank where the Company regularly trades. Foreign currencies deposited in bank at the reporting date are translated at the buying exchange rate of the commercial bank where the Company opens the foreign currency accounts. Foreign exchange differences arising from these translations are recognised as income or expenses in the statement of income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at bank, cash in transit and other short-term investments with an original maturity of three (3) months or less and subject to insignificant risk in conversion into cash.

Cash of investors for securities trading activities and cash of issuers are accounted for off statement of financial position.

2.6 Financial assets**(a) Classification****(i) *Financial assets carried at fair value through profit or loss (FVTPL)***

Financial assets at fair value through profit or loss are financial assets held for trading or designated by the Board of Management at initial recognition at fair value through profit or loss.

A financial asset is classified as held for trading if meeting one of the following conditions:

- It is purchased or created for resale/repurchase in short term; or
- At initial recognition, it constitutes a part of an identified portfolio of financial instruments which are traded for short-term profits; or
- It is a derivative (except those defined as financial guarantees or effective hedges).

At initial recognition, the Board of Management designates a financial asset at fair value through profit or loss if such designation promotes the fairness of its presentation due to one of the following reasons:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency (also called as “accounting inconsistency”) that would otherwise arise due to different bases; or
- It gives rise to a group of financial assets whose performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy and internally disseminated to the Company’s key management (as defined in Vietnamese Accounting Standard on Related parties disclosure) such as Board of Directors, Board of Management and major shareholders.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.6 Financial assets (continued)****(a) Classification (continued)***(i) Financial assets carried at fair value through profit or loss (FVTPL) (continued)*

Financial assets at fair value through profit or loss comprise listed securities, unlisted securities and derivatives including embedded derivatives separated from their host contracts except for those designated as hedges.

Financial assets at fair value through profit or loss are initially recorded at cost exclusive of transaction costs. Transaction costs related to purchases of FVTPL financial assets are expensed off.

Financial assets at fair value through profit or loss are subsequently measured at market value or fair value (in case market value is indeterminable). All gains or losses from change in fair value of FVTPL financial assets are recognised in the statement of income.

(ii) Loans

Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, excluding the followings:

- Items that the Company intends to dispose of shortly or in the foreseeable future so that classified as held for trading, or designated as FVTPL at initial recognition;
- Items that the Company classified as available-for-sale (AFS) financial assets at initial recognition; or
- Items that the holders could probably not recover the majority of initial investments not due to impairment of credit quality, and classified as AFS financial assets.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.6 Financial assets (continued)****(a) Classification (continued)****(ii) Loans (continued)**

Loans are initially recorded at cost and subsequently measured at amortised cost using the effective interest rate method.

Amortised cost of loans is determined at historical cost less principal received plus (or less) accumulated amortisation using the effective interest rate method of the difference between historical cost and maturity value, less impairment loss (if any).

(iii) Receivables

Receivables comprise receivables from disposal of financial assets, dividend and interest receivable, service related receivables, receivables from trade errors and other receivables. Receivables are recorded on an accrual basis and presented at cost less provision for impairment of doubtful debts (if any).

Receivables are classified as current and non-current assets in the statement of financial position based on their remaining maturity as at the reporting date.

(b) Recognition/derecognition

Purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the financial assets. Financial assets are derecognised when the right to receive cash flows from the financial assets has expired or the Company has transferred substantially all risks and rewards of ownership.

(c) Initial recognition

Financial assets carried at fair value through profit or loss are initially recorded at cost exclusive of transaction costs. Other financial assets are initially recorded at historical cost inclusive of transaction costs.

Bonus shares and stock dividends are recorded as financial assets at nil value.

(d) Basis of revaluation of FVTPL financial assets

The Company applies valuation bases for financial assets in accordance with Circular 87/2017/TT-BTC dated 15 August 2017 regarding capital adequacy ratio of securities trading entities and Circular 146/2014/TT-BTC dated 6 Oct 2014 regarding financial regimes for securities companies and fund management companies, both issued by the Ministry of Finance, to make provision for these financial assets, in particular:

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.6 Financial assets (continued)****(d) Basis of revaluation of FVTPL financial assets (continued)**

- (i) *Equities listed on stock exchanges, equities of the public companies registered for trading on the Unlisted Public Company Market ("UPCoM")*

These equities are revalued at the closing price of the latest trading date prior to the valuation date.

Where equities are not traded for more than two (02) weeks prior to the valuation date, their fair values are determined on the maximum of the following bases:

- Book value
- Purchase price
- The price determined based on the Company's valuation techniques

- (ii) *Unlisted securities registered/unregistered to the Vietnam Securities Depository ("VSD") for trading*

These equities are revalued using the average of transacted prices quoted by at least three (3) independent quoting entities at the latest trading date prior to the valuation date but not over than one (1) month up to the valuation date. Management and executives of the Company must not be related to management and executives of the quoting entities in accordance with Securities Law.

When it is impossible to obtain three (3) quotations as required above, these equities are revalued at the maximum of the following bases:

- Quoted prices
- Most recently reported prices
- Book value
- Purchase price
- The price determined based on the Company's valuation techniques

- (iii) *Suspended equities, delisted equities or deregistered equities*

These equities are revalued at the maximum of the following bases:

- Book value
- Par value
- The price determined based on the Company's valuation techniques

- (iv) *Equities of entities in the process of dissolution or bankruptcy*

These equities are revalued at one of the following bases:

- 80% of disposal value of these equities as at the entities' latest reporting date prior to the Company's valuation date
- The price determined based on the Company's valuation techniques

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.6 Financial assets (continued)****(d) Basis on revaluation of FVTPL financial assets (continued)***(v) Other equities and other capital contributions*

These equities are revalued at the maximum of the following bases:

- Book value
- Purchase price/amount of capital contribution
- The price determined based on the Company's valuation techniques

(vi) Bonds listed on stock exchanges

These bonds are revalued based on the average quoted price of outright transactions on stock exchanges at the latest trading date prior to the valuation date plus accumulated accrued interest.

Where these bonds are not traded for more than two (2) weeks prior to the valuation date, they are revalued at the maximum of the following bases:

- Purchase price plus accumulated accrued interest
- Par value plus accumulated accrued interest
- The price determined based on the Company's valuation techniques plus accumulated accrued interest

(vii) Unlisted bonds

These bonds are revalued at the maximum of the following bases:

- The quoted price on the unlisted bond quotation system (if any) plus accumulated accrued interest
- Purchase price plus accumulated accrued interest
- Par value plus accumulated accrued interest
- The price determined based on the Company's valuation techniques plus accumulated accrued interest

(viii) Certificates of closed-end public funds

Certificates of closed-end public funds are revalued at closing prices of last trading date prior to the valuation date.

Certificates of closed-end public funds that are not traded for more than two (2) weeks prior to reporting date are revalued at the latest reported net asset value per unit prior to the valuation date.

(ix) Certificates of member funds/ open-ended funds/ shares of securities investment company

These certificates/shares are revalued at the latest reported net asset value per one (1) unit of contributed capital/certificates/shares prior to the valuation date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.6 Financial assets (continued)****(d) Basis on revaluation of FVTPL financial assets (continued)***(x) Certificates of other funds/ shares of other securities investment company*

These certificates/shares are revalued according to the Company's valuation techniques.

(xi) Term deposits

Term deposits are measured at principal plus accumulated accrued interest at the reporting date.

(xii) Treasury bills, bank notes, commercial notes, transferable certificates of deposits, bonds and other discountable money market instruments

These financial instruments are revalued at purchase price plus accumulated accrued interest up to the date prior to the valuation date.

(e) Provision for impairment of loans

Provision for loans is made when there are indicators of decline in the recoverability of loans. Provision is determined at the difference of market value of collateral assets and carrying value of loans at the reporting date. Provision/reversal of provision for loans is debited/credited to expenses in the statement of income.

(f) Provision for impairments of receivables

Receivables are subject to impairment assessment based on the overdue status of the receivables or the estimated loss arising from undue debts of which the indebted economic entities fall bankrupt or are undergoing dissolution procedures; debtors are missing, deceased or under legal claims.

The Company has provided for overdue receivables in accordance with Circular 228/2009/TT-BTC issued by Ministry of Finance on 7 December 2009 ("Circular 228/2009/TT-BTC"). Accordingly, the provision rates for overdue receivables are as follows:

Overdue period	Provision rate
From over 6 months to less than 1 year	30%
From 1 year to less than 2 years	50%
From 2 years to less than 3 years	70%
Over 3 years	100%

Provision/(reversal of provision) incurred during the year is debited/credited to expenses in the statement of income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.7 Recognition of gains/(losses) of financial assets***Purchasing transaction costs*

Purchasing transaction costs related to FVTPL financial assets are expensed off, while purchasing transaction costs related to other financial assets are capitalised.

Selling transaction costs

Selling transaction costs are expensed off.

Gains/(losses) from disposals

Gains/(losses) from disposals of financial assets are recognised as income/(expenses) in the statement of income. Cost of disposals are determined using weighted average method up to the end of trading dates.

Provisions/(reversals of provisions) for diminution in value of financial assets

Provisions/(reversal of provisions) for diminution in value of financial assets are debited/(credited) to operating expenses in the statement of income.

2.8 Fixed assets*Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation/amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets.

Depreciation and amortisation

Fixed assets are depreciated/amortised using the straight-line method to write off the cost of the assets over their estimated useful lives, in details:

Motor vehicles	6 years
Office equipment	3 – 5 years
Computer software	6 – 8 years
Trademark	5 years
Copyrights, patents	5 years
Other intangible fixed assets	5 years

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are recognised as income or expense in the statement of income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 Leased assets**

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of income on a straight-line basis over the period of the lease.

2.10 Prepaid expenses

Prepaid expenses include prepayments for goods and services, tools and equipment not qualified to be recognised as fixed assets under prevailing regulations. Prepaid expenses are recorded at historical cost and allocated using the straight line method over estimated useful lives.

2.11 Security deposits

Short-term/long-term security deposits are recognised when the Company completes its payments in accordance with the contractual terms and classified as other current/non-current assets.

2.12 Liabilities**(a) Recognition/Derecognition**

Liabilities are recognised when the Company has an obligation as a result of receipts of assets, commits or becomes a party to the contractual provisions. Liabilities are derecognised when such obligations are fully discharged. Liabilities are recognised on an accrual basis and on prudence concept.

(b) Classification

Classifications of liabilities are based on their nature as follows:

- Borrowings;
- Bonds;
- Trading obligations including balances with stock exchanges and Securities Depository;
- Trade payables arising from purchases of goods or services; and
- Other payables not arising from purchases of goods and services

Liabilities are classified as current and non-current liabilities in the statement of financial position based on their remaining period from the reporting date to their maturity dates.

2.13 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and the Company has an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 Income tax paid on behalf of customers**

According to the prevailing taxation regulations in Vietnam, the Company is required to withhold foreign contractor tax of 0.1% on transacted amount of foreign corporate customers and pay on their behalf. For individual customers (both residents and non-residents), the Company is required to withhold personal income tax of 0.1% on transacted amount. The Company will declare and make tax payment on behalf of these customers. For customers being local organisations, the Company is not responsible for withholding tax on transacted amount as these customers have responsibility for their own tax payment and declaration.

2.15 Borrowing costs

Borrowing costs that are directly attributable to the construction or production of any qualified assets are capitalised during the time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised in the statement of income when incurred.

2.16 Accrued expenses

Accrued expenses include liabilities for goods and services received but not yet paid due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses of the year.

2.17 Provisions

Provisions are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligations. The increase in the provision due to passage of time is recognised as an interest expense.

2.18 Equity**(a) Owners' capital**

Owners' capital is recorded at the actually contributed amount of shareholders. Share capital is recorded at par value.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

(b) Financial and operational risk reserve and supplementary capital reserve

According to Circular 146/2014/TT-BTC issued by the Ministry of Finance on 6 October 2014, the Company is required to make annual appropriation to the financial and operational risk reserve and supplementary capital reserve at 5% of the profit after tax of the Company for each reserve in each of its profitable year until the accumulated balance of each reserve reaches 10% of the Company's charter capital.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.18 Equity (continued)****(c) Undistributed profits**

Undistributed profits represents cumulative undistributed post-tax profits as at the reporting date including cumulative realised profits and cumulative unrealised profits.

Unrealised profit/(loss) of the year is the total difference between gain and loss arising from revaluation of financial assets at FVTPL charged into the statement of income.

Realised profit of the year is the difference between total revenue, income and total expenses in the statement of income, except for gain or loss arising from revaluation of financial assets recognised in unrealised profit/(loss).

2.19 Revenue and other income recognition**(a) Revenue from provision of services to investors**

Revenue from provision of services to investors consists of securities brokerage fees, securities underwriting fees, issue agency, securities investment consultancy fees, financial consultancy fee, securities custody services and entrustment activities which are based on agreements with investors.

Revenue from the provision of services is recognised in the statement of income when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from the provision of services is only recognised when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The percentage of completion of the transaction at the reporting date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

(b) Income from securities trading and investments in other entities

Income from securities trading and investments in other entities consists of income from proprietary trading activities and dividend income.

Income from proprietary trading activities is measured as difference between selling price inclusive of transaction costs and costs of securities sold. Cost of securities sold is determined by weighted average method up to the end of trading dates.

Cash dividend is recognised as income in the statement of income when the Company's right to receive dividend is established, while stock dividends is not recognised as income, instead their quantity are added to the Company's securities portfolio.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.19 Revenue and other income recognition (continued)****(c) Income from capital activities**

Income from capital activities consists of interest income from deposits at bank, income from margin loans and trading advances. This income is recognised on an accrual basis unless collectability is in doubt.

(d) Other income

Other income arises from other activities other than those listed above and is recognised on an accrual basis.

2.20 Expenses**(a) Recognition**

Expenses are recognised on an accrual basis, matching with revenue and on prudence concept.

(b) Classification

Expenses are classified by function as follows:

- Operating expenses
- Financial expenses
- General and administration expenses
- Other expenses

2.21 Current and deferred income tax*Current income tax*

Current income tax assets and liabilities for the current and prior years 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 statement of financial position.

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.21 Current and deferred income tax (continued)***Deferred income tax*

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

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

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

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Previously unrecognized deferred income tax assets are re-assessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset realized or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date. Deferred tax is charged or credited to the statement of income, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxable entity and the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.22 Dividend distribution

Dividend of the Company is recognised as a liability in the Company's financial statements when the dividend is declared in accordance with the Company's charter and prevailing applicable regulations.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.23 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

2.24 Segment reporting

A segment is a component which can be separated by the Company engaged in providing products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Company's business segment.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Company's financial statements in order to help users of financial statements to understand and evaluate the situation the operations of the Company in a comprehensive way.

2.25 Nil balances

Items or balances required by Circular 210/2014/TT-BTC and Circular 334/2016/TT-BTC that are not presented in these financial statements indicate nil balances.

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION**3.1 Cash and cash equivalents**

	As at 31 December	
	2018 VND	2017 VND
Cash on hand	75,416,597	60,905,770
Cash at bank	71,179,367,991	238,772,722,683
Cash blocked for trading settlements	489,315,209	40,323,484
	71,744,099,797	238,873,951,937

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.2 Financial assets at fair value through profit or loss (FVTPL)

	Cost VND	Comparison to market value/fair value		Market value/ fair value VND	Remeasured amount VND
		Increase VND	Decrease VND		
As at 31 December 2018					
Listed equities	207,176,237,029	45,589,251	(54,322,567,750)	152,899,258,530	152,899,258,530
Unlisted equities	89,927,645,798	231,919,862	(21,022,402,080)	69,137,163,580	69,137,163,580
	297,103,882,827	277,509,113	(75,344,969,830)	222,036,422,110	222,036,422,110
As at 31 December 2017					
Listed equities	177,706,915,464	15,337,550,779	(1,087,792,523)	191,956,673,720	191,956,673,720
Unlisted equities	84,993,804,201	254,936	(9,619,633,877)	75,374,425,260	75,374,425,260
	262,700,719,665	15,337,805,715	(10,707,426,400)	267,331,098,980	267,331,098,980



3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.2 Financial assets at fair value through profit or loss (FVTPL) (continued)

As at 31 December 2018						As at 31 December 2017				
	Cost VND	Market value/ fair value VND	Increase VND	Decrease VND	Remeasured amount VND	Cost VND	Market value/ fair value VND	Increase VND	Decrease VND	Remeasured amount VND
Listed equities										
DIG	102,344,006,383	73,779,690,000	-	(28,564,316,383)	73,779,690,000	30,998,584,785	31,096,503,400	97,918,615	-	31,096,503,400
MBB	38,034,949,270	28,014,846,400	-	(10,020,102,870)	28,014,846,400	34,528,128,913	38,104,368,800	3,576,239,887	-	38,104,368,800
GEX	25,903,377,060	19,473,526,900	-	(6,429,850,160)	19,473,526,900	-	-	-	-	-
CTG	16,644,718,735	11,580,193,000	-	(5,064,525,735)	11,580,193,000	1,151,299	1,500,400	349,101	-	1,500,400
HPG	12,264,663,204	9,288,187,850	-	(2,976,475,354)	9,288,187,850	494,040	655,900	161,860	-	655,900
PC1	9,464,374,180	8,441,771,200	-	(1,022,602,980)	8,441,771,200	4,933,941,420	5,572,604,800	638,663,380	-	5,572,604,800
PTB	2,020,086,842	1,866,783,000	-	(153,303,842)	1,866,783,000	3,732,300	4,734,000	1,001,700	-	4,734,000
VPB	218,203,552	166,343,100	-	(51,860,452)	166,343,100	37,170	41,000	3,830	-	41,000
Others	281,857,803	287,917,080	45,589,251	(39,529,974)	287,917,080	107,240,845,537	117,176,265,420	11,023,212,406	(1,087,792,523)	117,176,265,420
	207,176,237,029	152,899,258,530	45,589,251	(54,322,567,750)	152,899,258,530	177,706,915,464	191,956,673,720	15,337,550,779	(1,087,792,523)	191,956,673,720
Unlisted equities										
BSR	46,348,798,393	31,760,080,000	-	(14,588,718,393)	31,760,080,000	-	-	-	-	-
POW	14,271,500,000	14,320,000,000	48,500,000	-	14,320,000,000	-	-	-	-	-
MPC	9,141,000,000	8,060,000,000	-	(1,081,000,000)	8,060,000,000	-	-	-	-	-
VIB	5,602,980,000	4,967,776,000	-	(635,204,000)	4,967,776,000	-	-	-	-	-
CSMEX(*)	4,071,352,000	4,071,352,000	-	-	4,071,352,000	4,071,352,000	1,527,714,000	-	(2,543,638,000)	1,527,714,000
C4G	2,409,500,000	1,980,000,000	-	(429,500,000)	1,980,000,000	-	-	-	-	-
ACV	1,708,100,000	1,890,000,000	181,900,000	-	1,890,000,000	-	-	-	-	-
CGV	1,900,000,000	1,852,500,000	-	(47,500,000)	1,852,500,000	1,900,000,000	950,000,000	-	(950,000,000)	950,000,000
DRFM(**)	4,450,000,000	225,000,000	-	(4,225,000,000)	225,000,000	4,450,000,000	225,000,000	-	(4,225,000,000)	225,000,000
Others	24,415,405	10,455,580	1,519,862	(15,479,687)	10,455,580	74,572,452,201	72,671,711,260	254,936	(1,900,995,877)	72,671,711,260
	89,927,645,798	69,137,163,580	231,919,862	(21,022,402,080)	69,137,163,580	84,993,804,201	75,374,425,260	254,936	(9,619,633,877)	75,374,425,260
Total	297,103,882,827	222,036,422,110	277,509,113	(75,344,969,830)	222,036,422,110	262,700,719,665	267,331,098,980	15,337,805,715	(10,707,426,400)	267,331,098,980

(*) Can Tho Import Export Fishery Joint Stock Company

(**) Dong Phu Technical Rubber Joint Stock Company

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.3 Loans

		As at 31 December 2018		As at 31 December 2017	
		Amortised cost VND	Provision VND	Amortised cost VND	Provision VND
Margin loans and investment cooperation contracts	(i)	1,347,690,622,065	(27,288,622,415)	1,202,069,702,299	(27,787,203,085)
Trading advances	(ii)	237,674,761,008	-	110,552,280,497	-
Total		1,585,365,383,073	(27,288,622,415)	1,312,621,982,796	(27,787,203,085)

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)**3.3 Loans (continued)****(i) Margin loans and investment cooperation contracts**

Margin loans represent the amounts lent to customers for their purchases of listed securities in accordance with Decision No. 87/QĐ-UBCK issued by the State Securities Commission on 25 January 2017. These amounts are due in three (3) months since the date of drawdown.

For overdue balances of investment cooperation contracts whose recoverability is in doubt, the Company has made almost full provision against them, in particular:

	Doubtful amount		Provision			
	As at 31.12.2018 VND	As at 31.12.2017 VND	As at 31.12.2017 VND	Provision VND	Reversal of provision VND	As at 31.12.2018 VND
Tran Quoc Tan	12,210,000,000	12,210,000,000	12,210,000,000	-	-	12,210,000,000
Nguyen Hong Mai	8,587,695,000	8,587,695,000	8,587,695,000	-	-	8,587,695,000
Pham Cong Khanh	2,576,209,616	2,576,209,616	2,576,209,616	-	-	2,576,209,616
Le Phuong Lan	-	1,202,220,538	498,591,800	-	(498,591,800)	-
Nguyen Thi Ly	1,643,644,306	1,643,644,306	1,643,644,306	-	-	1,643,644,306
Vuong Dang	1,544,620,920	1,544,620,920	1,544,620,920	-	-	1,544,620,920
Nguyen Thu Hien	616,325,496	616,325,496	616,325,496	-	-	616,325,496
Tran Trung Nghia	109,137,598	109,137,598	109,070,778	20,540	(23,920)	109,067,398
Tran Quang Huy	1,085,094	1,089,369	1,045,169	20,247	(5,737)	1,059,679
	27,288,718,030	28,490,942,843	27,787,203,085	40,787	(498,621,457)	27,288,622,415

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.3 Loans (continued)

(ii) Trading advances

These are the amounts advanced to customers at the trading date ("T – date advance"). These amounts were refunded within two (2) working days.

Accrued interest income for trading advances as at 31 December 2018 and as at 31 December 2017 is immaterial due to short term nature.

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.4 Receivables

	As at 31 December 2018		As at 31 December 2017	
	Book value VND	Doubtful amount VND	Book value VND	Doubtful amount VND
Receivables from disposals of financial assets	-	-	182,710,000	-
Receivables from disposals of listed equities	-	-	182,710,000	-
Dividends and interests receivable	3,539,330,720	-	2,654,903,636	-
Undue dividends and interests receivable	3,539,330,720	-	2,654,903,636	-
	<u>3,539,330,720</u>	<u>-</u>	<u>2,837,613,636</u>	<u>-</u>
Services related receivables	17,349,672,513	-	7,900,382,763	-
	<u>17,349,672,513</u>	<u>-</u>	<u>7,900,382,763</u>	<u>-</u>
Other receivables	1,982,256,576	1,978,208,478	1,978,208,478	1,978,208,478
	<u>1,982,256,576</u>	<u>1,978,208,478</u>	<u>1,978,208,478</u>	<u>1,978,208,478</u>

The Company had no receivables from related parties as at 31 December 2018 and as at 31 December 2017.

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)**3.4 Receivables (continued)**

Details of provision for doubtful debts are as follows:

	Doubtful amount		Provision			
	As at 31.12.2018 VND	As at 31.12.2017 VND	As at 31.12.2017 VND	Provision VND	Reversal of provision VND	As at 31.12.2018 VND
Other receivables	1,978,208,478	1,978,208,478	1,978,208,478	-	-	1,978,208,478
Mr. Van Thien Hung	1,978,208,478	1,978,208,478	1,978,208,478	-	-	1,978,208,478

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)**3.5 Other current assets**

	As at 31 December	
	2018	2017
	VND	VND
Advances to employees	2,547,968,621	428,066,665
Office tools and supplies	62,271,700	-
Short-term prepaid expenses	3,074,807,176	2,665,194,684
- <i>Information technology equipments</i>	699,114,622	763,119,666
- <i>Office renovation expenses</i>	163,793,975	682,310,528
- <i>Other short-term prepaid expenses</i>	2,211,898,579	1,219,764,490
Short-term security deposits	21,400,000	48,550,000
Corporate income tax overpaid (Note 3.14)	1,769,811,234	-
Personal income tax paid on behalf (Note 3.14)	13,662,228	5,679,572
	7,489,920,959	3,147,490,921

3.6 Fixed assets**(a) Tangible fixed assets**

	Motor vehicles	Office equipment	Total
	VND	VND	VND
Historical cost			
As at 1.1.2018	5,837,902,900	32,358,404,535	38,196,307,435
New purchases	-	5,707,381,100	5,707,381,100
As at 31.12.2018	<u>5,837,902,900</u>	<u>38,065,785,635</u>	<u>43,903,688,535</u>
Accumulated depreciation			
As at 1.1.2018	3,271,507,959	23,711,531,730	26,983,039,689
Charge for the year	503,934,060	4,281,218,794	4,785,152,854
As at 31.12.2018	<u>3,775,442,019</u>	<u>27,992,750,524</u>	<u>31,768,192,543</u>
Net book value			
As at 1.1.2018	<u>2,566,394,941</u>	<u>8,646,872,805</u>	<u>11,213,267,746</u>
As at 31.12.2018	<u><u>2,062,460,881</u></u>	<u><u>10,073,035,111</u></u>	<u><u>12,135,495,992</u></u>

As at 31 December 2018, the Company had no outstanding commitment to purchase or sell tangible fixed assets.

Historical cost of fully depreciated tangible fixed assets but still in use as at 31 December 2018 was VND18,237,026,246 (as at 31 December 2017: VND14,957,039,284).

The Company had no tangible fixed asset awaiting disposal as at 31 December 2018.

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)**3.6 Fixed assets (continued)****(b) Intangible fixed assets**

	Computer software VND	Trademark VND	Copyrights VND	Other intangible assets VND	Total VND
Historical cost					
As at 1.1.2018 and as at 31.12.2018	11,292,236,066	307,500,192	1,661,848,751	502,503,782	13,764,088,791
Accumulated amortisation					
As at 1.1.2018	7,429,399,317	307,500,192	1,270,183,913	502,503,782	9,509,587,204
Charge for the year	1,596,595,032	-	174,630,996	-	1,771,226,028
As at 31.12.2018	9,025,994,349	307,500,192	1,444,814,909	502,503,782	11,280,813,232
Net book value					
As at 1.1.2018	3,862,836,749	-	391,664,838	-	4,254,501,587
As at 31.12.2018	2,266,241,717	-	217,033,842	-	2,483,275,559

As at 31 December 2018, the Company had the commitment to purchase intangible fixed assets with a total value of VND3,629,175,000 (Note 12) (as at 31 December 2017: nil).

Historical cost of fully amortised intangible fixed assets but still in use as at 31 December 2018 was VND2,287,891,465 (as at 31 December 2017: VND2,287,891,465).

The Company had no intangible fixed asset awaiting disposal as at 31 December 2018.

3.7 Construction in progress

Construction in progress as at 31 December 2018 comprised development costs of the derivatives trading and settlement system and upgrading costs for the underlying securities trading and settlement system.

Movements in the construction in progress during the year were as follows:

	For the year ended 31 December	
	2018 VND	2017 VND
Beginning of year	-	170,157,163
Additions	3,218,325,000	9,000,000
Transfers to intangible fixed assets	-	(179,157,163)
End of year	3,218,325,000	-

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)**3.8 Pledged assets, mortgages, security deposits in long term**

These are security deposits for office rentals at head office, Nha Trang branch, Ha Noi branch and Can Tho branch.

3.9 Long-term prepaid expenses

	As at 31 December	
	2018	2017
	VND	VND
Office renovation expenses	1,108,190,299	188,602,110
Other long-term prepaid expenses	533,747,828	419,070,300
	1,641,938,127	607,672,410

3.10 Deposits in the Settlement Support Fund

According to Decision No. 45/QD-VSD dated 22 May 2014 issued by the Vietnam Securities Depository, the Company is required to deposit an initial amount of VND120 million at the Vietnam Securities Depository and an additional annual contribution equivalent to 0.01% of the total value of brokered securities in the previous year up to the maximum limit of VND2.5 billion in any one year. The maximum amount of contribution is VND20 billion.

	As at 31 December	
	2018	2017
	VND	VND
Initial deposit	120,000,000	120,000,000
Additional deposits	13,308,567,704	11,745,188,416
Interests	5,465,087,962	4,528,467,250
	18,893,655,666	16,393,655,666

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)**3.11 Borrowings**

Details of movements in borrowings during the year are as follows:

		Interest rate % per annum	Opening balance VND	Drawdowns VND	Repayments VND	Interest capitalised into principal VND	Revaluation VND	Closing balance VND
Bank borrowings			47,720,765,000	2,256,804,830,000	(2,090,647,998,895)	2,517,403,895	(95,000,000)	216,300,000,000
In which:								
From domestic banks	(i)	6.5 – 10.5	-	1,466,499,500,000	(1,369,016,903,895)	2,517,403,895	-	100,000,000,000
From a foreign bank	(ii)	4.2 – 5.7	47,720,765,000	790,305,330,000	(721,631,095,000)	-	(95,000,000)	116,300,000,000
Short-term issued bonds	(iii)		724,455,000,000	529,694,000,000	(672,475,000,000)	-	-	581,674,000,000
In which:								
Held by individuals		8.0 - 9.5	374,455,000,000	386,694,000,000	(382,475,000,000)	-	-	378,674,000,000
Held by institutions		8.0 - 9.5	350,000,000,000	143,000,000,000	(290,000,000,000)	-	-	203,000,000,000
Total			772,175,765,000	2,786,498,830,000	(2,763,122,998,895)	2,517,403,895	(95,000,000)	797,974,000,000

- (i) The closing balance represents loans from a domestic bank with a credit limit of VND100,000,000,000 valid until 29 May 2019, with tenors of 2 months. Value of collateral assets as at 31 December 2018 was VND1,588,904,713,793 (as at 31 December 2017: nil).
- (ii) The closing balance represents unsecured loans from a foreign bank with a credit limit of USD5,000,000 and longest tenor not exceeding 30 days from date of drawdown.
- (iii) 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 of 1 year since its issue date.

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)**3.12 Trading obligations**

These are expenses payable to the stock exchanges and the Vietnam Securities Depository.

3.13 Short-term trade accounts payable

	As at 31 December	
	2018 VND	2017 VND
Third parties	167,554,100	164,424,541

The Company had no overdue trade payables as at 31 December 2018 and as at 31 December 2017.

3.14 Tax and other payables to/(receivables from) the State Budget

	As at 31 December	
	2018 VND	2017 VND
Payables		
Corporate income tax - current	-	4,503,448,338
Personal income tax paid on behalf of customers	3,718,970,788	2,226,664,928
Personal income tax	1,311,238,541	1,361,446,970
Value added tax	148,583,927	44,733,984
Foreign contractor tax	268,950,332	55,678,203
	<u>5,447,743,588</u>	<u>8,191,972,423</u>
Receivables (Note 3.5)		
Corporate income tax overpaid	1,769,811,234	-
Personal income tax paid on behalf	13,662,228	5,679,572
	<u>1,783,473,462</u>	<u>5,679,572</u>
	<u>3,664,270,126</u>	<u>8,186,292,851</u>

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.14 Tax and other payables to/(receivables from) the State Budget (continued)

	As at 1.1.2018 VND	Incurred VND	Paid VND	As at 31.12.2018 VND
Corporate income tax - current	4,503,448,338	19,463,112,593	(25,736,372,165)	(1,769,811,234)
Personal income tax paid on behalf of customers	2,226,664,928	27,924,961,093	(26,432,655,233)	3,718,970,788
Personal income tax	1,355,767,398	10,434,351,295	(10,492,542,380)	1,297,576,313
<i>In which:</i>				
<i>Payable</i>	1,361,446,970			1,311,238,541
<i>Receivable</i>	(5,679,572)			(13,662,228)
Value added tax	44,733,984	608,804,158	(504,954,215)	148,583,927
Foreign contractor tax	55,678,203	2,050,573,961	(1,837,301,832)	268,950,332
Charges, fees and other payables	-	4,000,000	(4,000,000)	-
	8,186,292,851	60,485,803,100	(65,007,825,825)	3,664,270,126

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)**3.15 Short-term accrued expenses**

	As at 31 December	
	2018	2017
	VND	VND
Supplemental salary	7,900,000,000	9,200,000,000
Interests on bonds and borrowings	5,002,450,476	2,326,673,020
Brokerage fee and custody fee	622,626,876	767,594,468
Others	729,733,344	511,568,650
	14,254,810,696	12,805,836,138

3.16 Other short-term payables

	As at 31 December	
	2018	2018
	VND	VND
Dividend payable	141,556,800	908,095,800
Other short-term payables	578,706,981	260,739,904
	720,263,781	1,168,835,704

3.17 Deferred tax liability

	As at 31 December	
	2018	2018
	VND	VND
Deferred tax liability		
Deferred tax liability to be recovered within 12 months	55,501,823	3,067,561,143

Movement in the deferred tax liability is as follows:

	For the year ended 31 December	
	2018	2017
	VND	VND
Opening balance	3,067,561,143	-
(Credited)/charged to profit or loss	(3,012,059,320)	3,067,561,143
Closing balance	55,501,823	3,067,561,143

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)**3.17 Deferred tax liability (continued)**

Details of deferred tax liability are as follows:

	As at 31 December	
	2018	2017
	VND	VND
Taxable temporary differences		
Gain from revaluation of FVTPL financial assets	277,509,113	15,337,805,715
Calculated at tax rate of 20%:		
Deferred tax liability to be recovered within 12 months	55,501,823	3,067,561,143

3.18 Share capital**(a) Number of shares**

	As at 31 December	
	2018	2018
	VND	VND
Number of shares registered	100,099,906	91,000,000
Number of shares issued	100,099,906	91,000,000
Number of shares repurchased	-	-
	100,099,906	91,000,000

As at 31 December 2018 and as at 31 December 2017, all of the Company's shares are ordinary shares. Each ordinary share has a par value of VND10,000. Each share is entitled to one vote at the Annual General Meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)**3.18 Share capital (continued)****(b) Movement of share quantity**

	Ordinary shares
As at 1 January 2017	70,000,000
New shares issued	21,000,000
	<hr/>
As at 31 December 2017	91,000,000
New shares issued (*)	9,099,906
	<hr/>
As at 31 December 2018	100,099,906
	<hr/> <hr/>

(*) The Annual General Meeting of Shareholders on 28 March 2018 approved the issuance of new shares to pay dividend to existing shareholders at a ratio of 10:1. Accordingly, the Company issued 9,099,906 shares on 25 June 2018. The numbers of the new shares issued were rounded down to units, numbers of shares after decimal stop were forfeited.

(c) Details of major shareholders as at the reporting date

	Number of ordinary shares	Value of charter capital contributed VND	Interest %
Mr. Tran Le Nguyen	35,035,000	350,350,000,000	35.00%
Asia Investment Company	15,043,617	150,436,170,000	15.03%
Ms. Pham My Linh	13,721,276	137,212,760,000	13.71%
Other shareholders	36,300,013	363,000,130,000	36.26%
	<hr/>	<hr/>	<hr/>
Total	100,099,906	1,000,999,060,000	100.00%
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

3.19 Undistributed earnings

	As at 31 December	
	2018 VND	2018 VND
Undistributed realised profits	148,478,416,393	97,966,752,187
Unrealised (losses)/profits	(75,067,460,717)	4,630,379,315
	<hr/>	<hr/>
	73,410,955,676	102,597,131,502
	<hr/> <hr/>	<hr/> <hr/>

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)**3.19 Undistributed earnings (continued)**

Details of changes in equity during the year are as follows:

	As at 31.12.2017 VND	Profits/(losses) for the year VND	Dividend declared VND	Appropriations to reserves VND	As at 31.12.2018 VND
Undistributed realised profits	97,966,752,187	148,378,822,448	(90,999,060,000)	(6,868,098,242)	148,478,416,393
Unrealised profits/(losses)	4,630,379,315	(79,697,840,032)	-	-	(75,067,460,717)
Undistributed earnings	102,597,131,502	68,680,982,416	(90,999,060,000)	(6,868,098,242)	73,410,955,676

4 NOTES TO OFF STATEMENT OF FINANCIAL POSITION ITEMS**4.1 Number of shares in issue**

	As at 31 December	
	2018	2017
Ordinary shares		
Quantity issued within 1 year	9,099,906	21,000,000
Quantity issued for 1 year or more	91,000,000	70,000,000
	100,099,906	91,000,000

5 NOTES TO THE STATEMENT OF INCOME**5.1 Income from FVTPL financial assets****(a) Net realised gains on disposals of FVTPL financial assets**

	For the year ended 31 December	
	2018	2017
	VND	VND
Realised gains on disposals of FVTPL financial assets	92,462,610,942	79,796,388,798
Realised losses on disposals of FVTPL financial assets	(17,073,202,701)	(29,594,339,433)
	75,389,408,241	50,202,049,365

Details of net realised gain from disposals of FVTPL financial assets by category are as follows:

	Quantity disposed share	Sales proceeds VND	Costs of disposals (*) VND	Realised gains/ (losses) in this year VND	Realised gains/ (losses) in prior year VND
Listed shares	27,795,283	807,334,831,600	729,153,972,071	78,180,859,529	55,077,345,894
Unlisted shares	4,404,268	74,045,510,000	76,836,961,288	(2,791,451,288)	(4,875,296,529)
	32,199,551	881,380,341,600	805,990,933,359	75,389,408,241	50,202,049,365

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

5 NOTES TO THE STATEMENT OF INCOME**5.1 Income from FVTPL financial assets****(b) Gains/(losses) on revaluation of FVTPL financial assets**

	For the year ended 31 December	
	2018 VND	2017 VND
(Decrease)/increase in revaluation gains of FVTPL financial assets	(15,060,296,602)	15,337,805,715
(Increase)/decrease in revaluation losses of FVTPL financial assets	(64,637,543,430)	13,846,932,862
	<u>(79,697,840,032)</u>	<u>29,184,738,577</u>

Details of revaluation gains/(losses) of FVTPL financial assets by category are as follows:

	Cost VND	Market value/ fair value VND	Accumulated revaluation losses as at 31.12.2018 VND	Accumulated revaluation gains/(losses) as at 31.12.2017 VND	Charged to statement of income VND
Listed shares	207,176,237,029	152,899,258,530	(54,276,978,499)	14,249,758,256	(68,526,736,755)
Unlisted shares	89,927,645,798	69,137,163,580	(20,790,482,218)	(9,619,378,941)	(11,171,103,277)
	<u>297,103,882,827</u>	<u>222,036,422,110</u>	<u>(75,067,460,717)</u>	<u>4,630,379,315</u>	<u>(79,697,840,032)</u>

5 NOTES TO THE STATEMENT OF INCOME (continued)**5.2 Provisions for diminution in value of financial assets and impairment losses and borrowing costs to finance lending activities**

	For the year ended 31 December	
	2018	2017
	VND	VND
Borrowing costs to finance lending activities	88,263,226,216	68,311,830,297
Reversal of provisions for impairment of financial assets	(498,580,670)	(822,901,341)
	87,764,645,546	67,488,928,956

5.3 Other operating expenses

	For the year ended 31 December	
	2018	2017
	VND	VND
Self-trading activities	1,920,032,384	4,135,204,425
Salaries	1,473,070,243	2,097,887,937
Office rentals	266,896,080	270,864,000
Other expenses	180,066,061	1,766,452,488
Brokerage fee expenses	83,336,331,858	61,770,746,362
Salaries	39,139,916,538	28,134,495,599
Securities trading transaction fees	18,220,124,451	14,309,528,597
Brokerage expense for collaborators	7,469,390,789	6,126,122,796
Office rentals	6,561,013,233	3,653,149,600
Depreciation and amortisation	2,048,658,264	2,048,658,267
Other expenses	9,897,228,583	7,498,791,503
Underwriting expenses and placing expenses	2,200,000	1,542,377,378
Securities investment consultancy expenses	1,720,375,520	943,458,689
Custody fee expenses	8,518,171,532	7,467,889,242
Financial consultancy expenses	7,809,400,711	5,967,798,494
Salaries	6,217,904,234	4,100,085,805
Office rentals	524,580,925	422,994,000
Other expenses	1,066,915,552	1,444,718,689
Other operating expenses	9,834,267,974	9,277,136,939
Salaries	7,658,544,022	7,447,277,255
Office rentals	1,155,653,836	1,045,185,600
Maintenance expenses	79,701,599	73,798,364
Other expenses	940,368,517	710,875,720
	113,140,779,979	91,104,611,529

5 NOTES TO THE STATEMENT OF INCOME (continued)**5.4 General and administration expenses**

	For the year ended 31 December	
	2018	2017
	VND	VND
Staff costs	37,796,874,517	31,817,605,865
Office rentals	4,097,399,658	4,971,814,800
Outsourced services	4,860,007,929	3,624,897,141
Depreciation and amortisation	4,507,720,618	4,079,077,954
Advertisement and entertainment expenses	2,910,572,742	2,302,578,121
Maintenance expenses	1,218,817,630	496,357,580
Remuneration of the Board of Directors	1,717,803,000	741,563,113
Tools and supplies	1,687,264,887	695,407,539
Office stationeries	101,067,544	114,177,950
Tax, duties and fees	21,280,000	42,000,000
Other administrative expenses	5,505,072,870	4,758,264,373
	64.423.881.395	53.643.744.436

5.5 Corporate income tax

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	For the year ended 31 December	
	2018	2017
	VND	VND
Accounting profit before tax	85,132,035,689	138,341,587,510
Tax at rate of 20%:	17,026,407,138	27,668,317,502
Adjustment for:		
Non-taxable income	(1,194,564,277)	(1,021,786,866)
Non deductible expenses	619,210,412	338,143,758
Corporate income tax charge (*)	16,451,053,273	26,984,674,394
Charged/(credited) for the year:		
Corporate income tax – current	19,463,112,593	23,917,113,251
Corporate income tax – deferred	(3,012,059,320)	3,067,561,143
	16,451,053,273	26,984,674,394

(*) The corporate income tax charge for the year is based on estimated taxable income and is subject to audit and possible adjustment by the tax authorities.

The tax authorities have finalised corporate income tax up to 31 December 2017.

5 NOTES TO THE STATEMENT OF INCOME (continued)**5.6 Earnings per share****(a) Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare funds by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares repurchased by the Company and held as treasury shares:

	For the year ended 31 December	
	2018	2017 Restated (*)
Net profit attributable to shareholders (VND)	68,680,982,416	111,356,913,116
Less amount allocated to bonus and welfare funds (VND)	-	-
	<u>68,680,982,416</u>	<u>111,356,913,116</u>
Weighted average number of ordinary shares in issue (shares)	100,099,949	77,316,438
Basic earnings per share (VND)	<u>686</u>	<u>1,440</u>

(*) Basic earnings per share of the year ended 31 December 2017 was restated to reflect the impact of stock dividend declared and issued in 2018 on the number of ordinary shares issue (Note 3.18(b)), in particular:

Item	For the year ended 31 December 2017		
	As previously reported	Adjustments	As restated
Net profit attributable to shareholders (VND)	111,356,913,116	-	111,356,913,116
Weighted average number of ordinary shares in issue (shares)	70,287,671	7,028,767	77,316,438
Basic earnings per share (VND)	<u>1,584</u>		<u>1,440</u>

(b) Diluted earnings per share

The Company did not have potentially dilutive ordinary shares.

6 NOTES TO THE STATEMENT OF CASH FLOW**6.1 Proceeds from borrowings**

Proceeds from borrowings are loan drawdowns and proceeds from issuance of bonds (Note 3.11).

6.2 Repayment of borrowings

Repayments of borrowings are loan repayments and bond repayments (Note 3.11).

7 NOTES TO THE STATEMENT OF CHANGES IN EQUITY**7.1 Distributed earnings**

	For the year ended 31 December	
	2018	2017
	VND	VND
Undistributed realised profits brought forward	97,966,752,187	68,930,268,960
Cumulative unrealised losses as at the reporting date	(75,067,460,717)	-
Realised post-tax profits incurred	148,378,822,448	82,172,174,539
Appropriations of retaining earnings:		
To supplementary capital reserve	(3,434,049,121)	(5,567,845,656)
To financial and operational risk reserve fund	(3,434,049,121)	(5,567,845,656)
Distributable profits	164,410,015,676	139,966,752,187
Dividend declared	90,999,060,000	42,000,000,000
Income tax withheld (*)	-	(1,645,771,680)
Net amount to be distributed to shareholders	90,999,060,000	40,354,228,320

(*) Stock dividend declared in 2018 was paid by shares (Note 3.18(b)). For income from stock dividend, individual investors are not yet liable to pay personal income tax when they receive their allotted shares. When these shares are realised, individual investors are liable to pay personal income tax on income from capital investment and income from securities transfer under the law on personal income tax.

7 NOTES TO THE STATEMENT OF CHANGES IN EQUITY (continued)

7.2 Details of changes in equity

	Owners' capital VND	Share premium VND	Supplementary capital reserve VND	Financial and operational risk reserve VND	Undistributed earnings VND	Total VND
As at 1 January 2018	910,000,000,000	9,240,118,792	10,190,332,248	10,190,332,248	102,597,131,502	1,042,217,914,790
Profit for the year	-	-	-	-	68,680,982,416	68,680,982,416
Stock dividends (Note 3.18(b))	90,999,060,000	-	-	-	(90,999,060,000)	-
Appropriation to reserves (Note 2.18(b))	-	-	3,434,049,121	3,434,049,121	(6,868,098,242)	-
As at 31 December 2018	1,000,999,060,000	9,240,118,792	13,624,381,369	13,624,381,369	73,410,955,676	1,110,898,897,206
As at 1 January 2017	700,000,000,000	9,240,118,792	4,622,486,592	4,622,486,592	44,375,909,698	762,861,001,674
Capital increased during the year (*)	210,000,000,000	-	-	-	-	210,000,000,000
Profit for the year	-	-	-	-	111,356,913,116	111,356,913,116
Appropriation to reserves (Note 2.18(b))	-	-	5,567,845,656	5,567,845,656	(11,135,691,312)	-
Cash dividends (**)	-	-	-	-	(42,000,000,000)	(42,000,000,000)
As at 31 December 2017	910,000,000,000	9,240,118,792	10,190,332,248	10,190,332,248	102,597,131,502	1,042,217,914,790

(*) The Annual General Meeting of Shareholders on 23 March 2017 approved the issuance of new shares to existing shareholders according their subscription rights. The Board of Directors are authorised to distribute odd lots of shares and those not taken up to other investors in accordance with the Company's Charter and prevailing regulations at the price not lower than one offered to existing shareholders. Therefore the Company initiated the public issuance in accordance with Certificate of share offering No. 74/GCN-UBCK issued the State of Securities Commission on 7 November 2017 and completed it on 27 December 2017.

(**) The Annual General Meeting of shareholders on 23 March 2017 approved the cash dividend for the year 2016 at 6% of the Company's charter capital as at 31 December 2016 and was paid in 2017.

Dividend declared after the reporting date is presented in Note 13.1.

8 RELATED PARTIES DISCLOSURES

Related party	Relationship
Mr. Tran Le Nguyen	Major shareholder
Asia Investment Limited	Major shareholder
Ms. Pham My Linh	Major shareholder
KIDO Group Corporation	Related to the Company's key management
KIDO Frozen Foods JSC	Related to the Company's key management
Tuong An Vegetable Oil JSC	Related to the Company's key management
Vietnam Vegetable Oils Industry Corporation	Related to the Company's key management
DABACO Group	Related to the Company's key management
Hoang Trieu Company Limited	Related to the Company's key management
Pymepharco Joint Stock Company	Related to the Company's key management
Board of Directors and Board of Management	Key management

(a) Related parties transactions

During the year, the following significant transactions were carried out with related parties:

	For the year ended 31 December	
	2018 VND	2017 VND
Revenue from brokerage services	-	1,110,234,507
Revenue from underwriting services	-	5,824,000,000
Revenue from other services	286,363,636	2,431,257,297
Dividend received from related parties	1,300,126,000	-
Realised gains on disposal of shares of related parties	1,446,732,040	-
Shares of related parties purchased	52,002,565,810	-
Shares of related parties sold	53,451,398,000	-
Services provided by related parties	11,027,810,159	10,582,786,721
Bond issued to related parties	-	250,000,000,000
Bond settlements to related parties	150,000,000,000	-
Bond interest expenses payable to related parties	22,559,284,633	16,993,055,551
Salary and other benefits	11,870,963,054	8,612,759,617

8 RELATED PARTIES DISCLOSURES (continued)**(b) Year-end balances with related parties**

	As at 31 December	
	2018	2017
	VND	VND
Bonds issued to related parties	100,000,000,000	250,000,000,000
Accrued bond interests payable to related parties	143,150,685	531,944,444
Fair value of equity interest in related parties	-	2,436,000

9 SEGMENT REPORTING**(a) Geographical segments**

The principal activities of the Company are carried out within Vietnam territory. Risks and returns of the Company are not materially affected by distinctions between geographical areas. On these grounds, the Board of Management determines that the Company has only one geographical segment.

9 SEGMENT REPORTING (continued)**(b) Business activity segments**

Revenue, income and expenses based on the Company's business activity segments were as follows:

	For the year ended 31 December 2018				
	Brokerage VND	Self-trading VND	Securities services and lending VND	Consultancy VND	Total VND
Revenue and income (*)	112,811,165,175	82,876,555,054	219,548,363,302	4,070,681,819	419,306,765,350
Expenses	(85,056,707,378)	(83,630,778,515)	(106,117,085,052)	(7,811,600,711)	(282,616,171,656)
<i>In which:</i>					
<i>Direct cash expenses</i>	(72,275,738,089)	(18,705,980,004)	(105,100,189,099)	(7,029,397,597)	(203,111,304,789)
<i>Total amount of significant non-cash expenses, other than depreciation, amortisation and allocation of prepaid expenses</i>	-	(64,637,543,430)	498,580,670	-	(64,138,962,760)
<i>Total depreciation and amortisation of fixed assets</i>	(2,048,658,264)	-	-	-	(2,048,658,264)
<i>Allocation of long-term and short-term prepaid expenses</i>	(10,732,311,025)	(287,255,081)	(1,515,476,623)	(782,203,114)	(13,317,245,843)
Segment result	<u>27,754,457,797</u>	<u>(754,223,461)</u>	<u>113,431,278,250</u>	<u>(3,740,918,892)</u>	<u>136,690,593,694</u>
Net financial income					12,795,756,898
General and administration expenses					(64,423,881,395)
Net other income					69,566,492
Operating result					<u>85,132,035,689</u>

9 SEGMENT REPORTING (continued)

(b) Business activity segments (continued)

	For the year ended 31 December 2017				
	Brokerage VND	Self-trading VND	Securities services and lending VND	Consultancy VND	Total VND
Revenue and income (*)	87,612,286,398	101,073,779,045	153,811,250,394	11,618,454,181	354,115,770,018
Expenses	(62,714,205,051)	(19,817,056,376)	(84,299,509,757)	(7,510,175,872)	(174,340,947,056)
<i>In which:</i>					
<i>Direct cash expenses</i>	(53,623,298,321)	(33,341,455,136)	(83,797,998,260)	(6,770,404,863)	(177,533,156,580)
<i>Total amount of significant non-cash expenses, other than depreciation, amortisation and allocation of prepaid expenses</i>	-	13,846,932,862	822,901,341	-	14,669,834,203
<i>Total depreciation and amortisation of fixed assets</i>	(2,048,658,267)	-	-	-	(2,048,658,267)
<i>Allocation of long-term and short-term prepaid expenses</i>	(7,042,248,463)	(322,534,102)	(1,324,412,838)	(739,771,009)	(9,428,966,412)
Segment result	<u>24,898,081,347</u>	<u>81,256,722,669</u>	<u>69,511,740,637</u>	<u>4,108,278,309</u>	<u>179,774,822,962</u>
Net financial income					11,881,308,189
General and administration expenses					(53,643,744,436)
Net other income					329,200,795
Operating result					<u>138,341,587,510</u>

(*) All of revenues are from services rendered to external customers, and all of income is generated from transactions with external partners.

9 SEGMENT REPORTING (continued)

(b) Business activity segments (continued)

Assets and liabilities based on the Company's business activity segments were as follows:

	As at 31 December 2018				
	Brokerage VND	Self-trading VND	Securities services and lending VND	Consultancy VND	Total VND
Segment assets	40,539,423,116	222,525,737,319	1,648,035,890,269	225,500,000	1,911,326,550,704
Unallocated assets					21,011,206,152
Total assets					1,932,337,756,856
Segment liabilities	(4,265,132,764)	(245,690,000)	(804,020,850,339)	(1,497,070,000)	(810,028,743,103)
Unallocated liabilities					(11,410,116,547)
Total liabilities					(821,438,859,650)
Total expense incurred for purchases of fixed assets					8,925,706,100
<i>In which:</i>					
Fixed assets in segments	3,218,325,000	-	-	-	3,218,325,000
Fixed assets in unallocated assets					5,707,381,100

9 SEGMENT REPORTING (continued)

(b) Business activity segments (continued)

	As at 31 December 2017				
	Brokerage VND	Self-trading VND	Securities services and lending VND	Consultancy VND	Total VND
Segment assets	26,366,643,035	267,554,132,464	1,532,924,942,037	147,250,000	1,826,992,967,536
Unallocated assets					15,626,704,145
Total assets					1,842,619,671,681
Segment liabilities	(12,147,132,805)	-	(774,502,438,020)	(694,400,000)	(787,343,970,825)
Unallocated liabilities					(13,057,786,066)
Total liabilities					(800,401,756,891)
Total expense incurred for purchases of fixed assets					8,185,475,763
<i>In which:</i>					
Fixed assets in segments	3,498,220,000	-	-	-	3,498,220,000
Fixed assets in unallocated assets					4,687,255,763

10 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimise the adverse effect of these risks on the Company's financial performance.

The Board of Management is responsible for setting the objectives and underlying principles of financial risk management for the Company. The Board of Management establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Financial risk management is carried out by finance personnel. The finance personnel measure actual exposures against the limits set and prepare periodical reports for the review of the Board of Management.

The information presented below is based on information disclosed by the Board of Management.

(a) Credit risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company, resulting in a financial loss to the Company. It arises principally from cash at banks, financial assets, receivables and other assets.

Balances with banks

All the bank balances are placed with local financial institutions which have high credit ratings.

FVTPL financial assets

The Company's securities will only be traded on the Ho Chi Minh City Stock Exchange and the Hanoi Stock Exchange or with counterparties which have a specified credit rating. All securities transactions are settled or paid for upon receipt/ delivery of securities via approved brokers. The risk of default is considered minimal since the delivery of securities for sales transaction is made only once payment has been received and delivery of funds for purchase transaction is only made once the securities have been received. If either party fails to meet their obligations, the trade will fail.

Trading advances

The trading advances are collected from the Vietnam Securities Depository which is a state-owned entity and has no history of payment defaults.

Investment cooperation contracts

Balances from investment cooperation contracts have been overdue for more than three (3) years and the Company assesses recoverability is not probable. The Company has made almost full provision against these balances.

10 FINANCIAL RISK MANAGEMENT (continued)**(a) Credit risk (continued)***Margin loan*

Margin loans are secured by eligible securities listed on stock exchanges, customers' cash and trading proceeds. Under the local rules, the loan limit is set at 50% of the eligible securities' value. Eligible securities are defined by the stock exchanges based on a number of criteria including liquidity and frequently updated.

Customers Securities department has continuous review of margin loan report which includes balances, collateral assets and margin ratio. When the secured margin ratio falls below 40% (regulated level: 30%), the system alerts and the Company makes margin calls. When the secured margin ratio falls below 30%, the Company forcedly sells out collateral assets to collect the loans.

Receivables and other assets

Credit exposure is restricted by transacting with counterparties with high credit ratings and obtaining security where necessary.

Credit risk exposure

	As at 31 December	
	2018	2017
	VND	VND
<i>Cash and cash equivalents (Note 3.1)</i>		
Cash at bank	71,179,367,991	238,772,722,683
Cash blocked for trading settlements	489,315,209	40,323,484
	71,668,683,200	238,813,046,167
<i>Loans (Note 3.3)</i>		
Margin loans and investment cooperation contracts	1,347,690,622,065	1,202,069,702,299
Trading advances	237,674,761,008	110,552,280,497
	1,585,365,383,073	1,312,621,982,796
<i>Receivables (Note 3.4)</i>		
Receivables from disposals of financial assets	-	182,710,000
Dividends and interests receivable	3,539,330,720	2,654,903,636
Services related receivables	17,349,672,513	7,900,382,763
	20,889,003,233	10,737,996,399
Total credit risk exposure	1,677,923,069,506	1,562,173,025,362

10 FINANCIAL RISK MANAGEMENT (continued)**(b) Market risk**

Market risk is the risk that fair value or future cash flows of a financial instrument will fluctuate according to changes in market prices. The Company's market risks include interest rate risk and other price risk, such as share price risk.

The Company manages this risk through the careful selection of securities and other financial instruments within specified limits and by holding a diversified portfolio of listed and unlisted instruments.

- **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate as a result of changes in market interest rates. Currently, the Company records its financial assets and financial liabilities under the historical cost convention less decrease in revaluation and provision for decline in value (if any), hence, the Company only has cash flow risk for its interest receivable/payable. The Company is exposed to interest rate risk mainly on its deposits at bank and bank borrowings.

The Company's deposits placed with bank and borrowings are at fixed rates and due in short term so interest rate risk is minimal.

- **Share price risk**

Listed and unlisted shares held by the Company are affected by market risks due to the uncertainty in the future value of invested shares that can result in an increase/decrease in value of these financial assets. The Company manages its share price risk by setting up investment limits. The Investment Committee also considers and approves decisions on investment in shares.

As at 31 December 2018, had the prices of the securities increased/decreased by 10% with all other variables being held constant including tax rate, the Company's profit after tax would have been higher/lower by VND17,762,913,769 respectively (as at 31 December 2017: higher/ lower by VND21,386,487,918 respectively).

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in performing financial obligations due to capital shortage.

The Company's approach to managing liquidity risk is to ensure that it will always have sufficient reserves of cash to meet its liquidity requirements in the short and long term.

As at 31 December 2018, the Company had financial liabilities including bank loans, short-term issued bonds, trading obligation, short-term trade payables, accrued expenses and other short-term liabilities with the amount of VND814,578,721,984 (as at 31 December 2017: VND787,982,831,070) which represented contractual undiscounted cash outflows payable in less than one year.

9 FINANCIAL RISK MANAGEMENT (continued)**(d) Capital risk management**

Capital Adequacy Ratio ("CAR") is the ratio of the Company's capital to its risks. CAR measures the Company's ability to meet its financial liabilities and absorb certain losses resulting from risks.

CAR is calculated and presented in the Company's monthly report in accordance with Circular 87/2017/TT-BTC ("Circular 87") issued by the Ministry of Finance on 15 August 2017 and took effective from 10 October 2017 onwards. Circular 87 regulates requirements of capital adequacy ratio applicable to securities business organisations and remedies for non-compliance. According to Circular 87, the Company is required to maintain a prescribed minimum level of CAR of 180%.

As at 31 December 2018, the Company's CAR was 950%.

11 OPERATING LEASE COMMITMENTS

The Company is currently renting offices under operating leases. The future minimum lease payments under non-cancellable operating leases were as follows:

	As at 31 December	
	2018 VND	2017 VND
Within 1 year	11,382,797,929	10,477,897,308
From 1 to 5 years	9,718,675,489	16,993,479,370
Total	21,101,473,418	27,471,376,678

12 CAPITAL EXPENDITURE COMMITMENTS

Capital expenditure contracted for at the reporting date but not recognised in the financial statements was as follows:

	As at 31 December	
	2018 VND	2017 VND
Derivatives trading and settlement system and upgrade of underlying securities trading and settlement system	3,629,175,000	-

13 SUBSEQUENT EVENTS**13.1 Dividend declared after the reporting date**

On 2 January 2019, the Board of Directors of the Company approved the advance of cash dividend for the year 2018 at 5% of par value, equivalent to VND500/share. The list of shareholders entitled to this advanced dividend was finalised on 17 January 2019 and the payment was made on 30 January 2019.

13.2 Issuance plan for corporate bonds in 2019

On 8 January 2019, the Board of Directors of the Company approved the issuance of corporate bonds in 2019 to increase working capital capacity of the Company. Details of this issuance are as follows:

Type of bond	Non-convertible and unsecured
Par value	VND1,000,000
Quantity of issue	500,000
Total value of issue	VND500,000,000,000
Issue price	At par value

Other than these facts, there have been no further significant subsequent events occurring after the reporting date which would require adjustments or disclosures to be made in these financial statements.

14 OPERATIONAL FACTS**Volume and value of transactions during the year**

	Volume of transactions during the year	Value of transactions during the year VND
(a) Of the Company		
Shares	65,037,460	1,646,385,029,880
	65,037,460	1,646,385,029,880
(b) Of investors		
Shares	3,193,612,202	59,459,744,221,982
Bonds	3,191,735,712	59,284,954,482,082
Other shares	1,500,000	168,256,900,000
	376,490	6,532,839,900
	3,258,649,662	61,106,129,251,862

15 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to confirm with the current year's presentation.

The financial statements were approved by the Board of Management on 8 March 2019.



Duong Kim Chi
Preparer



Le Minh Hien
Chief Accountant



Nguyen Hieu
General Director
Authorised signatory

