

Viet Dragon Securities Corporation

Interim financial statements

30 June 2016



Viet Dragon Securities Corporation

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Viet Dragon Securities Corporation

GENERAL INFORMATION

THE COMPANY

Viet Dragon Securities Corporation ("the Company") is a joint stock company established in Vietnam pursuant to Business Registration Certificate No. 4103005723 issued by the Department of Planning and Investment of Ho Chi Minh City on 15 December 2006 and Business License No. 32/UBCK-GPHDKD issued by the State Securities Commission (SSC) on 21 December 2006 and the following Amended Licenses issued by the SSC:

<i>Amended License No.</i>	<i>Description</i>	<i>Date granted</i>
32/UBCK-GP	Increase the charter capital to VND300,000,000,000	15 August 2007
147/UBCK-GP	Increase the charter capital to VND330,000,000,000	8 August 2008
312/UBCK-GP	Head office relocation	11 March 2010
347/UBCK-GP	Increase the charter capital to VND349,799,870,000	20 August 2010
57/GPDC-UBCK	Increase the charter capital to VND700,000,000,000	17 December 2015

The Company's current principal activities are to provide brokerage services, self-trading of securities, underwriting services, financial and securities investment advisory services and securities custody services.

The Company's head office is located at 141 Nguyen Du Street, Ben Thanh Ward, District 1, Ho Chi Minh City. As at 30 June 2016, the Company has three (3) branches in Hanoi, Nha Trang and Can Tho cities.

Main features of operation of the Company

Capital size

As at 30 June 2016, the Company's charter capital amounted to VND700,000,000,000, while its owners' equity was VND735,479,371,140 and its total assets were VND1,650,602,779,830.

Investment target

Being a listed securities company in the Vietnamese securities market the Company's aims are to contribute to the development of the securities market and bring benefits to customers, investors and shareholders of the Company.

Investment restrictions

The Company complies with regulations at Article 44 of Circular No. 210/2012/TT-BTC dated 30 November 2012 promulgating the establishment and operation of securities companies and Circular No. 07/2016/TT-BTC dated 18 January 2016 amending and supplementing certain articles of Circular No. 210/2012/TT-BTC.

BOARD OF DIRECTORS

Members of the Company's Board of Directors during the period and at the date of these interim financial statements are as follows:

<i>Name</i>	<i>Position</i>	<i>Date of appointment</i>
Mr. Tran Le Nguyen	Chairman	28 October 2015
Mr. Nguyen Mien Tuan	Vice president	28 October 2015
Mr. Nguyen Thuc Vinh	Member	18 April 2012
Ms. Nguyen Nu Tuong Oanh	Member	18 April 2012
Mr. Nguyen Hieu	Member	15 March 2014
Mr. Ton That Dien Khoa	Member	16 October 2014
Mr. Kelly Yin Hon Wong	Member	28 October 2015

Viet Dragon Securities Corporation

GENERAL INFORMATION (continued)

BOARD OF SUPERVISORS

Members of the Company's Board of Supervisors during the period and at the date of these interim financial statements are as follows:

<i>Name</i>	<i>Position</i>	<i>Date of appointment/reappointment</i>
Ms. Nguyen Thi Oanh	Chief Supervisor	Appointed on 28 October 2015
Mr. Nguyen Van Minh	Member	Appointed on 28 October 2015
Mr. Dao Cong Thang	Member	Reappointed on 18 April 2012
Ms. Nguyen Thi Thuy Hang	Member	Appointed on 8 April 2015

BOARD OF MANAGEMENT

Members of the Company's Board of Management during the period and at the date of these interim financial statements are as follows:

<i>Name</i>	<i>Position</i>	<i>Date of appointment</i>
Mr. Nguyen Hieu	General Director	18 September 2012
Mr. Nguyen Minh Nhut	Deputy General Director	25 September 2009
Mr. Nguyen Chi Trung	Deputy General Director	15 July 2013
Mr. Le Minh Hien	Chief Accountant	20 January 2007

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of these interim financial statements is Mr. Nguyen Mien Tuan.

Mr. Nguyen Hieu - the General Director is authorized by Mr. Nguyen Mien Tuan to sign off the financial statements in accordance with Decision No. 23/2012/QD-HDQT dated 16 October 2012.

AUDITORS

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

Viet Dragon Securities Corporation

REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Viet Dragon Securities Corporation ("the Company") is pleased to present its report and the Company's interim financial statements for the six-month period ended 30 June 2016.

THE BOARD OF MANAGEMENT'S RESPONSIBILITY FOR THE INTERIM FINANCIAL STATEMENTS

The Board of Management of the Company is responsible for the interim financial statements of each financial period which give a true and fair view of the interim financial position of the Company and of the interim results of its operation, its interim cash flows and its interim changes in owner's equity for the period. In preparing those interim financial statements, the Board of Management is required to:

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

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

The Board of Management confirmed that it has complied with the above requirements in preparing the accompanying interim financial statements for the six-month period ended 30 June 2016.

STATEMENT BY THE BOARD OF MANAGEMENT

The Board of Management does hereby state that, in its opinion, the accompanying interim financial statements give a true and fair view of the interim financial position of the Company as at 30 June 2016 and of the interim results of its operation, its interim cash flows and its interim changes in owners' equity for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and statutory requirements relevant to preparation and presentation of interim financial statements.

On behalf of the Board of Management:



Nguyễn Hieu
General Director

Ho Chi Minh City, Vietnam

11 August 2016



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REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

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

We have reviewed the accompanying interim financial statements of Viet Dragon Securities Corporation ("the Company"), as prepared on 11 August 2016 and set out on pages 6 to 60, which comprise the interim statement of financial position as at 30 June 2016, the interim statement of comprehensive income, the interim statement of cash flows and the interim statement of changes in owner's equity for the six-month period then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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



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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view, in all material respects, of the interim financial position of the Company as at 30 June 2016, and of the interim results of its operations, its interim cash flows and its interim changes in owners' equity for the six-month period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidances applicable to securities companies and statutory requirements relevant to preparation and presentation of the interim financial statements.



Ernst & Young Vietnam Limited

Saman Bandara
Deputy General Director
Audit Practising Registration
Certificate No: 2036-2013-004-1

Ho Chi Minh City, Vietnam

11 August 2016

INTERIM STATEMENT OF COMPREHENSIVE INCOME
for the six-month period ended 30 June 2016

Code	ITEMS	Notes	Current period VND	Previous period (restated) VND
20	I. Operating revenue		88,763,701,503	49,118,584,624
01	1.1 Gain from financial assets at fair value through profit and loss (FVTPL)		25,408,738,935	5,940,251,867
01.1	a. Gain from sale of financial assets at FVTPL	4.1	20,282,262,248	2,856,298,109
01.3	b. Dividend, interest income from financial assets at FVTPL	4.3	5,126,476,687	3,083,953,758
03	1.2 Income from loans and receivables	4.3	36,300,879,718	20,925,788,689
06	1.3 Revenue from brokerage services	4.4	19,431,764,547	19,214,701,447
07	1.4 Revenue from underwriting and issuance agent services	4.4	3,000,000,000	-
08	1.5 Revenue from advisory services	4.4	1,744,636,363	680,454,545
10	1.6 Revenue from securities custodian services	4.4	2,522,726,327	1,782,552,902
11	1.7 Other operating incomes	4.4	354,955,613	574,835,174
40	II. Operating expenses		(45,205,042,653)	(31,327,352,648)
21	2.1 Loss from financial assets at fair value through profit and loss (FVTPL)		567,333,062	2,107,123,745
21.1	a. Loss from sale of financial assets at FVTPL	4.1	(2,052,956,885)	(2,311,622,247)
21.2	b. Loss from revaluation of financial assets at FVTPL	4.2	2,620,289,947	4,418,745,992
23	2.2 Borrowing costs, provision expenses from loans and receivables	5	(17,398,773,452)	(12,157,016,874)
26	2.3 Expenses for propriety trading activities	6	(986,576,618)	(496,502,814)
27	2.4 Expenses for brokerage services	6	(18,797,236,340)	(13,186,648,567)
28	2.5 Expense for underwriting and issuance agent services	6	(180,000,000)	-
29	2.6 Expenses for advisory services	6	(2,392,700,960)	(1,759,065,494)
31	2.7 Expenses for securities custodian services	6	(2,446,263,750)	(1,902,363,402)
32	2.8 Other operating expenses	6	(3,570,824,595)	(3,932,879,242)

INTERIM STATEMENT OF COMPREHENSIVE INCOME (continued)
for the six-month period ended 30 June 2016

Code	ITEMS	Notes	Current period VND	Previous period (restated) VND
50	III. Finance income	7	4,488,452,851	3,288,448,326
42	3.1 Revenue, accrued dividends, non-fixed interest income		4,488,452,851	3,288,448,326
62	VI. General and administrative expenses	8	(21,100,608,756)	(14,118,091,662)
70	VII. Operating profit		26,946,502,945	6,961,588,640
80	VIII. Other income and expenses		56,888,365	4,951,287
71	8.1 Other income		82,836,222	15,873,777
72	8.2 Other expenses		(25,947,857)	(10,922,490)
90	IX. Profit before tax		27,003,391,310	6,966,539,927
91	9.1 Realized profit		24,383,101,363	2,547,793,935
92	9.2 Unrealized profit		2,620,289,947	4,418,745,992
100	X. Corporate income tax (CIT) expenses		(5,078,455,512)	-
100.1	10.1 Current CIT expense	9.1	-	-
100.2	10.2 Deferred CIT expense	9.2	(5,078,455,512)	-
200	XI. Profit after tax		21,924,935,798	6,966,539,927
201	11.1 Attributable to shareholders		21,924,935,798	6,966,539,927
202	11.2 Attributable to reserves		-	-
400	XII. Total comprehensive income		21,924,935,798	6,966,539,927
401	12.1 Attributable to shareholders		21,924,935,798	6,966,539,927
500	XIII. Net income per share			
501	13.1 Basic earnings per share	26.5	313	199
502	13.2 Diluted earnings per share	26.5	313	199

Prepared by:



Ms. Duong Kim Chi
Deputy Manager of
Accounting Department

Reviewed by:



Mr. Le Minh Hien
Chief Accountant

Approved by:



Mr. Nguyen Hieu
General Director

Ho Chi Minh City, Vietnam

11 August 2016

INTERIM STATEMENT OF FINANCIAL POSITION
as at 30 June 2016

Code	ITEMS	Notes	Ending balance VND	Beginning balance (restated) VND
100	A. CURRENT ASSETS		1,617,160,947,315	976,274,988,243
110	I. Financial assets		1,424,623,095,682	841,286,272,875
111	1. Cash and cash equivalents	10	220,270,193,214	241,819,134,521
111.1	1.1 Cash		30,270,193,214	81,819,134,521
111.2	1.2 Cash equivalents		190,000,000,000	160,000,000,000
112	2. Financial assets at fair value through profit and loss (FVTPL)	12.1	233,410,436,483	99,911,875,543
114	3. Loans	12.3	987,970,360,725	508,453,622,392
116	4. Provision for impairment of financial assets and mortgaged assets	12.4	(29,268,873,992)	(26,602,182,963)
117	5. Receivables		6,083,828,962	10,789,742,146
117.1	5.1 Receivables from sale of financial assets	13	3,771,230,000	9,582,750,000
117.4	5.2 Receivables and accruals from dividend and interest income	13	2,312,598,962	1,206,992,146
119	6. Receivables from services provided by the Company	13	5,433,453,959	6,179,827,003
122	7. Other receivables	13	2,701,904,809	2,712,462,711
129	8. Provision for impairment of receivables	13	(1,978,208,478)	(1,978,208,478)
130	II. Other current assets	14	192,537,851,633	134,988,715,368
131	1. Advances		189,541,713,271	132,050,815,271
133	2. Short-term prepaid expenses		2,912,917,099	2,882,344,507
134	3. Short-term collaterals and pledges		48,550,000	48,550,000
135	4. Other current assets		34,671,263	7,005,590
200	B. NON-CURRENT ASSETS		33,441,832,515	37,074,571,443
220	II. Fixed assets		12,825,739,926	13,526,134,207
221	1. Tangible fixed assets	15.1	8,540,815,465	10,033,518,916
222	Cost		30,759,995,394	32,455,626,481
223a	Accumulated depreciation		(22,219,179,929)	(22,422,107,565)
227	2. Intangible fixed assets	15.2	4,284,924,461	3,492,615,291
228	Cost		11,484,441,628	10,124,060,628
229a	Accumulated amortization		(7,199,517,167)	(6,631,445,337)
240	IV. Construction in progress		170,157,163	170,157,163
250	V. Other non-current assets		20,445,935,426	23,378,280,073
251	1. Long-term deposits, collaterals and pledges	16	2,734,871,664	2,656,871,664
252	2. Long-term prepaid expenses	17	273,473,064	-
253	3. Deferred tax assets	9.2	3,428,314,633	8,506,770,145
254	4. Deposits to Settlement Assistance Fund	18	14,009,276,065	12,214,638,264
270	TOTAL ASSETS		1,650,602,779,830	1,013,349,559,686

INTERIM STATEMENT OF FINANCIAL POSITION (continued)
as at 30 June 2016

Code	ITEMS	Notes	Ending balance VND	Beginning balance (restated) VND
300	C. LIABILITIES		915,123,408,690	299,795,124,344
310	I. Current liabilities		914,573,237,690	299,173,141,344
311	1. Short-term loans and financial leases	19	5,500,000,000	74,990,100,000
312	Short-term loans		5,500,000,000	74,990,100,000
316	2. Short-term issued bonds	19	497,000,000,000	80,780,000,000
320	3. Short-term trade payables	20	4,901,356,355	810,000,000
321	4. Short-term advances from customers		463,000,000	616,500,000
322	5. Taxation and statutory obligations	21	1,514,369,281	1,401,782,303
323	6. Payables to employees		7,796,755	7,796,755
325	7. Short-term accrued expenses	22	8,241,448,029	3,673,782,456
329	8. Other current liabilities	23	396,945,267,270	136,893,179,830
340	II. Non-current liabilities		550,171,000	621,983,000
353	1. Other non-current liabilities		550,171,000	621,983,000
400	D. OWNERS' EQUITY		735,479,371,140	713,554,435,342
410	I. Owners' equity		735,479,371,140	713,554,435,342
411	1. Share capital		709,240,118,792	709,240,118,792
411.1	Contributed capital	24.1	700,000,000,000	700,000,000,000
411.1a	Common shares		700,000,000,000	700,000,000,000
411.1b	Preference shares		-	-
411.2	Share premium		9,240,118,792	9,240,118,792
414	2. Charter capital supplementary reserve		2,157,158,275	2,157,158,275
415	3. Operational risk and financial reserve		2,157,158,275	2,157,158,275
417	4. Undistributed profit	24.2	21,924,935,798	-
417.1	4.1 Realized profit		30,845,248,138	11,540,602,287
417.2	4.2 Unrealized loss		(8,920,312,340)	(11,540,602,287)
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1,650,602,779,830	1,013,349,559,686

INTERIM STATEMENT OF FINANCIAL POSITION (continued)
as at 30 June 2016

OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	Ending balance VND	Beginning balance (restated) VND
	A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
006	Outstanding shares (units)		70,000,000	70,000,000
008	Financial assets of the Company listed/registered at Vietnam Securities Depository (VSD)	25.1	72,360,050,000	41,022,530,000
008.1	Unrestricted financial assets		71,866,050,000	36,211,530,000
008.5	Financial assets awaiting settlement		494,000,000	4,811,000,000
009	The Company's non-traded financial assets deposited at VSD	25.2	17,440,000	4,530,000
009.1	Unrestricted and non-traded financial assets deposited at VSD		17,440,000	4,530,000
010	The Company's awaiting financial assets	25.3	1,796,800,000	800,000,000
012	The Company's financial assets not deposited at VSD	25.4	49,762,510,000	49,762,510,000
013	Entitled financial assets of the Company	25.5	2,731,920,000	1,008,250,000
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (Quantity of shares)			
021	Investors' financial assets listed/registered at VSD	25.6	821,067,086	811,804,519
021.1	Unrestricted financial assets		468,193,434	455,571,747
021.2	Restricted financial assets		6,863,724	4,493,507
021.3	Mortgaged financial assets		251,194,145	255,521,346
021.4	Blocked financial assets		90,846,148	90,846,126
021.5	Financial assets awaiting settlement		3,969,635	5,371,793
022	Investors' non-traded financial assets deposited at VSD	25.7	28,838,398	26,507,988
022.1	Unrestricted and non-traded financial assets deposited at VSD		14,618,875	12,286,723
022.2	Restricted and non-traded financial assets deposited at VSD		14,219,523	14,221,265
023	Investors' awaiting financial assets	25.8	4,789,606	6,377,944
025	Entitled financial assets of investors	25.9	2,734,747	6,763,383

INTERIM STATEMENT OF FINANCIAL POSITION (continued)
as at 30 June 2016

OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	Ending balance VND	Beginning balance (restated) VND
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)			
026	Investors' deposits	25.10	362,420,467,308	238,629,977,652
027	Deposits for security brokerage	25.10	329,550,416,155	219,624,056,410
027.1	Investors' deposits for securities trading activities managed by the Company		329,451,260,834	219,624,056,410
027.2	Investors' deposits for securities trading activities managed by commercial banks		99,155,321	-
028	Investors' deposits for securities transaction clearing and settlement	25.10	32,870,051,153	19,005,921,242
028.1	Domestic investors' deposits for securities transaction clearing and settlement		32,545,643,899	18,518,327,065
028.2	Foreign investors' deposits for securities transaction clearing and settlement		324,407,254	487,594,177
029	Deposits of securities issuers	25.11	10,972,344,162	-
030	Investors' deposits for securities trading activities managed by the Company	25.12	370,656,623,174	235,835,303,886
030.1	Domestic investors' deposits for securities trading activities managed by the Company		370,488,272,302	235,835,303,886
030.2	Foreign investors' deposits for securities trading activities managed by the Company		168,350,872	-
034	Investors' loans from the Company	25.15	989,154,824,042	509,430,308,980
035	Dividend, bond principal and interest payables	25.13	2,736,188,296	2,794,673,766

Prepared by:



Ms. Duong Kim Chi
Deputy Manager of
Accounting Department

Reviewed by:



Mr. Le Minh Hien
Chief Accountant

Approved by:



Mr. Nguyen Hieu
General Director

Ho Chi Minh City, Vietnam

11 August 2016

INTERIM STATEMENT OF CASH FLOWS
for the six-month period ended 30 June 2016

Code	ITEMS	Notes	Current period VND	Previous period (restated) VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Net profit before tax		27,003,391,310	6,966,539,927
02	2. Adjustments for:			
03	Depreciation and amortization		2,417,890,936	2,204,751,583
04	Addition/(reversal) of provisions		2,666,691,029	(356,291,905)
06	Accrued expenses, prepaid expenses		(304,045,656)	(1,456,645,037)
07	Gain from investment activities (investment in subsidiary company, joint-venture company)		(4,488,452,851)	(3,288,448,326)
10	3. Increase in non-monetary expenses			
11	Loss from revaluation of financial assets at FVTPL	4.2	(2,620,289,947)	(4,418,745,992)
17	Loss from disposal of fixed assets		25,947,846	-
20	4. Decrease in non-monetary income		-	-
30	5. Changes in operating assets and liabilities			
31	(Increase)/decrease in financial assets at FVTPL		(130,878,270,993)	41,237,108,745
33	Increase in loans		(479,516,738,333)	(4,997,832,136)
35	Decrease in other assets		5,811,520,000	-
36	Increase in receivables		(1,105,606,816)	-
42	6. Operating income before changes in working capital			
45	Decrease in receivables from services provided by the Company		746,373,044	55,284,679,564
47	Increase in other receivables		(59,375,643,572)	(4,087,399,681)
48	Increase/(decrease) in trade payables		4,091,356,355	(425,003,652)
50	Increase/(decrease) in statutory payables		112,586,978	(707,248,407)
51	Increase/(decrease) in other payables		264,394,441,013	(60,214,155,823)
60	Net cash flows (used in)/from operating activities		(371,018,849,657)	25,741,308,860
	II. Cash flows from investing activities			
61	1. Purchase and construction of fixed assets, investment properties and other long-term assets	15	(1,748,444,501)	(2,316,303,000)
65	2. Interest and dividends received	7	4,488,452,851	3,288,448,326
	Net cash flows from investing activities		2,740,008,350	972,145,326

INTERIM STATEMENT OF CASH FLOWS (continued)
for the six-month period ended 30 June 2016

Code	ITEMS	Notes	Current period VND	Previous period (restated) VND
	III. Cash flows from financing activities			
73	1. Drawdown of borrowings		578,150,406,344	1,117,443,166,116
73.2	1.1. Other borrowings		578,150,406,344	1,117,443,166,116
74	2. Repayment of borrowings		(231,420,506,344)	(1,148,686,689,811)
74.3	2.1. Other repayment of borrowings		(231,420,506,344)	(1,148,686,689,811)
	Net cash flows from/(used in) financing activities		346,729,900,000	(31,243,523,695)
90	NET DECREASE IN CASH DURING THE PERIOD		(21,548,941,307)	(4,530,069,509)
101	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD			
102	Cash at banks at the beginning of the period:	10	241,819,134,521	51,434,116,583
102.1	Cash at banks for operation of the Company		81,819,134,521	51,434,116,583
102.2	Cash equivalents		160,000,000,000	-
103	CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD			
104	Cash at banks at the end of the period:	10	220,270,193,214	46,904,047,074
104.1	Cash at banks for operation of the Company		30,270,193,214	46,904,047,074
104.2	Cash equivalents		190,000,000,000	-

INTERIM STATEMENT OF CASH FLOWS (continued)
for the six-month period ended 30 June 2016**CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE CUSTOMERS**

Code	ITEMS	Notes	Current period VND	Previous period (restated) VND
	I. CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE CUSTOMERS		134,762,833,818	(25,304,215,271)
01	1. Cash receipt from disposal of securities on behalf of customers		814,144,466,800	2,056,015,333,510
02	2. Cash payment for acquisition of securities on behalf of customers		(1,020,461,435,600)	(598,099,791,500)
09	3. Cash receipt for settlement of securities transactions of customers		280,543,460,372	(1,433,871,542,705)
14	4. Cash receipt from securities issuers		151,746,281,337	142,282,047,508
15	5. Cash payment to securities issuers		(91,209,939,091)	(191,630,262,084)
20	Net increase/(decrease) in cash during the period		134,762,833,818	(25,304,215,271)
30	II. Cash and cash equivalent of the customers at the beginning of the period		238,629,977,652	264,082,556,050
31	Cash at banks at the beginning of the period:		238,629,977,652	264,082,556,050
32	Investors' deposits managed by the Company for securities trading activities	25.10	219,624,056,410	262,317,183,105
35	Investors' deposits for securities transaction clearing and settlement	25.10	19,005,921,242	1,765,372,945
40	III. Cash and cash equivalent of the customers at the end of the period (40 = 20 + 30)		373,392,811,470	238,778,340,779
41	Cash at banks at the end of the period:		373,392,811,470	238,778,340,779
42	Investors' deposits managed by the Company for securities trading activities	25.10	329,451,260,834	236,914,487,887
43	Investors' deposits managed by commercial banks for securities trading activities	25.10	99,155,321	-
45	Investors' deposits for securities transaction clearing and settlement	25.10	32,870,051,153	1,863,852,892
46	Deposits of securities issuers	25.11	10,972,344,162	-

Prepared by:


Ms. Duong Kim Chi
Deputy Manager of
Accounting Department

Reviewed by:


Mr. Le Minh Hien
Chief Accountant

Approved by:


Mr. Nguyen Hieu
General DirectorHo Chi Minh City, Vietnam
11 August 2016

Viet Dragon Securities Corporation

B04g-CTCK

INTERIM STATEMENT OF CHANGES IN EQUITY for the six-month period ended 30 June 2016

ITEMS	Notes	Beginning balance		Increase/(decrease)				Ending balance	
		1 January 2015 VND	1 January 2016 VND	Current period		Previous period		30 June 2016 VND	30 June 2015 VND
				Increase VND	Decrease VND	Increase VND	Decrease VND		
A	B	1	2	3	4	5	6	7	8
CHANGES IN EQUITY									
Share capital		383,276,000,000	709,240,118,792	-	-	-	-	709,240,118,792	383,276,000,000
Charter capital		300,000,000,000	300,000,000,000	-	-	-	-	300,000,000,000	300,000,000,000
Supplemental capital		49,799,870,000	400,000,000,000	-	-	-	-	400,000,000,000	49,799,870,000
Share premium		33,476,130,000	9,240,118,792	-	-	-	-	9,240,118,792	33,476,130,000
Charter capital supplementary reserve		2,157,158,275	2,157,158,275	-	-	-	-	2,157,158,275	2,157,158,275
Operational risk and financial reserve fund		2,157,158,275	2,157,158,275	-	-	-	-	2,157,158,275	2,157,158,275
Undistributed profit/(loss)		(45,129,036,552)	-	21,924,935,798	-	6,966,539,927	-	21,924,935,798	(38,162,496,625)
Realized profit		(16,179,370,494)	11,540,602,287	19,304,645,851	-	2,547,793,935	-	30,845,248,138	(13,631,576,559)
Unrealized loss		(28,949,666,058)	(11,540,602,287)	2,620,289,947	-	4,418,745,992	-	(8,920,312,340)	(24,530,920,066)
TOTAL		342,461,279,998	713,554,435,342	21,924,935,798	-	6,966,539,927	-	735,479,371,140	349,427,819,925

Prepared by:

Reviewed by:

Approved by:

Ms. Duong Kim Chi
Deputy Manager of Accounting Department

Mr. Le Minh Hien
Chief Accountant

Mr. Nguyen Hieu
General Director

Ho Chi Minh City, Vietnam

11 August 2016

NOTES TO THE INTERIM FINANCIAL STATEMENTS
as at 30 June 2016 and for the six-month period then ended

1. CORPORATE INFORMATION

Viet Dragon Securities Corporation ("the Company") is a joint stock company established in Vietnam pursuant to Business Registration Certificate No. 4103005723 issued by the Department of Planning and Investment of Ho Chi Minh City on 15 December 2006 and Business License No. 32/UBCK-GPHDKD issued by the State Securities Commission (SSC) on 21 December 2006, and the following Amended Licenses issued by the SSC:

<i>Amended License No.</i>	<i>Description</i>	<i>Date granted</i>
32/UBCK-GP	Increase the charter capital to VND300,000,000,000	15 August 2007
147/UBCK-GP	Increase the charter capital to VND330,000,000,000	8 August 2008
312/UBCK-GP	Head office relocation	11 March 2010
347/UBCK-GP	Increase the charter capital to VND349,799,870,000	20 August 2010
57/GPDC-UBCK	Increase the charter capital to VND700,000,000,000	17 December 2015

The Company's current principal activities are to provide brokerage services, self-trading of securities, underwriting services, financial and securities investment advisory services, and securities custody services.

The Company's head office is located at 141 Nguyen Du Street, Ben Thanh Ward, District 1, Ho Chi Minh City. As at 30 June 2016, the Company has three (3) branches in Hanoi, Nha Trang and Can Tho cities.

The Company's number of employees as at 30 June 2016 is 210 (31 December 2015: 207).

2. BASIS OF PREPARATION

2.1 *Applied accounting standards and system*

The interim financial statements of the Company, expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System, the accounting guidance applicable to securities companies as set out in Circular No. 210/2014/TT-BTC dated 30 December 2014 issued by Ministry of Finance, Circular No. 146/2014/TT-BTC dated 6 October 2014 providing guidance on the financial regime applicable to securities companies and fund management companies, Vietnamese Accounting Standards No. 27 - Interim financial statements and Vietnamese Accounting Standards issued by the Ministry of Finance as per :

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

2.2 *Registered accounting documentation system*

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

2. BASIS OF PREPARATION (continued)

2.3 Fiscal year

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

2.4 Interim financial statements

The Company prepares its interim financial statements for the six-month period from 1 January to 30 June to submit to authorities in accordance with requirements of Circular No. 155/2015/TT-BTC dated 6 October 2015 issued by Ministry of Finance.

2.5 Accounting currency

The interim financial statements are prepared in VND which is also the Company's accounting currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Change in accounting policies and disclosures

On 30 December 2014, the Ministry of Finance issued Circular No. 210/2014/TT-BTC providing guidance on accounting policies applicable to securities companies ("Circular 210"). This Circular replaces Circular No. 95/2008/TT-BTC dated 24 October 2008 of the Ministry of Finance providing guidance on accounting policies applicable to securities companies and Circular No. 162/2010/TT-BTC dated 20 October 2010 amending and supplementing Circular No. 95/2008/TT-BTC. Circular 210 is applicable to fiscal year beginning on or after 1 January 2016. Circular 210 prescribes contents of accounting vouchers, system of accounting accounts as well as method of preparing and presenting the financial statements of securities companies.

Circular 210 leads to the following significant changes:

- ▶ Changes in name and content of the financial statements: balance sheet is renamed as statement of financial position, income statement is renamed as statement of comprehensive income; other comprehensive income, statement of cash flows from brokerage and trust activities of investors is separately presented as a part of the basic financial statements.
- ▶ Financial assets are categorized into four groups: financial assets at fair value through profit and loss, available-for-sale financial assets, held-to-maturity investments and loans.
- ▶ Assets and liabilities of securities companies and investors (including deposits, securities investment and payable accounts) are separately managed.

In addition, Circular 210 provides the guidance on measurement of financial assets as follows:

- ▶ Financial assets at fair value through profit and loss (FVTPL): are recognized at fair value in the statement of financial position of the Company. Difference arising from revaluation of these assets is recognized as revenue or expense from financial assets at FVTPL in the statement of comprehensive income.
- ▶ Available-for-sale (AFS) financial assets: are recognized at fair value. Any gain or loss arising from revaluation of AFS financial assets is recognized directly in owners' equity (Other comprehensive income), through statement of changes in owners' equity, except for loss from impairment of AFS financial assets.
- ▶ Held-to-maturity (HTM) financial assets: are recognized at amortized cost based on effective interest rate method.
- ▶ Loans: are recognized at amortized cost based on effective interest rate method.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 *Change in accounting policies and disclosures* (continued)

However, as the prevailing Law on Accounting does not allow the use of fair value concept, financial assets which are supposed to be recognized at fair value as above will continue being recognized at cost less reduction in value due to revaluation (if any) for the six-month period ended 30 June 2016.

Circular 210 takes effect from 1 January 2016, except for the application of fair value on financial assets which will be effective from 1 January 2017 in line with the effectiveness of Law on Accounting No. 88/2015/QH13.

The Company has applied changes in accounting policies retrospectively and restated its comparative figures of previous period in accordance with Circular 210's requirements as presented in *Note 26.8*.

3.2 *Standards issued but not yet taken effect*

On 20 November 2015, the National Assembly of Vietnam passed the Law on Accounting No. 88/2015/QH13 ("the new Accounting Law"). The new Accounting Law extends its governing scope to electronic accounting documents and allows the application of fair value concept for some types of assets and liabilities which their value frequently varies due to market fluctuation, provided that the fair value of these assets and liabilities can be reliably determined. The new Accounting Law takes effect from 1 January 2017.

3.3 *Cash and cash equivalents*

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

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

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

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

- a) It is classified as held for trading. A financial asset is classified as held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
 - there is evidence of a recent actual pattern of short-term profit-taking; or
 - it is a derivative (except derivative that is a financial guarantee contract or effective hedging instrument).
- b) Upon initial recognition, a financial asset is designated by the entity at fair value through profit and loss as it meets one of the following criteria:
 - The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the asset or recognising gains or losses on a different basis; or
 - The assets and liabilities are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

Financial assets at FVTPL are initially recognized at cost and subsequently recognized at cost less the reduction in the fair value of these financial assets as the prevailing Law on Accounting does not allow the use of fair value concept.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The loss arising from the decrease in the fair value of financial assets at FVTPL is recognized in "Loss from revaluation of FVTPL financial assets" in the interim statement of comprehensive income.

Transaction costs relating to the purchase of the financial assets at FVTPL are recognized when incurred as expenses for proprietary trading in the interim statement of comprehensive income.

3.5 Held-to-maturity investments (HTM)

Held-to-maturity investments are non-derivative financial assets with determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity other than:

- a) those that the entity upon initial recognition designates as at fair value through profit or loss;
- b) those that the entity designates as available for sale; and
- c) those meet the definition of loans and receivables.

Held-to-maturity investments are recognized initially at cost plus (+) transaction costs which are directly attributable to the investments such as brokerage fee, trading fee, agent fee, issuance agent fee and banking transaction fee. After initial recognition, held-to-maturity financial investments are subsequently measured at amortized cost using the effective interest rate ("EIR").

Amortized cost of HTM financial investments is the amount at which the financial asset is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortization using the effective interest rate method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

The effective interest rate method is a method of calculating the amortized cost of a financial asset (or group of financial assets) and of allocating the interest income or interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset.

3.6 Loans

Loans are non-derivative financial assets with fixed or identifiable payments and not listed on the market, with the exceptions of:

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

Loans are recognized initially at cost. After initial recognition, loans are subsequently measured at amortized cost using the effective interest rate ("EIR").

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Loans (continued)

Amortized cost of loans is the amount at which the financial asset is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortization using the effective interest rate method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Loans are classified into 5 groups in accordance with qualitative and quantitative method prescribed in Circular 210.

Loans shall be classified into the groups with lower risk in cases where customers have made full repayment of the principals and interests under the initial repayment term (for overdue loans) or under restructured repayment term (for restructured loans); and at the same time satisfy the following conditions: there are documents which prove that customers have made the repayments; and the Company has sufficient grounds to assess that the customers have full capability to fully and timely repay the remaining principals and interests.

Loans shall be classified into the groups with higher risks in the following cases:

- ▶ There are negative changes in the environment and business sector (such as natural calamities, epidemics, economic environment, etc.) which directly impact on the customers' capability to make repayments;
- ▶ Profitability, solvency, ratio of debts on capital, cash flow, capability of customers to make repayments have continuously declined or experienced significant changes resulting to the tendency of decline in three consecutive times of assessment and loan classification;
- ▶ Customers fail to fully, honestly and timely provide financial information at the request of the Company for purpose of assessing the repayment capability of customers;
- ▶ Loans, which have been classified into Group 2, Group 3, Group 4 for 1 year or more, do not satisfy the conditions to be reclassified into the groups with lower risk;
- ▶ Loans of which acts of credit extension have been administratively sanctioned as prescribed by law.

3.7 Available-for-sale (AFS)

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as:

- a) loans and receivables;
- b) held-to-maturity investments; or
- c) financial assets at fair value through profit or loss.

Available-for-sale financial assets are recognized initially at cost plus (+) transaction costs which are directly attributable to the purchase of the financial assets. After initial recognition, available-for-sale financial assets are subsequently measured at cost less reduction in value due to revaluation (if any) as the prevailing Law on Accounting does not allow the use of fair value concept.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Impairment of financial assets

AFS and HTM financial assets

AFS and HTM financial assets are assessed at the interim reporting date whether there is objective evidence that the assets are impaired.

Provision for transferable securities is the difference between the original cost and market value of the financial assets as at the interim reporting date in accordance with Circular No. 146/2014/TT-BTC. Market value is the transferrable value of the financial assets as at the most recent transaction date, provided that this transaction date is within one month prior to the date of setting up the provision. Any increase or decrease in balance of provision is recognized in "Borrowing costs, provision expenses from loans and receivables" in the interim statement of comprehensive income.

Market value/fair value of the securities is determined on the following basis:

- ▶ For securities listed on Hanoi Stock Exchange and Ho Chi Minh City Stock Exchange, their market prices are their closing prices on the trading day preceding the date of setting up the provision.
- ▶ For securities registered for trading on UPCoM, their market prices are their closing prices on the trading day preceding the date of setting up the provision.
- ▶ For the delisted securities and suspended trading securities from the sixth day afterward, their prices are the book value at the latest financial report date.
- ▶ The market price for unlisted securities and securities unregistered for trading used as a basis for setting up the provision is the average of actual trading prices quoted by 3 securities companies conducting transactions within one month before the date of setting up the provision.
- ▶ For securities which do not have reference prices from the above sources, the impairment is determined based on the financial performance and the book value of securities issuers as at the assessment date.

Provision for impairment of loans

Provision for impairment of loans includes general provision and specific provision, specifically:

- ▶ Specific provision is created on the net exposure of each loan.
- ▶ General provision is made for credit losses which have not been identified during the loan classification and specific provision process.

In accordance with Circular 210, the Company shall make and maintain specific provision and general provision for loans as follows:

- General provision is created at 0.75% of total balance of loans which are classified in groups 1 to 4, except deposits.

As at 30 June 2016, the Company has not made general provision at 0.75% of outstanding loans classified from group 1 to group 4 in accordance with the Circular 210 because there is no detail guidances on making time and timeline of fully provision making. On 26 July 2016, the Company sent an Official letter to the Accounting and Auditing Department and State Securities Commission of Vietnam to propose not making general provision for this six-month period.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Impairment of financial assets (continued)

- Specific provision is created on the net exposure of each loan using fixed provision rates as follows:

<i>Group</i>	<i>Name</i>	<i>Specific provision rate</i>
1	Current	0%
2	Special Mention	5%
3	Substandard	20%
4	Doubtful	50%
5	Loss	100%

3.9 Derecognition of financial assets

A financial asset (part of a group of similar financial assets) is derecognized when:

- ▶ The rights to receive cash flows from the asset have expired; or
- ▶ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either:
 - the Company has transferred substantially all the risks and rewards of the asset, or
 - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

3.10 Receivables

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

Receivables are subject to review for impairment based on their overdue status or estimated loss arising from undue debts of corporate debtors who have bankruptcy or are under liquidation; or of individual debtors who are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased. Increases or decreases to the provision balance are recorded as "*General and administrative expenses*" in the interim statement of comprehensive income.

The Company has made provision for doubtful receivables in accordance with Circular No. 228/2009/TT-BTC dated 7 December 2009 issued by the Ministry of Finance. Accordingly, the provision rates for overdue receivables are as follows:

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.11 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises of its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the interim statement of comprehensive income as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the interim statement of comprehensive income.

3.12 Intangible assets

Intangible assets are stated at cost less accumulated amortization.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and other expenditures are charged to the interim statement of comprehensive income as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the interim statement of comprehensive income.

3.13 Depreciation and amortization

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

Office equipment	3 - 5 years
Transportation vehicles	6 years
Computer softwares	6 - 8 years
Trademarks	5 years
Copyrights	5 years
Other intangible assets	5 years

3.14 Operating lease

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the interim statement of financial position and amortized over the period for which the amounts are paid or the period in which economic benefits is generated in relation to these expenses.

Office renovation expense was recognized as long-term prepaid expense to allocate within 5 years into the interim statement of comprehensive income.

3.16 Borrowings and issued bonds

Borrowings and bonds issued by the Company are announced and presented according to the original balance as at the reporting date.

Borrowings costs are recognized on the accrual basis into the interim statement of comprehensive income.

3.17 Payables and accruals

Payables and accruals are recognized for amounts to be paid in the future related to costs of borrowings and issued bonds, expense of goods and services received, whether the Company has received invoices from the suppliers or not.

3.18 Employee benefits

3.18.1 Post employment benefits

Post employment benefits are paid to retired employees of the Company by the Social Insurance Agency, which belongs to the Ministry of Labor and Social Affairs. The Company is required to contribute to these post employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 18% of an employee's basic salary on a monthly basis. The Company has no further obligation to fund the post employment benefits of its employees, other than the liability to pay Social Insurance Agency on a monthly basis.

3.18.2 Severance pay

The Company has the obligation, under the Vietnam Labour Code, to pay allowance arising from voluntarily resignation of employees, equal to one-half month's salary plus salary allowances (if any) for each year of employment until 31 December 2008. The average monthly salary used in this calculation will be the average monthly salary of the latest six-month period up to the resignation date.

3.18.3 Unemployment allowance

According to the applicable regulations, the Company is obliged to pay unemployment insurance at 1% of its salary fund used for payment of unemployment insurance for insurance participants and deduct 1% of salary of each employee to simultaneously pay to the Unemployment Insurance Fund.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is determined according to fair value of receivables which were received or not after deducted trading discounts, price reductions and returned goods. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from brokerage services

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

Revenue from trading of securities

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

Other income

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

Interest income

Revenue is recognized on an accrual basis (taking into account the effective yield on the asset) unless collectability is in doubt.

Dividends

Income is recognized when the Company's entitlement as an investor to receive the dividend is established, except for dividend received in shares which only the number of shares held by the Company is updated.

Other revenues from rendering services

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

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

3.20 Cost of securities sold

The Company applies monthly moving weighted average method to calculate cost of equity securities sold and specific identification method to calculate cost of debt securities sold.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.21 Corporate 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 interim statement of financial position.

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

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

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the interim 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 period 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 income statement, 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.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.22 Owners' equity

Contributed capital from shareholders

Contributed capital from stock issuance is recorded at account charter capital in par value.

Undistributed profit

Undistributed profit comprises of realized and unrealized undistributed profit.

Unrealized profit of the period is total difference between gain or loss arising from revaluation of financial assets at FVTPL or other financial assets which are in the financial assets portfolio of the Company, charged into profit and loss in the statement of comprehensive income.

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

Reserves

According to Circular No. 146/2014/TT-BTC issued by the Ministry of Finance on 6 October 2014, securities companies are required to make appropriation of profit after tax to the following reserves if accumulated loss no longer exist:

	<i>Percentage of profit after tax</i>	<i>Maximum balance</i>
Supplementary Reserve	5%	10% of charter capital
Operational risk and financial reserve	5%	10% of charter capital

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

3.23 Appropriation of net profits

Net profit after tax is available for appropriation to shareholders after approval by the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

4. GAIN, LOSS FROM FINANCIAL ASSETS

4.1. Gain, loss from sale of financial assets at FVTPL

No.	Financial assets	Quantity	Selling price	Proceeds VND	Weighted average cost at the end of transaction date VND	Gain, loss from sale in the current period VND	Accumulated gain, loss from sale in current period VND	Accumulated gain, loss from sale over the previous period VND
1.	Listed shares	11,915,840		261,866,703,000	244,639,367,637	17,227,335,363	17,227,335,363	818,033,171
2.	Unlisted shares	346,500		8,044,690,000	7,042,720,000	1,001,970,000	1,001,970,000	(273,357,309)
	Total	12,262,340		269,911,393,000	251,682,087,637	18,229,305,363	18,229,305,363	544,675,862

In which:

- Gain from sale of financial assets at FVTPL
- Loss from sale of financial assets at FVTPL

20,282,262,248	20,282,262,248	2,856,298,109
(2,052,956,885)	(2,052,956,885)	(2,311,622,247)

4.2. Loss from revaluation of financial assets

No.	Financial assets	Cost VND	Market value or Fair value VND	Revaluation difference as at 30 June 2016 VND	Revaluation difference as at 31 December 2015 VND	Gain/(loss) recorded in this period VND
I	FVTPL (Note 12.2)	242,330,748,823	236,404,893,100	(8,920,312,340)	(11,540,602,287)	2,620,289,947
1	Listed shares	175,611,004,050	176,019,882,800	(2,536,725,181)	(2,960,216,674)	423,491,493
2	Unlisted shares	66,719,744,773	60,385,010,300	(6,383,587,159)	(8,580,385,613)	2,196,798,454
II	Loans and receivables (Note 12.3)	987,970,360,725	958,701,486,733	(29,268,873,992)	(26,602,182,963)	(2,666,691,029)
	Total	1,230,301,109,548	1,195,106,379,833	(38,189,186,332)	(38,142,785,250)	(46,401,082)

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

4. GAIN, LOSS FROM FINANCIAL ASSETS (continued)

4.3. Dividend, interest income from financial assets at FVTPL, loans and receivables

	Current period VND	Previous period VND
From loans and receivables	36,300,879,718	20,925,788,689
From financial assets at FVTPL	5,126,476,687	3,083,953,758
- Shares	2,086,207,304	3,083,953,758
- Deposits	3,040,269,383	-
Total	41,427,356,405	24,009,742,447

4.4. Revenue other than gain from financial assets

	Current period VND	Previous period VND
Revenue from brokerage services	19,431,764,547	19,214,701,447
Revenue from underwriting and issuance agent services	3,000,000,000	-
Revenue from financial advisory services	1,744,636,363	680,454,545
Revenue from securities custodian services	2,522,726,327	1,782,552,902
Other operating incomes	354,955,613	574,835,174
Total	27,054,082,850	22,252,544,068

5. BORROWING COSTS, PROVISION EXPENSES FROM LOANS AND RECEIVABLES

	Current period VND	Previous period VND
Borrowing costs for financing margin and advances	14,732,082,423	12,513,308,779
Expense/(reversal) of provision for financial assets (Note 4.2)	2,666,691,029	(356,291,905)
Total	17,398,773,452	12,157,016,874

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

6. OPERATING EXPENSES

	<i>Current period VND</i>	<i>Previous period VND</i>
1. Expenses for propriety trading activities	986,576,618	496,502,814
- Salary expenses	755,599,228	371,417,345
- Office rental expenses	135,432,000	97,888,607
- Other expenses	95,545,390	27,196,862
2. Expenses for brokerage services	18,797,236,340	13,186,648,567
- Salary expenses	8,357,911,190	4,945,467,025
- Securities transaction expenses	3,314,381,016	2,873,247,803
- Expenses for brokerage services paid to collaborators	1,465,919,480	255,993,344
- Office rental expenses	1,826,824,800	1,267,331,914
- Depreciation and amortization expenses	987,095,802	989,630,032
- Other expenses	2,845,104,052	2,854,978,449
3. Expenses for underwriting and issuance agent services	180,000,000	-
4. Expenses for advisory services	2,392,700,960	1,759,065,494
- Salary expenses	1,846,216,678	1,132,320,107
- Office rental expenses	211,497,000	193,607,826
- Other expenses	334,987,282	433,137,561
5. Expenses for securities custodian services	2,446,263,750	1,902,363,402
6. Other operating expenses	3,570,824,595	3,932,879,242
- Salary expenses	2,733,318,410	1,897,258,031
- Office rental expenses	507,592,800	967,118,129
- Repairing and maintainance expenses	19,090,908	465,909,396
- Other expenses	310,822,477	602,593,686
Total	28,373,602,263	21,277,459,519

7. FINANCE INCOME

	<i>Current period VND</i>	<i>Previous period VND</i>
Interest income from demand deposits	4,488,452,851	3,288,448,326

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

8. GENERAL AND ADMINISTRATIVE EXPENSES

	Current period VND	Previous period VND
Payroll expenses for administration	10,885,186,194	6,908,121,615
- <i>Salary and bonus</i>	9,685,926,694	5,910,466,727
- <i>Social insurance, health insurance, union fee and unemployment insurance</i>	1,199,259,500	997,654,888
Office rental expenses	2,501,223,400	1,700,843,524
External service expenses	1,842,399,885	1,640,924,885
Depreciation and amortization expenses	1,430,795,134	1,212,782,115
Advertisement and event expense	1,333,722,715	847,998,065
Repairing, maintenance expense	881,813,801	75,246,483
Remuneration expense for Board of Directors	475,093,554	-
Tools and equipment expense	325,820,920	86,007,198
Stationery expense	69,882,566	258,145,406
Tax and fee expenses	8,000,000	7,000,000
Other expenses	1,346,670,587	1,381,022,371
Total	21,100,608,756	14,118,091,662

9. CORPORATE INCOME TAX

9.1 *Corporate income tax*

The tax returns filed by the Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the financial statements could change later upon final determination by the tax authorities.

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

The estimated current corporate income tax in this period and prior period is represented in the table below:

	Current period VND	Previous period VND
Profit before tax	27,003,391,310	6,966,539,927
Decrease:		
<i>Dividend income</i>	(2,086,207,304)	(3,083,953,758)
<i>Reversal of provision for doubtful debt</i>	-	(356,291,905)
Increase:		
<i>Non-deductible expenses</i>	475,093,554	275,600,000
Taxable profit before tax losses carried forward	25,392,277,560	3,801,894,264
Tax losses carried forward	(25,392,277,560)	(3,801,894,264)
Estimated taxable profit in the period	-	-
Estimated CIT expense in the period	-	-

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

9. CORPORATE INCOME TAX (continued)

9.2 Deferred income tax

Details of deferred income tax in the period are as follows:

	Interim statement of financial position		Effects on interim statement of comprehensive income	
	Ending balance VND	Beginning balance VND	Current period VND	Previous period VND
Deferred tax asset				
Tax losses carried forward	3,428,314,633	8,506,770,145	(5,078,455,512)	-
Deferred CIT expense recorded into comprehensive income			<u>(5,078,455,512)</u>	<u>-</u>

9.3

Tax losses carried forward

The Company is entitled to carry each individual tax loss forward to offset against taxable profits arising within five years subsequent to the year in which the loss is incurred. As at 30 June 2016, the Company has the accumulated tax losses carried forward amounting to VND17,141,573,165 (31 December 2015: VND42,533,850,725) available to offset against future taxable profits. Details are as follows:

Originating year	Can be utilized up to	Tax loss amount VND	Utilized up to 31 December 2015 VND	Utilized during the period VND	Utilized up to 30 June 2016 VND	Unutilized at 30 June 2016 VND
2011	2016	129,456,680,868	(114,521,623,947)	(14,935,056,921)	(129,456,680,868)	-
2012	2017	27,598,793,804	-	(10,457,220,639)	(10,457,220,639)	17,141,573,165
Total		157,055,474,672	(114,521,623,947)	(25,392,277,560)	(139,913,901,507)	17,141,573,165

The Company has recognized a deferred tax asset of VND3,428,314,633 from the tax loss entitled to carry forward mentioned above.
At 30 June 2016, the tax payables and tax losses of the Company have not been finalized by the Tax Authority.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

10. CASH AND CASH EQUIVALENTS

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Cash	30,270,193,214	81,819,134,521
Cash on hand	65,659,175	51,909,102
Cash at banks for operation of the Company	26,830,478,039	81,556,566,960
Cash for securities transaction clearing and settlement	3,374,056,000	210,658,459
Cash equivalents (Term deposits less than 3 months)	190,000,000,000	160,000,000,000
Total	220,270,193,214	241,819,134,521

11. VALUE AND VOLUME OF TRADING IN THE PERIOD

	<i>Volume of trading in the period Unit</i>	<i>Value of trading in the period VND</i>
a. The Company		
- Shares	28,189,712	634,242,541,767
b. Investors		
- Shares	762,889,772	10,918,049,541,100
Total	791,079,484	11,552,292,082,867

12. FINANCIAL ASSETS

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

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost VND</i>	<i>Fair value VND</i>	<i>Cost VND</i>	<i>Fair value VND</i>
Listed shares	175,611,004,050	173,074,278,869	43,889,297,562	40,929,080,888
Unlisted shares	66,719,744,773	60,336,157,614	67,563,180,268	58,982,794,655
Total	242,330,748,823	233,410,436,483	111,452,477,830	99,911,875,543

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

12. FINANCIAL ASSETS (continued)

12.2 Statement of changes in market values of financial assets

No.	Types of financial assets	Ending balance				Beginning balance			
		Cost VND	Market value or fair value VND	Revaluation difference		Cost VND	Market value or fair value VND	Revaluation difference	
				Increase VND	Decrease VND			Increase VND	Decrease VND
I	FVTPL								
1	Shares								
	1.1 Listed shares								
	VNM	48,434,051,200	49,717,728,000	1,283,676,800	-	692,801	896,000	203,199	-
	FPT	47,026,046,628	47,954,757,400	928,710,772	-	787,879	869,400	81,521	-
	ACB	17,112,407,630	17,097,777,000	-	14,630,630	8,262,653,850	8,607,178,800	344,524,950	-
	HAG	12,040,416,017	10,950,226,300	-	1,090,189,717	294,697	145,600	-	149,097
	BCI	11,267,570,123	10,927,885,600	-	339,684,523	625,813	884,300	258,487	-
	HNG	11,105,714,000	10,530,000,000	-	575,714,000	-	-	-	-
	CII	10,289,226,070	10,388,447,400	99,221,330	-	108,513	108,000	-	513
	TDH	7,709,630,683	7,907,621,400	197,990,717	-	168,253	151,800	-	16,453
	HUT	7,349,115,058	6,881,480,700	-	467,634,358	355,058	350,300	-	4,758
	PHR	1,909,000,000	2,080,000,000	171,000,000	-	-	-	-	-
	MBB	18,743,733	19,340,200	596,467	-	7,250,897,219	7,301,007,400	50,110,181	-
	VIC	3,094,802	3,606,200	511,398	-	499,652	594,100	94,448	-
	PET	527,947	533,000	5,053	-	287,017	266,000	-	21,017
	KSB	341,446	745,000	403,554	-	153,346	186,500	33,154	-
	KDC	196,830	252,000	55,170	-	196,830	218,700	21,870	-
	LSS	167,253	191,000	23,747	-	12,157,262,786	11,498,085,000	659,177,786	-
	VSH	145,007	161,700	16,693	-	145,007	176,000	30,993	-
	DHC	55,332	79,000	23,668	-	2,107,240,100	2,250,585,200	143,345,100	-
	VOS	34,961	13,200	-	21,761	3,373,566,060	1,556,971,200	-	1,816,594,860
	BFC	-	-	-	-	2,028,576,000	2,079,000,000	50,424,000	-
	CTI	-	-	-	-	1,619,200,000	1,560,000,000	-	59,200,000
	KBC	-	-	-	-	6,549,202,951	6,157,262,000	-	391,940,951
	Khác	1,344,519,330	1,559,037,700	263,368,562	48,850,192	536,383,730	593,936,509	90,664,018	33,111,239
		175,611,004,050	176,019,882,800	2,945,603,931	2,536,725,181	43,889,297,562	41,608,872,809	679,791,921	2,960,216,674
									40,929,080,888

12. FINANCIAL ASSETS (continued)

Market value or	Revaluation difference
_____	_____

The Company only recorded a decrease in revaluation of financial assets at FVTPL amounting to VND8,920,312,340 as at 30 June 2016 (31 December 2015: VND11,540,602,287) and did not record an increase in revaluation of financial assets at FVTPL amounting to VND2,994,456,617 as at 30 June 2016 (31 December 2015: VND1,326,936,607) as the Law on Accounting No. 88/2015/QH13 only allows the use of fair value method from 1 January 2017.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

12. FINANCIAL ASSETS (continued)

12.3 Loans

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost VND</i>	<i>Fair value VND</i>	<i>Cost VND</i>	<i>Fair value VND</i>
Receivables from margin and co-operation activities	946,043,942,960	916,775,068,968	450,054,116,890	423,451,933,927
Receivables from advance to customers	41,926,417,765	41,926,417,765	58,399,505,502	58,399,505,502
Total	987,970,360,725	958,701,486,733	508,453,622,392	481,851,439,429

12.4 Provision for impairment of financial assets and mortgaged assets

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Receivables from co-operation activities	29,268,873,992	26,602,182,963

As at 30 June 2016, the Company has not yet made a general provision at 0.75% of total balance of loans which are classified in group 1 to 4 according to the guidance of Circular 210 because Circular 210 does not specify the time and schedule of making general provision. On 26 July 2016, the Company sent its Official Letter to the Accounting and Auditing Department of the Ministry of Finance and the State Securities Commission to suggest not making general provision for this six-month period.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

12. FINANCIAL ASSETS (continued)

12.4 Provision for impairment of financial assets and mortgaged assets (continued)

Breakdown of provision for impairment of financial assets and mortgaged assets:

	Balance of doubtful debts as at 31 December 2015 VND	Beginning provision VND	Addition VND	Reversal VND	Ending provision VND	Balance of doubtful debts as at 30 June 2016 VND
Provision for margins and co-operations activities						
Dinh Thi Thu Hong	10,000,000,000	-	-	-	-	-
Dau Khanh Thien	10,000,000,000	-	-	-	-	-
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	6,684,096,600	1,681,601,539	-	8,365,698,139	8,587,695,000
Tran Duc Loi	3,496,837,634	-	-	-	-	3,496,837,634
Pham Thi Kim Xuan	2,601,061,121	-	-	-	-	1,145,485,922
Pham Cong Khanh	2,576,209,616	2,576,209,616	-	-	2,576,209,616	2,576,209,616
Le Phuong Lan	2,259,765,992	1,293,877,092	476,455,705	-	1,770,332,797	2,259,764,567
Nguyen Thi Ly	1,643,644,606	1,250,764,606	347,062,130	-	1,597,826,736	1,643,644,306
Vuong Dang	1,544,620,920	1,544,620,920	-	-	1,544,620,920	1,544,620,920
Dao Thi Ho Huong	1,047,574,791	381,326,791	103,914,800	-	485,241,591	1,047,574,791
Nguyen Thu Hien	616,332,296	551,052,296	57,660,655	-	608,712,951	616,325,496
Tran Trung Nghia	109,137,598	109,137,598	-	-	109,137,598	109,137,598
Tran Quang Huy	1,097,444	1,097,444	-	(3,800)	1,093,644	1,093,644
Total	56,693,977,018	26,602,182,963	2,666,694,829	(3,800)	29,268,873,992	35,238,389,494

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

13. RECEIVABLES

	Ending balance VND	Beginning balance VND
Receivables from disposal of investments	3,771,230,000	9,582,750,000
Receivables and accrual from dividend, interest of investments	2,312,598,962	1,206,992,146
Receivables from services provided by the Company	5,433,453,959	6,179,827,003
Other receivables	2,701,904,809	2,712,462,711
Provision for impairment of receivables	(1,978,208,478)	(1,978,208,478)
Total	12,240,979,252	17,703,823,382

Details of provision for impairment of receivables are as follows:

	Balance of doubtful debts as at 31 December 2015 VND	Beginning provision VND	Addition/ (Reversal) VND	Ending provision VND	Balance of doubtful debts as at 30 June 2016 VND
Provision for impairment of receivables					
<i>Van Thien Hung</i>	1,978,208,478	1,978,208,478	-	1,978,208,478	1,978,208,478

14. OTHER SHORT-TERM ASSETS

	Ending balance VND	Beginning balance VND
Advances to employees	189,541,713,271	132,050,815,271
Short-term prepaid expense	2,912,917,099	2,882,344,507
- Office renovation expenses	711,991,942	1,423,983,880
- IT equipment expenses	566,032,840	416,315,926
- Office rental prepaid expenses	205,114,000	259,810,000
- Other short-term prepaid expenses	1,429,778,317	782,234,701
Deposits, collaterals and pledges	48,550,000	48,550,000
Receivables for overpaid tax	34,671,263	7,005,590
Total	192,537,851,633	134,988,715,368

Included in advances to employees are the advances for bidding shares as requested from investors amounting to VND188,845,950,000 at 30 June 2016 (31 December 2015: VND131,874,000,000).

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

15. FIXED ASSETS

15.1 Tangible fixed assets

	<i>Transportation vehicles VND</i>	<i>Office equipment VND</i>	<i>Total VND</i>
Cost			
1 January 2016	4,146,686,100	28,308,940,381	32,455,626,481
Newly purchase	-	388,063,501	388,063,501
Disposal	-	(2,083,694,588)	(2,083,694,588)
30 June 2016	4,146,686,100	26,613,309,294	30,759,995,394
Accumulated depreciation			
1 January 2016	3,908,917,475	18,513,190,090	22,422,107,565
Depreciation in the period	152,463,069	1,697,356,037	1,849,819,106
Disposal	-	(2,052,746,742)	(2,052,746,742)
30 June 2016	4,061,380,544	18,157,799,385	22,219,179,929
Net book value			
1 January 2016	237,768,625	9,795,750,291	10,033,518,916
30 June 2016	85,305,556	8,455,509,909	8,540,815,465
Other information of tangible fixed assets:			
		<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Cost of tangible fixed assets that were fully depreciated but still in use		13,774,920,026	13,516,667,744

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

15. FIXED ASSETS (continued)

15.2 Intangible fixed assets

	Computer softwares VND	Trademarks VND	Copyrights VND	Other intangible assets VND	Total VND
Cost					
1 January 2016	8,349,362,903	307,500,192	964,693,751	502,503,782	10,124,060,628
Newly purchase	663,226,000	-	697,155,000	-	1,360,381,000
30 June 2016	9,012,588,903	307,500,192	1,661,848,751	502,503,782	11,484,441,628
Accumulated amortization					
1 January 2016	4,867,914,279	307,500,192	964,693,751	491,337,115	6,631,445,337
Amortization in the period	518,944,830	-	43,543,666	5,583,334	568,071,830
30 June 2016	5,386,859,109	307,500,192	1,008,237,417	496,920,449	7,199,517,167
Net book value					
1 January 2016	3,481,448,624	-	-	11,166,667	3,492,615,291
30 June 2016	3,625,729,794	-	653,611,334	5,583,333	4,284,924,461

Other information of intangible fixed assets:

	Ending balance VND	Beginning balance VND
Cost of intangible fixed assets that were fully depreciated but still in use	1,952,891,465	1,952,891,465

16. LONG-TERM DEPOSITS, COLLATERALS AND PLEDGES

This represents the deposits for the lease of the Company's Head office, Nha Trang, Ha Noi and Can Tho branches.

17. LONG-TERM PREPAID EXPENSES

This pertains to prepaid office renovation expenses of Can Tho branch which are being amortized for a period of 60 months.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

18. ADVANCES TO SETTLEMENT ASSISTANCE FUND

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

According to Decision No. 57/QD-VSD dated 28 May 2012 issued by the General Director of the Vietnam Securities Depository and Decision No. 87/2007/QD-BTC dated 22 October 2007 by the Minister of Finance regarding the issuance of regulations on the registration, custody, clearing and settlement of securities, and Circular No. 43/2010/TT-BTC dated 25 March 2010 regarding the amendment and supplement of the regulations, Decision No. 27/QD-VSD dated 13 March 2015 and Decision No. 45/QD-VSD dated 22 May 2014 regarding the regulations on management and usage of the Assistance Fund issued by the General Director of the Vietnam Securities Depository, the Company must deposit an initial amount of VND120 million at the Vietnam Securities Depository and pay an addition of 0.01% of the total amount of brokered securities in the previous year, but not over VND2.5 billion per annum.

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

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
First payment	120,000,000	120,000,000
Addition	10,156,776,767	9,077,350,152
Received interest	3,732,499,298	3,017,288,112
Total	14,009,276,065	12,214,638,264

19. SHORT-TERM BORROWINGS

	<i>Interest rate %/p.a</i>	<i>Beginning balance VND</i>	<i>Addition VND</i>	<i>Repayment VND</i>	<i>Ending balance VND</i>
1. Funds received under cooperation contracts		74,990,100,000	54,500,000,000	(123,990,100,000)	5,500,000,000
Eximgold JSC	9.50	74,990,100,000	54,500,000,000	(123,990,100,000)	5,500,000,000
2. Issued bonds		80,780,000,000	493,820,000,000	(77,600,000,000)	497,000,000,000
Individuals	9.00 -				
9.50		70,780,000,000	154,820,000,000	(67,600,000,000)	158,000,000,000
Organizations	8.75 -				
9.50		10,000,000,000	339,000,000,000	(10,000,000,000)	339,000,000,000
Total		155,770,100,000	548,320,000,000	(201,590,100,000)	502,500,000,000

20. TRADE PAYABLES

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Payables for purchase of financial assets at FVTPL	4,661,286,000	810,000,000
Others	240,070,355	-
Total	4,901,356,355	810,000,000

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

21. TAXATION AND OTHER STATUTORY OBLIGATIONS

	Ending balance VND	Beginning balance VND
Personal income tax - Investors	1,179,208,538	698,926,385
Personal income tax - Employees	179,011,478	451,366,588
Value added tax	119,272,101	212,802,393
Foreign contractor tax	36,877,164	38,686,937
Total	1,514,369,281	1,401,782,303

No.	Items	Beginning balance VND	Payable in the period VND	Paid in the period VND	Ending balance VND
1	Value added tax	212,802,393	229,841,018	(323,371,310)	119,272,101
2	Other tax				
	Personal income tax - employees	444,360,998	1,543,120,123	(1,843,140,906)	144,340,215
	In which:				
	- Payables	451,366,588			179,011,478
	- Receivables (Note 14)	(7,005,590)			(34,671,263)
	Personal income tax paid on behalf of investors	698,926,385	4,725,536,860	(4,245,254,707)	1,179,208,538
	Foreign contractor withholding tax	38,686,937	199,687,789	(201,497,562)	36,877,164
	Total	1,394,776,713	6,698,185,790	(6,613,264,485)	1,479,698,018

22. ACCRUED EXPENSES

	Ending balance VND	Beginning balance VND
Accrued interest from issued bond, borrowings and funds financed by co-operation contracts	3,954,023,611	656,578,602
Accrued partial 13 th month salary of 2016	1,500,000,000	-
Accrued bonus and salary	1,200,000,000	1,200,000,000
Brokerage and custody fee	1,086,543,281	1,018,989,375
Remuneration for the Board of Directors	29,526,887	457,775,333
Others	471,354,250	340,439,146
Total	8,241,448,029	3,673,782,456

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended**23. OTHER CURRENT LIABILITIES**

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Customers' deposits	392,435,222,000	132,435,222,000
- <i>Bac Binh Construction Investment Limited Company</i>	200,000,000,000	-
- <i>Kido Corporation JSC (Note 26.1)</i>	192,435,222,000	132,435,222,000
Others	4,510,045,270	4,457,957,830
Total	396,945,267,270	136,893,179,830

Customer's deposits are used to secure for a brokerage contractual obligation to purchase shares of a target company, in which, the deposit of Bac Binh Construction Investment Limited Company bears interest at rate of 9.5% p.a and the Company is permitted to use this deposit during the period waiting for settlement.

24. OWNERS' EQUITY**24.1 Owners' equity**

Details of the Company's share capital as at 30 June 2016 are as follows:

	<i>Number of shares Unit</i>	<i>Par value VND</i>	<i>Ownership %</i>
Mr. Tran Le Nguyen	24,500,000	245,000,000,000	35.00%
Asia Investment Limited	10,520,013	105,200,130,000	15.03%
Ms. Pham My Linh	9,595,299	95,952,990,000	13.71%
Vietnam Export-Import Joint Stock Bank	3,800,000	38,000,000,000	5.43%
	48,415,312	484,153,120,000	69.16%
Other shareholders	21,584,688	215,846,880,000	30.84%
Total	70,000,000	700,000,000,000	100.00%

The Company's shares are broken as follows:

	<i>30 June 2016 Unit</i>	<i>31 December 2015 Unit</i>
Authorized shares	70,000,000	70,000,000
<i>Common shares</i>	<i>70,000,000</i>	<i>70,000,000</i>
Shares issued and fully paid	70,000,000	70,000,000
<i>Common shares</i>	<i>70,000,000</i>	<i>70,000,000</i>
Outstanding shares	70,000,000	70,000,000
<i>Common shares</i>	<i>70,000,000</i>	<i>70,000,000</i>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

24. OWNERS' EQUITY (continued)

24.2 Undistributed profit

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Realized profit	30,845,248,138	11,540,602,287
Unrealized loss	(8,920,312,340)	(11,540,602,287)
Total	21,924,935,798	-

In 2015, according to Resolution of Annual Shareholders' Meeting No. 01/2015/NQ-DHDCD dated 8 April 2015, the Company used a part of share premium amounting to VND24,236,011,028 to write off the accumulated losses. As at 31 December 2015, according to guidance on accounting policies applicable to securities companies in Circular No. 95/2008/TT-BTC, the Company recognized the accumulated losses amounted to VND0. For the purpose of presenting the financial statements according to Circular 210 effective on 1 January 2016 which replaces Circular No. 95/2008/TT-BTC and Circular No. 162/2010/TT-BTC dated 20 October 2010 amending and supplementing Circular No. 95/2008/TT-BTC dated 24 October 2008 issued by the Ministry of Finance, providing guidance on accounting policies applicable to securities companies, the Company has restated the beginning balance of accumulated loss including realized profit and unrealized loss as presented above.

25. DISCLOSURE OF 0 ACCOUNTS

25.1 Financial assets of the Company listed/registered at VSD

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Financial assets		
Unrestricted financial assets	71,866,050,000	36,211,530,000
Financial assets awaiting for settlement	494,000,000	4,811,000,000
Total	72,360,050,000	41,022,530,000

25.2 The Company's non-traded financial assets deposited at VSD

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Unrestricted and non-traded financial assets deposited at VSD	17,440,000	4,530,000

25.3 The Company's awaiting financial assets

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Shares	1,796,800,000	800,000,000

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

25. DISCLOSURE OF 0 ACCOUNTS (continued)

25.4 The Company's financial assets which have not deposited at VSD

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Shares	49,762,510,000	49,762,510,000

25.5 Entitled financial assets of the Company

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Shares	2,731,920,000	1,008,250,000

25.6 Investors' financial assets listed/registered at VSD

	<i>Ending balance Shares</i>	<i>Beginning balance Shares</i>
Unrestricted financial assets	468,193,434	455,571,747
Mortgaged financial assets	251,194,145	255,521,346
Blocked financial assets	90,846,148	90,846,126
Restricted financial assets	6,863,724	4,493,507
Financial assets awaiting for settlement	3,969,635	5,371,793
Total	821,067,086	811,804,519

25.7 Investors' non-traded financial assets deposited at VSD

	<i>Ending balance Shares</i>	<i>Beginning balance Shares</i>
Unrestricted and non-traded financial assets deposited at VSD	14,618,875	12,286,723
Restricted and non-traded financial assets deposited at VSD	14,219,523	14,221,265
Total	28,838,398	26,507,988

25.8 Investors' awaiting financial assets

	<i>Ending balance Shares</i>	<i>Beginning balance Shares</i>
Shares	4,789,606	6,377,944

25.9 Entitled financial assets of investors

	<i>Ending balance Shares</i>	<i>Beginning balance Shares</i>
Shares	2,734,747	6,763,383

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

25. DISCLOSURE OF 0 ACCOUNTS (continued)

25.10 Investors' deposits

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Investors' deposits for securities trading activities managed by the Company	329,451,260,834	219,624,056,410
- <i>Domestic investors' deposits for securities trading activities managed by the Company</i>	329,451,260,834	219,624,056,410
Investors' deposits for securities trading activities managed by commercial banks	99,155,321	-
- <i>Domestic investors' deposits for securities trading activities managed by commercial banks</i>	99,155,321	-
Investors' deposits for securities transaction clearing and settlement	32,870,051,153	19,005,921,242
- <i>Domestic investors' deposits for securities transaction clearing and settlement</i>	32,545,643,899	18,518,327,065
- <i>Foreign investors' deposits for securities transaction clearing and settlement</i>	324,407,254	487,594,177
Total	362,420,467,308	238,629,977,652

25.11 Deposits of securities issuers

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Deposit for settlement of bond principal and interest, dividends	10,676,969,265	-
Deposits for underwriting and issuance agent services	295,374,897	-
Total	10,972,344,162	-

25.12 Payables to investors

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Payables to investors – Investors' deposits for securities trading activities managed by the Company	276,254,499,692	161,933,112,104
- <i>Domestic investors</i>	276,086,148,820	161,933,112,104
- <i>Foreign investors</i>	168,350,872	-
Payables to investors – Deposits for securities transaction clearing and settlement	92,312,906,000	73,884,074,300
- <i>Domestic investors</i>	92,312,906,000	73,884,074,300
Other payables to investors	2,089,217,482	18,117,482
- <i>Domestic investors</i>	2,089,217,482	18,117,482
Total	370,656,623,174	235,835,303,886

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

25. DISCLOSURE OF 0 ACCOUNTS (continued)

25.13 Dividend, bond principal and interest payables

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Dividend, bond principal and interest payables to customers	2,736,188,296	2,794,673,766

25.14 Payables to investors for services provided by the Company

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Brokerage fee	230,714,250	210,792,537
Securities custodian fee	3,920,467,337	2,952,328,724
Financial advisory fee	867,952,900	1,213,852,900
Message fee	327,895,700	292,721,000
Other payables	73,289,832	90,936,375
Total	5,420,320,019	4,760,631,536

25.15 Investors' loans from the Company

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Margin payables		
Margin's principal payables		
<i>Margin's principal payables of domestic investors</i>	946,043,942,960	450,054,116,890
Margin's interest payables		
<i>Margin's interest payables of domestic investors</i>	1,184,463,317	976,686,588
Advance payments		
Advance payments' principal		
<i>Advance payments' principal of domestic investors</i>	41,926,417,765	58,399,505,502
Total	989,154,824,042	509,430,308,980

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

26. OTHER INFORMATION

26.1 Related party transactions

Throughout daily operations, the Company has undertaken transactions with its related parties. A party is related if it has a power of control or significant influence to others' financial policies and operation. A party is deemed as a related party to the Company if:

- (a) Directly, or indirectly through one or more intermediaries, the party:
 - ▶ controls, is controlled by, or is under common control by the Company (this includes parents and subsidiaries);
 - ▶ has contributed capital (owning at least 5% of charter capital or ordinary shares) that it has significant influence to the Company;
 - ▶ has joint control over the Company.
- (b) The party is a joint venture, associate in which the Company is a party of the joint venture or associate (owning at least 11% of charter capital or ordinary shares but not being a subsidiary);
- (c) The party is a member of the key management personnel of the Company or its parent;
- (d) The party is a close member of the family of any individual referred to in (a) or (c); or
- (e) The party is a Company that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such Company resides with, directly or indirectly, any individual referred to in (c) or (d).

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Current period VND</i>	<i>Previous period VND</i>
Vietnam Export-Import Joint Stock Bank	Major shareholder	Interest income from deposits	6,097,336,033	1,380,051,768
		Drawdown of short-term borrowings	-	584,268,007,857
		Repayment of short-term borrowings	-	667,400,288,839
		Interest expense from borrowings	-	2,355,568,211
Kido Corporation Joint Stock Company	Party related to key management personnel of the Company	Deposits	60,000,000,000	132,435,222,000

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

26. OTHER INFORMATION (continued)

26.1 Related party transactions (continued)

As at the interim reporting date, receivables and payables with related parties are as follows:

Related parties	Relationship	Transactions	Receivable/(payable)	
			Ending balance VND	Beginning balance VND
Vietnam Export-Import Joint Stock Bank	Major shareholder	Current deposits Term deposit and accrued interest	7,460,982,048 180,730,888,889	41,054,230,055 80,100,583,333
Kido Corporation Joint Stock Company	Party related to key management personnel of the Company	Deposits (Note 23)	(192,435,222,000)	(132,435,222,000)

Remuneration of members of the Board of Directors, Board of Management:

	Current period VND	Previous period VND
Board of Directors	903,342,000	964,445,000
Board of Management	1,887,722,156	1,417,151,478
Total	2,791,064,156	2,381,596,478

26.2 Segmentation information by business units

The Company is developing factors criteria to evaluate its operation by business units. Accordingly, overhead expenses, assets and liabilities will be allocated properly to each business unit. As at 30 June 2016, the assessment criteria is under testing. Therefore, the Company decides not to prepare and disclose the segmentation information by business units on these interim financial statements.

26.3 Segmentation information by geographical

All operations of the Company occur within Vietnam.

26.4 Commitments under operating lease

The Company currently leases its offices under the operating lease contracts. As at 30 June 2016, the future rental payables as stated in the rental contracts are as follows:

	Ending balance VND	Beginning balance VND
Within 1 year	10,307,748,000	10,141,603,000
From 1 - 5 years	23,903,353,000	27,464,434,733
Total	34,211,101,000	37,606,037,733

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

26. OTHER INFORMATION (continued)

26.4 Commitments under operating lease (continued)

Commitments of guarantee for customers

During the period, the Company has engaged into co-operation transactions with domestic banks to support its customers in margin activities. Accordingly, the Company will manage customer's accounts and have obligations of settlement on behalf of customers in the case that customers can not repay or not repay in full the debts.

The co-operation contract was signed before the issuance date of Circular No. 07/2016/TT-BTC amending Circular 210/2012/TT-BTC guiding on establishment and operation of securities companies, on 8 January 2016. After the issuance date of the Circular, the Company has not signed any new contracts and is in the progress of termination of current contract in order to comply with Circular No. 07/2016/TT-BTC.

As at 30 June 2016, total loan balance under the co-operation contract amounted to VND42,691,662,913.

26.5 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit after tax for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

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

The following reflects the profit and share data used in the earnings per share computations:

	<i>Current period</i> VND	<i>Previous period</i> VND
Profit after tax attributable to ordinary equity holders for basic earnings - VND	21,924,935,798	6,966,539,927
Weighted average number of outstanding ordinary shares for basic earnings per share - Unit	70,000,000	34,979,987
Basic earnings per share - VND	313	199
Diluted earnings per share - VND	313	199

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

26. OTHER INFORMATION (continued)

26.6 Purposes and policies of financial risk management

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

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

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

The management reviews and agrees policies for managing each of these risks which are summarized below:

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rate relates primarily to the Company's cooperation contracts, customer receivables, cash and short-term deposits. These investments are mainly short term in nature and they are not held for speculative purposes.

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

A sensitivity analysis is not performed for the interest rate risk for the six-month period ended 30 June 2016, as most of deposits, lendings and borrowings during the period have fixed-interest rate.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The company gets this risk because change of foreign exchange rate is involved directly in business activities of the company (when revenue and expense are recognized in foreign currency) and investments in foreign subsidiary companies.

The Company was established and operates in Vietnam with reporting currency as VND. The main transaction currency of the Company is also VND. There is no risk from change in foreign exchange rate because the Company did not hold foreign-currency assets and liabilities as at 30 June 2016.

Equity price risk

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

At the reporting date, the fair value of the Company's listed shares amounted to VND173,074,278,869 (31 December 2015: VND40,929,080,888). A decrease by 10% on the stock market index may result in a decrease in Company's net profit before tax by VND15,202,471,920 (31 December 2015: VND4,160,909,730), depending on whether this change is significant or prolonged. An increase by 10% of securities index may result in an increase in the Company's net profit before tax by VND2,523,005,188 (31 December 2015: VND4,160,909,730).

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

26. OTHER INFORMATION (continued)

26.6 Purposes and policies of financial risk management (continued)

Credit risk

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

Trade receivables

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

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

Bank deposits

The Company's bank balances are mainly maintained with well-known banks in Vietnam. The Company's maximum exposure to credit risk for the components of the statement of financial position at each reporting dates are the carrying amounts as illustrated in *Note 10*. The Company assessed the concentration of risk with respect to bank deposits to be low.

Loans and advances to customers

The Company manages its credit risks via the use of internal control policies, processes and procedures relevant to margin and advance payments to customers. The Company conducts the customer assessment and appraisal for determining credit and advance limits prior to the signing of margin and advance payment contracts. Also, the Company periodically examines customers' financial position in order to make appropriate and timely adjustments for margin ratio and credit limits.

Apart from financial assets that have been provided for allowance as mentioned in *Note 12.3* and *Note 13*, the Company's management assessed that all financial assets are neither past due nor impaired as they are related to recognized and credit worthy counter parties, except for overdue receivables but not impaired as at 30 June 2016.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

26. OTHER INFORMATION (continued)

26.6 Purposes and policies of financial risk management (continued)

Credit risk (continued)

Details of credit risk for each group of financial assets as at 30 June 2016 are as follows:

	Neither past due nor impaired VND	Past due but not impaired				Total VND
		Less than 3 months VND	3 - 6 months VND	6 - 12 months VND	Over 1 year VND	
Loans and receivables - gross	952,731,971,231	-	-	-	4,642,323,556	987,970,360,725
Other financial assets	204,383,827,856	-	-	-	-	206,362,036,334
Receivable from disposal of financial assets	3,771,230,000	-	-	-	-	3,771,230,000
Receivables and accruals from dividend and interest income	2,312,598,962	-	-	-	-	2,312,598,962
Receivables from services provided by the Company	5,433,453,959	-	-	-	-	5,433,453,959
Deposits, collaterals and pledges	2,783,421,664	-	-	-	-	2,783,421,664
Advances	189,541,713,271	-	-	-	-	189,541,713,271
Other receivables - gross	541,410,000	-	-	-	1,978,208,478	2,519,618,478
TOTAL	1,157,115,799,087	-	-	-	4,642,323,556	1,194,332,397,059

Liquidity risk

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

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

26. OTHER INFORMATION (continued)

26.6 Purposes and policies of financial risk management (continued)

Liquidity risk (continued)

The table below summarizes the maturity profile of the Company's financial assets and financial liabilities as at 30 June 2016:

	Overdue VND	On demand VND	Up to 1 year VND	1 - 5 years VND	Over 5 years VND	Total VND
FINANCIAL ASSETS						
Financial assets at FVTPL	-	233,410,436,483	-	-	-	233,410,436,483
Listed shares	-	173,074,278,869	-	-	-	173,074,278,869
Unlisted shares	-	60,336,157,614	-	-	-	60,336,157,614
Loans and receivables - gross	35,238,389,494	-	952,731,971,231	-	-	987,970,360,725
Other financial assets	1,978,208,478	189,541,713,271	12,107,242,921	2,734,871,664	-	206,362,036,334
Receivable from disposal of financial assets	-	-	3,771,230,000	-	-	3,771,230,000
Receivables and accruals from dividend and interest income	-	-	2,312,598,962	-	-	2,312,598,962
Receivables from services provided by the Company	-	-	5,433,453,959	-	-	5,433,453,959
Collaterals and pledges	-	-	48,550,000	2,734,871,664	-	2,783,421,664
Advances	-	189,541,713,271	-	-	-	189,541,713,271
Other receivables - gross	1,978,208,478	-	541,410,000	-	-	2,519,618,478
Cash and cash equivalents	-	30,270,193,214	190,000,000,000	-	-	220,270,193,214
TOTAL	37,216,597,972	453,222,342,968	1,154,839,214,152	2,734,871,664	-	1,648,013,026,756
FINANCIAL LIABILITIES						
Short-term loans and borrowings	-	-	502,500,000,000	-	-	502,500,000,000
Payables from securities trading activities	-	-	4,901,356,355	-	-	4,901,356,355
Accrued expense	-	-	4,809,866,469	-	-	4,809,866,469
Other payables	-	396,881,722,855	1,265,922,730	550,171,000	-	398,697,816,585
TOTAL	-	396,881,722,855	513,477,145,554	550,171,000	-	910,909,039,409
Net liquidity gap	37,216,597,972	56,340,620,113	641,362,068,598	2,184,700,664	-	737,103,987,347

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

26. OTHER INFORMATION (continued)

26.6 *Purposes and policies of financial risk management* (continued)

***Liquidity risk* (continued)**

The Company assessed the concentration of risk with respect to refinancing its debts to be low. Access to sources of funding and loans matured within 12 months is sufficiently available to continually finance for the Company's capital requirement.

26.7 *Capital management*

The Company complies with the requirements of the State Securities Commission of Vietnam (SSC) on financial safety ratio. Accordingly, the Company manages and controls financial safety ratio at no less than 150% and simultaneously establishes back-up plans in case this ratio falls below 150%. The Company prepares its financial safety ratio report and submits to the SSC on a monthly basis.

The Company's financial safety ratio is calculated using the following formula:

Financial safety ratio (%) = (Liquid Capital/Total exposures to risks) * 100%

Liquid Capital = Assets – Liabilities – Decrease adjustments to Equity + Increase adjustments to Equity

Total exposures to risks = Market risk + Credit risk + Operational risk

Accordingly, financial safety ratio of the Company as at 30 June 2016 is 542%.

26.8 *Reclassification of corresponding figures*

During the first six-month period of 2016, due to the effects of changes in accounting policies and requirements for financial statement preparation and presentation in accordance with Circular 210, certain corresponding figures on the financial statements for the previous period have been reclassified to conforming with the current period's presentation.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

26. OTHER INFORMATION (continued)

26.8 Reclassification of corresponding figures (continued)

a. Extract from the interim statement of financial position

ASSETS	Description	31 December 2015 (reported) VND	Circular 210 adjustments VND	31 December 2015 (restated) VND
A. CURRENT ASSETS		1,214,094,965,895	(237,819,977,652)	976,274,988,243
I. Cash and cash equivalents				
1. Cash	[1]	320,449,112,173	(238,629,977,652)	81,819,134,521
1. Short-term investment (**)	[2]	111,452,477,830	(111,452,477,830)	-
2. Provision for impairment of short-term investment (**)	[2]	(11,540,602,287)	11,540,602,287	-
2. Financial assets at fair value through profit and loss (FVTPL) (*)	[2]	-	99,911,875,543	99,911,875,543
1. Receivables from customers (**)	[3]	1,213,852,900	(1,213,852,900)	-
2. Advances to suppliers (**)	[3]	551,967,902	(551,967,902)	-
4. Receivables from securities trading activities (**)	[3]	517,498,346,495	(517,498,346,495)	-
5. Other receivables	[3]	8,061,486,955	(5,349,024,244)	2,712,462,711
6. Provision for doubtful debts (**)	[3]	(28,580,391,441)	28,580,391,441	-
4. Loans (*)	[3]	-	508,453,622,392	508,453,622,392
6. Provision for impairment of financial assets and mortgaged assets (*)	[3]	-	(26,602,182,963)	(26,602,182,963)
9. Receivables from services provided by the Company (*)	[3]	-	6,179,827,003	6,179,827,003
7.1. Receivable from disposal of financial assets (*)	[3]	-	9,582,750,000	9,582,750,000
7.2. Receivables and accruals from dividend and interest income from financial assets (*)	[3]	-	1,206,992,146	1,206,992,146
13. Provision for impairment of receivables (*)		-	(1,978,208,478)	(1,978,208,478)
TOTAL		1,251,169,537,338	(237,819,977,652)	1,013,349,559,686
A. LIABILITIES		537,615,101,996	(237,819,977,652)	299,795,124,344
I. Current liabilities				
1. Short-term loans and borrowings	[4]	155,770,100,000	(155,770,100,000)	-
1.1 Short-term loans	[4]	-	74,990,100,000	74,990,100,000
4. Short-term issued bonds	[4]	-	80,780,000,000	80,780,000,000
8. Payables related to securities trading activities	[1]	73,902,191,782	(73,902,191,782)	-
9. Dividend, bond principal and interest payables on behalf of customers (**)	[1]	2,794,673,766	(2,794,673,766)	-
8. Short-term trade payables	[4]	-	810,000,000	810,000,000
12. Other current liabilities	[1], [5]	298,826,291,934	(161,933,112,104)	136,893,179,830
TOTAL		1,251,169,537,338	(237,819,977,652)	1,013,349,559,686

(*) New items in the statement of financial position as required by Circular 210.

(**) Items which were no longer presented in the statement of financial position in accordance with Circular 210.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

26. OTHER INFORMATION (continued)

26.8 Reclassification of corresponding figures (continued)

a. Extract from the interim statement of financial position (continued)

Details adjustments in main items are as follows:

- [1] Reclassify investors' deposits from on-balance sheet to off-balance sheet
- [2] Reclassify investment portfolio in accordance with Circular 210
- [3] Reclassify receivables in accordance with Circular 210
- [4] Reclassify loans and borrowings in accordance with Circular 210
- [5] Reclassify employee benefits in accordance with Circular 210

b. Extract from the interim statement of comprehensive income

ITEMS	Description	Previous period (reported) VND	Circular 210 adjustments VND	Previous period (restated) VND
1. Revenue	[6]			
<i>In which:</i>	[6]			
- Revenue from securities trading and investments (**)	[6]	5,940,251,867	(5,940,251,867)	-
- Revenue from other activities (**)	[6]	24,523,645,825	(24,523,645,825)	-
1.1 Gain from financial assets at fair value through profit and loss (FVTPL) (*)	[6]	-	5,940,251,867	5,940,251,867
a. Gain from sale of financial assets at FVTPL (*)	[6]	-	2,856,298,109	2,856,298,109
c. Dividend, interest income from financial assets at FVTPL (*)	[6]	-	3,083,953,758	3,083,953,758
1.2 Gain from loans and receivables (*)	[6]	-	20,925,788,689	20,925,788,689
1.7 Other revenue	[6]	-	574,835,174	574,835,174
3. Net revenue from operating activities (**)		52,141,606,586	(52,141,606,586)	-
Operating revenue (*)		-	49,118,584,624	49,118,584,624
4. Operating expenses	[7]			
<i>In which:</i>				
Direct expenses for securities investment activities (**)	[7]	(32,859,298,337)	32,859,298,337	-
Provision expense for securities investments (**)	[7]	4,418,745,992	(4,418,745,992)	-
Loss from financial assets at FVTPL (*)	[7]	-	2,107,123,745	2,107,123,745
Loss from sale of financial assets at FVTPL (*)	[7]	-	(2,311,622,247)	(2,311,622,247)
Loss from revaluation of financial assets at FVTPL (*)	[7]	-	4,418,745,992	4,418,745,992

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

26. OTHER INFORMATION (continued)

26.8 Reclassification of corresponding figures (continued)

b. Extract from the interim statement of comprehensive income (continued)

ITEMS	Description	Previous period (reported) VND	Circular 210 adjustments VND	Previous period (restated) VND
Borrowing costs, loss from loans and receivables (*)	[7]	-	(12,157,016,874)	(12,157,016,874)
Expenses for trading activities (*)	[7]	-	(496,502,814)	(496,502,814)
Expenses for brokerage services (*)	[7]	-	(13,186,648,567)	(13,186,648,567)
Expenses for securities custodian services (*)	[7]	-	(1,902,363,402)	(1,902,363,402)
Expenses for financial advisory services (*)	[7]	-	(1,759,065,494)	(1,759,065,494)
Other expenses (*)	[7]	-	(3,932,879,242)	(3,932,879,242)
3.1 Revenue, accrued dividends, interest income from non-fixed deposits in the period (*)	[6]	-	3,288,448,326	3,288,448,326
5 Gross profit from operating activities (**)		23,701,054,241	(23,701,054,241)	-
6. General and administrative expenses	[7]	(17,004,891,965)	2,886,800,303	(14,118,091,662)
7. Net profit from operating activities		6,696,162,276	265,426,364	6,961,588,640
VIII. Other income and expense				
8.1. Other income		281,300,141	(265,426,364)	15,873,777

(*) New items in the statement of comprehensive income as required by Circular 210.

(**) Items which were no longer presented in the statement of comprehensive income in accordance with Circular 210.

Details adjustments in main items are as follows:

[6] Reclassify operating revenues in accordance with Circular 210

[7] Reclassify operating expenses in accordance with Circular 210

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

26. OTHER INFORMATION (continued)

26.8 Reclassification of corresponding figures (continued)

c. Extract from the interim statement of cash flows

The interim statement of the Company's cash flows:

ITEMS	Notes	Previous period (reported) VND	Circular 210 adjustments VND	Previous period (restated) VND
Cash at banks at the beginning of the period	[8]	56,454,900,875	(5,020,784,292)	51,434,116,583
Cash at banks at the end of the period	[8]	49,534,240,602	(2,630,193,528)	46,904,047,074

[8] Beginning and ending cash at banks balance reported in the interim statement of the Company's cash flows for the six-month period ended 30 June 2015 excluded cash of customers. Therefore, the Company only adjusted deposit of securities issuers placed at the Company to pay principal, interest and dividends and cash of others entities and individuals to off-balance sheet according to Circular 210.

Cash flows from brokerage and trust activities of the customers:

ITEMS	Notes	Previous period (reported) VND	Circular 210 adjustments VND	Previous period (restated) VND
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		-	264,082,556,050	264,082,556,050
Cash at banks at the beginning of the period		-	264,082,556,050	264,082,556,050
- The investors' deposits managed by the Company for security trading		-	262,317,183,105	262,317,183,105
- The investors' deposits for securities transaction clearing and settlement		-	1,765,372,945	1,765,372,945
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		-	238,778,340,779	238,778,340,779
Cash at banks at the end of the period		-	238,778,340,779	238,778,340,779
- Investors' deposits managed by the Company for securities trading activities		-	236,914,487,887	236,914,487,887
- Investors' deposits for securities transaction clearing and settlement		-	1,863,852,892	1,863,852,892

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2016 and for the six-month period then ended

27. EVENTS AFTER THE INTERIM REPORTING DATE

There have been no events occurring after the interim reporting date that have significant impacts on the Company's activities and the interim statement of comprehensive income which would require adjustments or disclosures to be made in the interim financial statements.

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Ho Chi Minh City, Vietnam
11 August 2016