

# **Viet Dragon Securities Corporation**

Separate financial statements

For the year ended 31 December 2023



# Viet Dragon Securities Corporation

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# Viet Dragon Securities Corporation

## GENERAL INFORMATION

### THE COMPANY

Viet Dragon Securities Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to Securities Trading License No. 32/UBCK-GPHĐKD issued by the State Securities Commission on 21 December 2006. According to the 20th change license dated 13 January 2023, adjusted to Business Registration Certificate No. 0304734965. The Establishment and Operation License has been adjusted many times and the most recent time is No. 02/GPĐC-UBCK, issued on 5 January 2023.

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

The Company's head office is located on the 1st to the 8th floor, Viet Dragon Building, 141 Nguyen Du Street, Ben Thanh Ward, District 1, Ho Chi Minh City.

As at 31 December 2023, the Company has six (06) branches located in Ha Noi, Nha Trang, Can Tho, Binh Duong, Dong Nai and Vung Tau.

As at 31 December 2023, the Company has one (01) directly owned subsidiary.

### BOARD OF DIRECTORS

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

| <i>Name</i>              | <i>Title</i> | <i>Date of appointment/reappointment/resignation</i> |
|--------------------------|--------------|--|
| Mr. Nguyen Mien Tuan     | Chairman     | Reappointed on 5 April 2022                          |
| Mr. Nguyen Thuc Vinh     | Member       | Reappointed on 5 April 2022                          |
| Mr. Nguyen Hieu          | Member       | Reappointed on 5 April 2022                          |
| Ms. Nguyen Thi Thu Huyen | Member       | Reappointed on 5 April 2022                          |
| Mr. Nguyen Chi Trung     | Member       | Appointed on 5 April 2022                            |
| Ms. Hoang Hai Anh        | Member       | Reappointed on 5 April 2022                          |
| Mr. Tran Nam Trung       | Member       | Appointed on 5 April 2022                            |
| Mr. Pham Huu Luan        | Member       | Appointed on 6 April 2023                            |
| Ms. Pham My Linh         | Member       | Resigned on 6 April 2023                             |

### BOARD OF SUPERVISION

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

| <i>Name</i>           | <i>Title</i>  | <i>Date of appointment/reappointment</i> |
|-----------------------|---------------|--|
| Mr. Ho Tan Dat        | Head of Board | Reappointed on 5 April 2022              |
| Mr. Nguyen Trung Quan | Member        | Appointed on 5 April 2022                |
| Ms. Nguyen Bich Diep  | Member        | Appointed on 5 April 2022                |

# Viet Dragon Securities Corporation

## GENERAL INFORMATION (continued)

### MANAGEMENT AND CHIEF ACCOUNTANT

Members of the Management and Chief Accountant of the Company during the year and at the date of this report are as follows:

| <i>Name</i>              | <i>Title</i>            | <i>Date of appointment/reappointment</i> |
|--------------------------|-------------------------|--|
| Ms. Nguyen Thi Thu Huyen | General Director        | Appointed on 8 February 2021             |
| Mr. Le Minh Hien         | Deputy General Director | Reappointed on 8 February 2024           |
| Ms. Duong Kim Chi        | Chief Accountant        | Reappointed on 8 February 2022           |

### LEGAL REPRESENTATIVE

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

Ms. Nguyen Thi Thu Huyen - General Director is authorized by Mr. Nguyen Mien Tuan, Chairman to sign the accompanying separate financial statements for the year ended 31 December 2023 in accordance with the Decision of Board of Directors No. 04/2022/QĐ-HĐQT dated 12 January 2022.

### AUDITORS

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

# Viet Dragon Securities Corporation

## REPORT OF MANAGEMENT

Management of Viet Dragon Securities Corporation ("the Company") is pleased to present this report and the separate financial statements of the Company for the year ended 31 December 2023.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

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

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

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

Management confirmed that it has complied with the above requirements in preparing the accompanying separate financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2023 and of the separate results of its operations, its separate cash flows and its separate changes in owners' equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and the statutory requirements relevant to the preparation and presentation of the separate financial statements.

The Company has subsidiary as disclosed in the separate financial statements. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company is also in the process of preparation of the consolidated financial statements of the Company and its subsidiary for the year ended 31 December 2023 ("consolidated financial statements") as prepared on 28 February 2024.

# Viet Dragon Securities Corporation

## REPORT OF MANAGEMENT (continued)

### STATEMENT BY MANAGEMENT (continued)

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations, consolidated cash flows and consolidated changes in owners' equity of the Company and its subsidiary.



Ms. Nguyễn Thị Thu Huyền  
General Director

Ho Chi Minh City, Vietnam

28 February 2024

Reference: 60752721/67600076

## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying separate financial statements of Viet Dragon Securities Corporation ("the Company"), as prepared on 28 February 2024 and set out on pages 7 to 72, which comprise the separate statement of financial position as at 31 December 2023, the separate income statement, the separate cash flow statement and the separate statement of changes in owners' equity for the year then ended and the notes thereto.

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

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

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

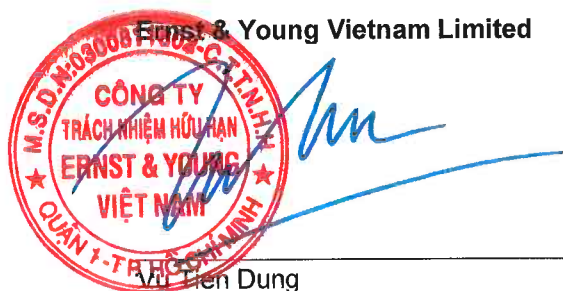
Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance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

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

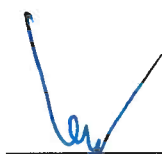
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2023, and of the results of its separate operations, its separate cash flows and its separate changes in owners' equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and the statutory requirements relevant to the preparation and presentation of the separate financial statements.



**Ernst & Young Vietnam Limited**  
Vu Tien Dung  
Deputy General Director  
Audit Practicing Registration  
Certificate No. 3221-2020-004-1



Hoang Thi Hong Minh  
Auditor  
Audit Practicing Registration  
Certificate No. 0761-2023-004-1

Ho Chi Minh City, Vietnam

28 February 2024



# Viet Dragon Securities Corporation

SEPARATE STATEMENT OF FINANCIAL POSITION  
as at 31 December 2023

B01-CTCK

| Code       | ITEMS   | Notes | Ending balance<br>VND    | Beginning balance<br>VND |
|------------|---|-------|--------------------------|--------------------------|
| <b>100</b> | <b>A. CURRENT ASSETS</b>  |       | <b>4,858,432,725,824</b> | <b>3,983,711,893,477</b> |
| <b>110</b> | <b>I. Financial assets</b>  |       | <b>4,844,808,539,874</b> | <b>3,951,158,992,124</b> |
| 111        | 1. Cash and cash equivalents  | 5     | 805,897,484,347          | 540,833,167,750          |
| 111.1      | 1.1 Cash  |       | 356,397,484,347          | 480,833,167,750          |
| 111.2      | 1.2 Cash equivalents  |       | 449,500,000,000          | 60,000,000,000           |
| 112        | 2. Financial assets at fair value through profit and loss ("FVTPL") | 7     | 1,061,194,295,041        | 1,137,902,962,464        |
| 114        | 3. Loans  | 7     | 2,773,462,576,013        | 2,296,286,708,465        |
| 115        | 4. Available-for-sale financial assets ("AFS")                      | 7     | 210,967,332,500          | -                        |
| 116        | 5. Provision for impairment of financial assets and mortgage assets | 7     | (44,200,215,258)         | (44,210,127,758)         |
| 117        | 6. Receivables  |       | 14,054,438,298           | 5,122,449,229            |
| 117.1      | 6.1 Receivables from disposal of financial assets                   | 8     | 5,485,000,000            | -                        |
| 117.2      | 6.2 Receivables and accruals from dividend and interest income      | 8     | 8,569,438,298            | 5,122,449,229            |
| 117.3      | 6.2.1 Receivables and accruals for due dividend and interest income | 8     | 656,523,410              | 247,214,476              |
| 117.4      | 6.2.2 Accruals for undue dividend and interest income               |       | 7,912,914,888            | 4,875,234,753            |
| 118        | 7. Advances to suppliers  | 8     | 11,754,748,302           | 1,512,190,985            |
| 119        | 8. Receivables from services provided by the Company                | 8     | 11,643,571,730           | 13,697,315,054           |
| 122        | 9. Other receivables  | 8     | 2,012,517,379            | 1,992,534,413            |
| 129        | 10. Provision for impairment of receivables                         | 8     | (1,978,208,478)          | (1,978,208,478)          |
| <b>130</b> | <b>II. Other current assets</b>                                     |       | <b>13,624,185,950</b>    | <b>32,552,901,353</b>    |
| 131        | 1. Advances   |       | 390,286,875              | 416,605,554              |
| 132        | 2. Office supplies, tools and materials                             |       | 1,920,885,535            | 2,328,649,064            |
| 133        | 3. Short-term prepaid expenses                                      | 9     | 10,269,848,132           | 8,204,113,858            |
| 134        | 4. Short-term deposits, collaterals and pledges                     |       | 55,900,000               | 55,900,000               |
| 136        | 5. Tax and other receivables from the State                         | 20    | 987,265,408              | 21,547,632,877           |

# Viet Dragon Securities Corporation

SEPARATE STATEMENT OF FINANCIAL POSITION (continued)  
as at 31 December 2023

B01-CTCK

| Code       | ITEMS  | Notes     | Ending balance<br>VND    | Beginning balance<br>VND |
|------------|--|-----------|--------------------------|--------------------------|
| <b>200</b> | <b>B. NON-CURRENT ASSETS</b>                   |           | <b>431,308,009,301</b>   | <b>257,735,032,904</b>   |
| <b>210</b> | <b>I. Non-current financial assets</b>         | <b>10</b> | <b>327,391,070,408</b>   | <b>122,111,590,000</b>   |
| 212        | 1. Long-term financial assets                  |           | 327,391,070,408          | 122,111,590,000          |
| 212.2      | 1.1 Investments in subsidiaries                |           | 76,420,000,000           | 46,920,000,000           |
| 212.4      | 1.2 Other long-term investment                 |           | 250,971,070,408          | 75,191,590,000           |
| <b>220</b> | <b>II. Fixed assets</b>                        |           | <b>59,709,044,860</b>    | <b>44,519,216,767</b>    |
| 221        | 1. Tangible fixed assets                       | 11        | 38,693,003,318           | 38,244,742,051           |
| 222        | 1.1 Cost                                       |           | 92,372,059,125           | 92,166,545,729           |
| 223a       | 1.2 Accumulated depreciation                   |           | (53,679,055,807)         | (53,921,803,678)         |
| 227        | 2. Intangible fixed assets                     | 12        | 21,016,041,542           | 6,274,474,716            |
| 228        | 2.1 Cost                                       |           | 42,312,064,618           | 24,506,567,711           |
| 229a       | 2.2 Accumulated amortization                   |           | (21,296,023,076)         | (18,232,092,995)         |
| <b>240</b> | <b>III. Construction in progress</b>           |           | <b>3,046,769,544</b>     | <b>16,826,472,878</b>    |
| <b>250</b> | <b>IV. Other non-current assets</b>            |           | <b>41,161,124,489</b>    | <b>74,277,753,259</b>    |
| 251        | 1. Long-term deposits, collaterals and pledges | 13        | 5,286,171,902            | 5,286,171,902            |
| 252        | 2. Long-term prepaid expenses                  | 9         | 5,874,952,587            | 11,482,072,597           |
| 253        | 3. Deferred tax assets                         | 34.3      | -                        | 27,509,508,760           |
| 254        | 4. Deposits to Settlement Assistance Fund      | 14        | 20,000,000,000           | 20,000,000,000           |
| 255        | 5. Other non-current assets                    | 15        | 10,000,000,000           | 10,000,000,000           |
| <b>270</b> | <b>TOTAL ASSETS</b>                            |           | <b>5,289,740,735,125</b> | <b>4,241,446,926,381</b> |

# Viet Dragon Securities Corporation

SEPARATE STATEMENT OF FINANCIAL POSITION (continued)  
as at 31 December 2023

B01-CTCK

| Code       | ITEMS   | Notes     | Ending balance<br>VND    | Beginning balance<br>VND |
|------------|---|-----------|--------------------------|--------------------------|
| <b>300</b> | <b>C. LIABILITIES</b>   |           | <b>2,897,921,457,431</b> | <b>2,170,610,919,126</b> |
| <b>310</b> | <b>I. Current liabilities</b>                                     |           | <b>2,840,082,840,366</b> | <b>2,035,189,348,572</b> |
| 311        | 1. Short-term borrowings and financial leases                     | 16        | 190,000,000,000          | 486,250,000,000          |
| 312        | 1.1 Short-term borrowings   |           | 190,000,000,000          | 486,250,000,000          |
| 316        | 2. Short-term bond issuance                                       | 17        | 2,530,600,000,000        | 1,488,680,000,000        |
| 318        | 3. Payables for securities trading activities                     | 18        | 2,727,461,047            | 3,851,774,185            |
| 320        | 4. Short-term trade payables                                      | 19        | 40,352,172,298           | 691,057,460              |
| 321        | 5. Short-term advances from customers                             |           | 13,369,228,000           | 12,196,128,000           |
| 322        | 6. Statutory obligations  | 20        | 27,610,349,048           | 15,060,742,363           |
| 323        | 7. Payables to employees  |           | 18,576,411,418           | 9,000,829,130            |
| 325        | 8. Short-term accrued expenses                                    | 21        | 14,624,083,024           | 19,053,589,393           |
| 329        | 9. Other short-term payables                                      | 22        | 2,223,135,531            | 405,228,041              |
| <b>340</b> | <b>II. Non-current liabilities</b>                                |           | <b>57,838,617,065</b>    | <b>135,421,570,554</b>   |
| 346        | 1. Long-term bond issuance  | 17        | 45,400,000,000           | 133,300,000,000          |
| 353        | 2. Other long-term payables                                       |           | 361,166,000              | 452,353,000              |
| 356        | 3. Deferred tax liabilities                                       | 23        | 12,077,451,065           | 1,669,217,554            |
| <b>400</b> | <b>D. OWNERS' EQUITY</b>  |           | <b>2,391,819,277,694</b> | <b>2,070,836,007,255</b> |
| <b>410</b> | <b>I. Owners' equity</b>  | <b>24</b> | <b>2,391,819,277,694</b> | <b>2,070,836,007,255</b> |
| 411        | 1. Share capital  |           | 2,109,240,118,792        | 2,109,240,118,792        |
| 411.1      | 1.1 Capital contribution  |           | 2,100,000,000,000        | 2,100,000,000,000        |
| 411.1a     | 1.1.1 Ordinary shares   |           | 2,100,000,000,000        | 2,100,000,000,000        |
| 411.2      | 1.2 Share premium   |           | 9,240,118,792            | 9,240,118,792            |
| 412        | 2. Differences from revaluation of financial assets at fair value |           | (6,165,467,192)          | 153,272,000              |
| 417        | 3. Undistributed profit/(loss)                                    | 24.1      | 288,744,626,094          | (38,557,383,537)         |
| 417.1      | 3.1 Realized profit   |           | 260,906,911,457          | 173,625,757,155          |
| 417.2      | 3.2 Unrealized profit/(loss)                                      |           | 27,837,714,637           | (212,183,140,692)        |
| <b>440</b> | <b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>                       |           | <b>5,289,740,735,125</b> | <b>4,241,446,926,381</b> |

# Viet Dragon Securities Corporation

SEPARATE STATEMENT OF FINANCIAL POSITION (continued)  
as at 31 December 2023

B01-CTCK

## SEPARATE OFF-BALANCE SHEET ITEMS

| Code | ITEMS   | Notes | Ending balance<br>VND | Beginning balance<br>VND |
|------|---|-------|-----------------------|--------------------------|
|      | <b>A. ASSETS OF THE COMPANY AND<br/>ASSETS MANAGED UNDER<br/>AGREEMENTS</b>                                     |       |                       |                          |
| 006  | 1. Outstanding shares ( <i>shares</i> )   | 24.2  | 210,000,000           | 210,000,000              |
| 008  | 2. Financial assets listed/registered for<br>trading at Vietnam Securities<br>Depository ("VSD") of the Company | 25.1  | 297,410,870,000       | 288,542,980,000          |
|      | 2.1 <i>Unrestricted and traded<br/>financial assets</i>   |       | 295,410,870,000       | 288,542,980,000          |
|      | 2.2 <i>Financial assets awaiting for<br/>settlement</i>   |       | 2,000,000,000         | -                        |
| 009  | 3. Non-traded financial assets<br>deposited at VSD of the Company   | 25.2  | 9,060,720,000         | 2,660,000                |
|      | 3.1 <i>Unrestricted and non-traded<br/>financial assets</i>   |       | 2,450,000             | 2,450,000                |
|      | 3.2 <i>Unrestricted and awaited for<br/>trading financial assets</i>  |       | 9,058,270,000         | 210,000                  |
| 010  | 4. Financial assets awaiting for arrival<br>of the Company  | 25.3  | 6,000,000,000         | -                        |
| 012  | 5. Financial assets which have not<br>been deposited at VSD of the<br>Company                                   | 25.4  | 546,924,430,000       | 543,616,600,000          |
| 013  | 6. Entitled financial assets of the<br>Company  |       | 2,919,990,000         | 700,000                  |

# Viet Dragon Securities Corporation

SEPARATE STATEMENT OF FINANCIAL POSITION (continued)  
as at 31 December 2023

B01-CTCK

## SEPARATE OFF-BALANCE SHEET ITEMS (continued)

| Code  | ITEMS  | Notes | Ending balance<br>Shares | Beginning balance<br>Shares |
|-------|--|-------|--------------------------|-----------------------------|
|       | <b>B. ASSETS AND PAYABLES UNDER AGREEMENTS WITH INVESTORS</b>          |       |                          |                             |
| 021   | 1. Financial assets listed/registered at VSD of investors              | 25.5  | 2,037,899,881            | 2,242,800,109               |
| 021.1 | a. <i>Unrestricted and traded financial assets</i>                     |       | 1,675,081,279            | 1,782,663,557               |
| 021.2 | b. <i>Restricted and traded financial assets</i>                       |       | 7,637,871                | 50,622,174                  |
| 021.3 | c. <i>Mortgaged and traded financial assets</i>                        |       | 246,072,477              | 290,486,177                 |
| 021.4 | d. <i>Blocked financial assets</i>                                     |       | 80,939,980               | 103,020,129                 |
| 021.5 | e. <i>Financial assets awaiting for settlement</i>                     |       | 28,168,118               | 16,007,974                  |
| 021.7 | f. <i>Customers' deposits for derivatives trading</i>                  |       | 156                      | 98                          |
| 022   | 2. Non-traded financial assets deposited at VSD of investors           | 25.6  | 15,791,107               | 18,897,441                  |
| 022.1 | a. <i>Unrestricted and non-traded financial assets</i>                 |       | 10,080,607               | 13,055,051                  |
| 022.2 | b. <i>Restricted and non-traded financial assets</i>                   |       | 5,664,000                | 5,842,390                   |
| 022.4 | c. <i>Sealed, temporarily detained and non-traded financial assets</i> |       | 46,500                   | -                           |
| 023   | 3. Financial assets awaiting for arrival of investors                  | 25.7  | 14,048,685               | 10,718,805                  |
| 025   | 4. Entitled financial assets of investors                              | 25.8  | 15,011,899               | 13,847,329                  |

# Viet Dragon Securities Corporation

SEPARATE STATEMENT OF FINANCIAL POSITION (continued)  
as at 31 December 2023

B01-CTCK

## SEPARATE OFF-BALANCE SHEET ITEMS (continued)

| Code  | ITEMS   | Notes | Ending balance<br>VND | Beginning balance<br>VND |
|-------|---|-------|-----------------------|--------------------------|
|       | <b>B. ASSETS AND PAYABLES UNDER AGREEMENTS WITH INVESTORS (continued)</b>                               |       |                       |                          |
| 026   | 5. Investors' deposits  | 25.9  | 1,830,149,063,901     | 1,565,127,259,539        |
| 027   | 5.1 Investors' deposits for securities trading activities managed by the Company                        |       | 1,821,009,067,361     | 1,554,522,353,696        |
| 027.1 | 5.2 Investors' deposits at VSD  |       | 7,584,871,490         | 9,547,442,598            |
| 029   | 5.3 Investors' deposits for clearing and settlement   |       | 1,535,754,518         | 954,164,404              |
| 029.1 | a. Domestic investors' deposits for clearing and settlement securities transactions                     |       | 280,013,469           | 872,928,223              |
| 029.2 | b. Foreign investors' deposits for clearing and settlement securities transactions                      |       | 1,255,741,049         | 81,236,181               |
| 030   | 5.4 Deposits of securities issuers  |       | 19,370,532            | 103,298,841              |
| 031   | 6. Payables to investors - investors' deposits for securities trading activities managed by the Company | 25.10 | 1,828,011,031,401     | 1,549,551,334,828        |
| 031.1 | 6.1 Payables to domestic investors' deposits for securities trading activities managed by the Company   |       | 1,826,994,115,207     | 1,534,940,357,917        |
| 031.2 | 6.2 Payables to foreign investors' deposits for securities trading activities managed by the Company    |       | 1,016,916,194         | 14,610,976,911           |
| 035   | 7. Dividend, bond principal and interest payables   | 25.11 | 2,138,032,500         | 15,575,924,711           |

Prepared by:



Ms. Hoang Vu Quynh Nhu  
Supervisor of Finance  
and Accounting Department

Reviewed by:



Ms. Duong Kim Chi  
Chief Accountant



Approved by:



Ms. Nguyen Thi Thu Huyen  
General Director

Ho Chi Minh City, Vietnam

28 February 2024



# Viet Dragon Securities Corporation

SEPARATE INCOME STATEMENT  
for the year ended 31 December 2023

B02-CTCK

| Code | ITEMS   | Notes | Current year<br>VND      | Previous year<br>VND     |
|------|---|-------|--------------------------|--------------------------|
|      | <b>I. OPERATING INCOME</b>  |       |                          |                          |
| 01   | 1. Gain from financial assets at fair value through profit and loss ("FVTPL")   |       | 152,670,883,167          | 105,646,506,957          |
| 01.1 | 1.1 Gain from disposal of financial assets at FVTPL   | 26.1  | 45,301,814,781           | 106,526,267,193          |
| 01.2 | 1.2 Increase/(decrease) in gain from revaluation of financial assets at FVTPL   | 26.2  | 31,384,877,057           | (35,992,937,073)         |
| 01.3 | 1.3 Dividend, interest income from financial assets at FVTPL  | 26.3  | 75,984,191,329           | 35,113,176,837           |
| 03   | 2. Gain from loans and receivables  | 26.3  | 324,953,332,908          | 365,925,873,757          |
| 04   | 3. Gain from available-for-sale (AFS) financial assets  |       | 267,240,000              | -                        |
| 06   | 4. Revenue from brokerage services  |       | 250,318,769,491          | 290,697,645,169          |
| 07   | 5. Revenue from underwriting and issuance agency services   |       | 4,912,500,000            | 25,825,513,699           |
| 09   | 6. Revenue from securities custodian services   |       | 7,794,777,618            | 8,940,435,579            |
| 10   | 7. Revenue from financial advisory services   |       | 3,595,136,362            | 17,723,078,784           |
| 11   | 8. Revenue from other operating activities  |       | 7,216,793,224            | 5,645,556,750            |
| 20   | <b>Total operating income</b>   |       | <b>751,729,432,770</b>   | <b>820,404,610,695</b>   |
|      | <b>II. OPERATING EXPENSES</b>   |       |                          |                          |
| 21   | 1. Gain/(loss) from financial assets at FVTPL   |       | 126,882,508,646          | (396,398,162,078)        |
| 21.1 | 1.1 Loss from disposal of financial assets at FVTPL   | 26.1  | (114,867,510,807)        | (148,213,090,130)        |
| 21.2 | 1.2 Decrease/(increase) in loss from revaluation of financial assets at FVTPL   | 26.2  | 242,422,462,443          | (247,450,379,373)        |
| 21.3 | 1.3 Transaction costs of acquisition of financial assets at FVTPL   |       | (672,442,990)            | (734,692,575)            |
| 24   | 2. Provision expenses for diminution in value and impairment of financial assets, doubtful debts and borrowing costs of loans | 27    | (189,874,978,527)        | (226,664,014,807)        |
| 26   | 3. Expenses for proprietary trading activities  | 28    | (4,687,871,671)          | (6,195,851,203)          |
| 27   | 4. Expenses for brokerage services  | 29    | (139,573,616,960)        | (163,986,038,157)        |
| 28   | 5. Expenses for underwriting and issuance agency services   |       | -                        | (11,860,467,452)         |
| 30   | 6. Expenses for securities custodian services   | 30    | (8,191,184,862)          | (8,860,275,807)          |
| 31   | 7. Expenses for financial advisory services   | 31    | (15,266,323,787)         | (18,284,355,794)         |
| 32   | 8. Expenses for other operating activities  | 32    | (18,173,663,300)         | (16,641,417,170)         |
| 40   | <b>Total operating expenses</b>   |       | <b>(248,885,130,461)</b> | <b>(848,890,582,468)</b> |

# Viet Dragon Securities Corporation

SEPARATE INCOME STATEMENT (continued)  
for the year ended 31 December 2023

B02-CTCK

| Code       | ITEMS  | Notes     | Current year<br>VND      | Previous year<br>VND     |
|------------|--|-----------|--------------------------|--------------------------|
|            | <b>III. FINANCE INCOME</b>   |           |                          |                          |
| 41         | 1. Realized and unrealized gain from changes in foreign exchange rates |           | 280,000,000              | 296,994,217              |
| 42         | 2. Dividend and interest income from demand deposits                   |           | 57,831,998,970           | 37,589,025,756           |
| <b>50</b>  | <b>Total finance income</b>  |           | <b>58,111,998,970</b>    | <b>37,886,019,973</b>    |
|            | <b>IV. FINANCE EXPENSES</b>  |           |                          |                          |
| 51         | 1. Realized and unrealized loss from changes in foreign exchange rates |           | (517,500,000)            | (16,647,000,888)         |
| 52         | 2. Interest expenses   |           | (14,993,057,532)         | (6,369,982,216)          |
| <b>60</b>  | <b>Total finance expenses</b>  |           | <b>(15,510,557,532)</b>  | <b>(23,016,983,104)</b>  |
| <b>62</b>  | <b>V. GENERAL AND ADMINISTRATIVE EXPENSES</b>                          | <b>33</b> | <b>(137,282,291,813)</b> | <b>(119,431,888,786)</b> |
| <b>70</b>  | <b>VI. OPERATING PROFIT</b>  |           | <b>408,163,451,934</b>   | <b>(133,048,823,690)</b> |
|            | <b>VII. OTHER INCOME AND EXPENSES</b>                                  |           |                          |                          |
| 71         | 1. Other income  |           | 705,322,696              | 119,017,257              |
| 72         | 2. Other expenses  |           | (183,265,882)            | (221,915,027)            |
| <b>80</b>  | <b>Total other operating profit</b>                                    |           | <b>522,056,814</b>       | <b>(102,897,770)</b>     |
| <b>90</b>  | <b>VIII. PROFIT/(LOSS) BEFORE TAX</b>                                  |           | <b>408,685,508,748</b>   | <b>(133,151,721,460)</b> |
| 91         | 1. Realized profit   |           | 134,878,169,248          | 150,291,594,986          |
| 92         | 2. Unrealized profit/(loss)  |           | 273,807,339,500          | (283,443,316,446)        |
| <b>100</b> | <b>IX. CORPORATE INCOME TAX (CIT) (EXPENSE)/INCOME</b>                 | <b>34</b> | <b>(81,383,499,117)</b>  | <b>34,541,690,540</b>    |
| 100.1      | 1. Current CIT expense   | 34.2      | (47,597,014,946)         | (166,405,635)            |
| 100.2      | 2. Deferred CIT (expense)/income                                       | 34.3      | (33,786,484,171)         | 34,708,096,175           |
| <b>200</b> | <b>X. PROFIT/(LOSS) AFTER TAX</b>                                      |           | <b>327,302,009,631</b>   | <b>(98,610,030,920)</b>  |



# Viet Dragon Securities Corporation

SEPARATE INCOME STATEMENT (continued)  
for the year ended 31 December 2023

B02-CTCK

| Code       | ITEMS  | Notes | Current year<br>VND    | Previous year<br>VND    |
|------------|--|-------|------------------------|-------------------------|
| <b>300</b> | <b>XI. OTHER COMPREHENSIVE<br/>EXPENSE AFTER CIT</b>   |       |                        |                         |
| 301        | 1. Expense from revaluation available-<br>for-sale financial assets and other<br>long-term investments | 35    | (6,318,739,192)        | (29,859,076,800)        |
| <b>400</b> | <b>Total other comprehensive expense</b>   |       | <b>(6,318,739,192)</b> | <b>(29,859,076,800)</b> |

Prepared by:



Ms. Hoang Vu Quynh Nhu  
Supervisor of Finance  
and Accounting Department

Reviewed by:



Ms. Duong Kim Chi  
Chief Accountant

Approved by:



Ms. Nguyen Thi Thu Huyen  
General Director

Ho Chi Minh City, Vietnam

28 February 2024

# Viet Dragon Securities Corporation

SEPARATE CASH FLOW STATEMENT  
for the year ended 31 December 2023

B03b-CTCK

| Code | ITEMS   | Notes | Current year<br>VND      | Previous year<br>VND     |
|------|---|-------|--------------------------|--------------------------|
|      | <b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>  |       |                          |                          |
| 01   | <b>1. Profit/(loss) before tax</b>  |       | <b>408,685,508,748</b>   | <b>(133,151,721,460)</b> |
| 02   | <b>2. Adjustments for</b>   |       | <b>(51,069,531,295)</b>  | <b>(29,843,653,921)</b>  |
| 03   | - Depreciation and amortization expense   |       | 15,560,909,382           | 12,220,508,215           |
| 04   | - Provisions  | 7.5   | (9,912,500)              | 122,858,304              |
| 05   | - Unrealized loss from changes in foreign exchange rates                              | 16    | -                        | 525,000,000              |
| 07   | - Gain from investing activities  |       | (58,051,089,879)         | (37,589,571,211)         |
| 08   | - Accrued interest income   | 8     | (8,569,438,298)          | (5,122,449,229)          |
| 10   | <b>3. (Decrease)/increase in non-monetary expenses</b>                                |       | <b>(242,422,462,443)</b> | <b>247,450,379,373</b>   |
| 11   | - (Gain)/loss from revaluation of financial assets at FVTPL                           | 26.2  | (242,422,462,443)        | 247,450,379,373          |
| 18   | <b>4. (Decrease)/increase in non-monetary income</b>                                  |       | <b>(31,384,877,057)</b>  | <b>35,992,937,073</b>    |
| 19   | - (Gain)/loss from revaluation of financial assets at FVTPL                           | 26.2  | (31,384,877,057)         | 35,992,937,073           |
| 30   | <b>5. Operating gains used in before changes in working capital</b>                   |       | <b>(299,981,735,094)</b> | <b>(435,414,399,625)</b> |
| 31   | - Decrease/(increase) in financial assets at FVTPL                                    |       | 350,516,006,923          | (841,397,222,819)        |
| 33   | - (Increase)/decrease in loans  |       | (477,175,867,548)        | 403,844,533,536          |
| 34   | - (Increase)/decrease in AFS financial assets   |       | (200,821,652,000)        | 109,996,540,000          |
| 35   | - Increase in receivables from sale of financial assets                               |       | (5,485,000,000)          | -                        |
| 36   | - Decrease in receivables of dividend and accrued interests of financial assets       |       | 5,122,449,229            | 8,087,287,810            |
| 37   | - Decrease/(increase) in receivables from services provided by the Company            |       | 2,053,743,324            | (4,126,827,694)          |
| 39   | - Increase in other receivables   |       | (10,262,540,283)         | (173,034,208)            |
| 40   | - Decrease/(increase) in other assets   |       | 20,994,449,677           | (24,242,910,981)         |
| 41   | - Increase in accrued expenses (excluding interest expenses)                          |       | (4,429,506,369)          | (273,003,794)            |
| 42   | - Decrease/(increase) in prepaid expenses   |       | 3,541,385,736            | (5,245,562,229)          |
| 43   | - Corporate income tax paid   |       | (9,717,749,630)          | (51,442,497,016)         |
| 45   | - Increase/(decrease) in trade payables   |       | 39,661,114,838           | (30,435,825,780)         |
| 47   | - (Decrease)/increase in taxes and statutory obligation payables (excluding CIT paid) |       | (25,329,658,631)         | 15,570,339,651           |
| 48   | - Increase/(decrease) in payables to employees  |       | 9,575,582,288            | (22,755,483,972)         |
| 50   | - Increase in other payables  |       | 1,775,507,352            | 7,179,267,871            |
| 60   | <b>Net cash used in operating activities</b>  |       | <b>(216,173,097,141)</b> | <b>(314,966,458,560)</b> |

# Viet Dragon Securities Corporation

SEPARATE CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2023

B03b-CTCK

| Code       | ITEMS  | Notes    | Current year<br>VND      | Previous year<br>VND    |
|------------|--|----------|--------------------------|-------------------------|
|            | <b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>  |          |                          |                         |
| 61         | 1. Purchase and construction of fixed assets, investment properties and other long-term assets |          | (16,971,034,141)         | (37,945,661,726)        |
| 62         | 2. Sale proceeds from fixed assets, investment property and other assets                       |          | 219,090,909              | 545,455                 |
| 63         | 3. Investment in subsidiaries, affiliates, joint ventures and other investments                |          | (217,612,642,000)        | (56,120,000,000)        |
| 65         | 4. Interest and dividends from long-term investments received                                  |          | 57,831,998,970           | 37,589,025,756          |
| <b>70</b>  | <b>Net cash used in investing activities</b>   |          | <b>(176,532,586,262)</b> | <b>(56,476,090,515)</b> |
|            | <b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>   |          |                          |                         |
| 71         | 1. Proceeds from issuing shares, receiving capital contributions from owners                   |          | -                        | 575,982,370,000         |
| 73         | 2. Drawdown of borrowings  |          | 6,120,698,500,000        | 7,042,059,000,888       |
| 73.2       | 2.1 Other borrowings   |          | 6,120,698,500,000        | 7,042,059,000,888       |
| 74         | 3. Repayment of borrowings   |          | (5,462,928,500,000)      | (7,161,072,000,888)     |
| 74.3       | 3.1 Other repayment of borrowings  |          | (5,462,928,500,000)      | (7,161,072,000,888)     |
| 76         | 4. Profit distributed to shareholders  |          | -                        | (32,277,000)            |
| <b>80</b>  | <b>Net cash from financing activities</b>  |          | <b>657,770,000,000</b>   | <b>456,937,093,000</b>  |
| <b>90</b>  | <b>NET CASH DURING THE YEAR</b>  |          | <b>265,064,316,597</b>   | <b>85,494,543,925</b>   |
| <b>101</b> | <b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>                                  | <b>5</b> | <b>540,833,167,750</b>   | <b>455,338,623,825</b>  |
| 101.1      | 1. Cash  |          | 480,833,167,750          | 409,338,623,825         |
| 101.2      | 2. Cash equivalents  |          | 60,000,000,000           | 46,000,000,000          |
| <b>103</b> | <b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>  | <b>5</b> | <b>805,897,484,347</b>   | <b>540,833,167,750</b>  |
| 103.1      | 1. Cash  |          | 356,397,484,347          | 480,833,167,750         |
| 103.2      | 2. Cash equivalents  |          | 449,500,000,000          | 60,000,000,000          |

# Viet Dragon Securities Corporation

SEPARATE CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2023

B03b-CTCK

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

| Code | ITEMS  | Notes | Current year<br>VND      | Previous year<br>VND     |
|------|--|-------|--------------------------|--------------------------|
|      | <b>I. Cash flows from brokerage and trust activities of the customers</b>          |       |                          |                          |
| 01   | 1. Cash receipts from disposal of brokerage securities of customers                |       | 9,400,737,312,444        | 26,442,969,821,700       |
| 02   | 2. Cash payments for acquisition of brokerage securities of customers              |       | (9,400,155,722,330)      | (26,442,354,911,239)     |
| 07   | 3. Cash receipts for settlement of securities transactions of customers            |       | 107,861,518,540,166      | 169,523,040,893,857      |
| 07.1 | 4. Investors' deposits at VSD  |       | 576,715,037,542          | 358,163,649,317          |
| 08   | 5. Cash payments for securities transactions of customers                          |       | (108,173,709,435,151)    | (169,773,019,798,386)    |
| 14   | 6. Cash receipts from securities issuers   |       | 1,150,358,848,626        | 1,387,658,392,827        |
| 15   | 7. Cash payments to securities issuers   |       | (1,150,442,776,935)      | (1,387,609,318,756)      |
| 20   | <b>Net increase in cash during the year</b>  |       | <b>265,021,804,362</b>   | <b>108,848,729,320</b>   |
| 30   | <b>II. Cash and cash equivalents of the customers at the beginning of the year</b> | 25.9  | <b>1,565,127,259,539</b> | <b>1,456,278,530,219</b> |
| 31   | Cash at banks at the beginning of the year:  |       | 1,565,127,259,539        | 1,456,278,530,219        |
| 32   | - Investors' deposits managed by the Company for securities trading activities     |       | 1,564,069,796,294        | 1,455,885,051,506        |
|      | In which: Investors' deposits at VSD   |       | 9,547,442,598            | 11,850,419,876           |
| 34   | - Deposits for clearing and settlement of securities transaction                   |       | 954,164,404              | 339,253,943              |
| 35   | - Securities issuers' deposits   |       | 103,298,841              | 54,224,770               |

# Viet Dragon Securities Corporation

SEPARATE CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2023

B03b-CTCK

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

| Code | ITEMS  | Notes       | Current year<br>VND      | Previous year<br>VND     |
|------|--|-------------|--------------------------|--------------------------|
| 40   | <b>III. Cash and cash equivalents of the customers at the end of the year</b>  | <b>25.9</b> | <b>1,830,149,063,901</b> | <b>1,565,127,259,539</b> |
| 41   | Cash at banks at the end of the year:  |             | 1,830,149,063,901        | 1,565,127,259,539        |
| 42   | - Investors' deposits managed by the Company for securities trading activities |             | 1,828,593,938,851        | 1,564,069,796,294        |
|      | In which: Investors' deposits at VSD   |             | 7,584,871,490            | 9,547,442,598            |
| 44   | - Deposits for clearing and settlement of securities transaction               |             | 1,535,754,518            | 954,164,404              |
| 45   | - Securities issuers' deposits   |             | 19,370,532               | 103,298,841              |

Prepared by:



Ms. Hoang Vu Quynh Nhu  
Supervisor of Finance  
and Accounting Department

Reviewed by:



Ms. Duong Kim Chi  
Chief Accountant



Ms. Nguyen Thi Thu Huyen  
General Director

Ho Chi Minh City, Vietnam

28 February 2024

# Viet Dragon Securities Corporation

## SEPARATE STATEMENT OF CHANGES IN OWNERS' EQUITY for the year ended 31 December 2023

B04-CTCK

| ITEMS   | Notes     | Beginning balance        |                          | Increase/(decrease)      |                          |                        |                        | Ending balance           |                          |
|---|-----------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|------------------------|--------------------------|--------------------------|
|   |           | 1 January 2022<br>VND    | 1 January 2023<br>VND    | Previous year            |                          | Current year           |                        | 31 December 2022<br>VND  | 31 December 2023<br>VND  |
|   |           |                          |                          | Increase<br>VND          | Decrease<br>VND          | Increase<br>VND        | Decrease<br>VND        |                          |                          |
| <b>I. CHANGES IN OWNERS' EQUITY</b>                               |           |                          |                          |                          |                          |                        |                        |                          |                          |
| 1. Share capital  |           | 1,060,286,768,792        | 2,109,240,118,792        |                          |                          |                        |                        | 2,109,240,118,792        | 2,109,240,118,792        |
| 1.1 Ordinary share  |           | 1,051,046,650,000        | 2,100,000,000,000        |                          |                          |                        |                        | 2,100,000,000,000        | 2,100,000,000,000        |
| 1.2 Share premium   |           | 9,240,118,792            | 9,240,118,792            |                          |                          |                        |                        | 9,240,118,792            | 9,240,118,792            |
| 2. Charter capital supplementary reserve                          |           | 44,251,450,208           | -                        |                          | (44,251,450,208)         |                        |                        | -                        | -                        |
| 3. Operational risk and financial reserve                         |           | 44,251,450,208           | -                        |                          | (44,251,450,208)         |                        |                        | -                        | -                        |
| 4. Differences from revaluation of financial assets at fair value |           | 30,012,348,800           | 153,272,000              |                          | (29,859,076,800)         |                        | (6,318,739,192)        | 153,272,000              | (6,165,467,192)          |
| 5. Undistributed profit/(loss)                                    |           | 444,520,726,967          | (38,557,383,537)         | 150,125,189,351          | (633,203,299,855)        | 327,302,009,631        | -                      | (38,557,383,537)         | 288,744,626,094          |
| - Realized profit   |           | 407,968,647,388          | 173,625,757,155          | 150,125,189,351          | (384,468,079,584)        | 87,281,154,302         | -                      | 173,625,757,155          | 260,906,911,457          |
| - Unrealized profit/(loss)  |           | 36,552,079,579           | (212,183,140,692)        | -                        | (248,735,220,271)        | 240,020,855,329        |                        | (212,183,140,692)        | 27,837,714,637           |
| <b>TOTAL</b>  | <b>24</b> | <b>1,623,322,744,975</b> | <b>2,070,836,007,255</b> | <b>1,199,078,539,351</b> | <b>(751,565,277,071)</b> | <b>327,302,009,631</b> | <b>(6,318,739,192)</b> | <b>2,070,836,007,255</b> | <b>2,391,819,277,694</b> |

# Viet Dragon Securities Corporation

SEPARATE STATEMENT OF CHANGES IN OWNERS' EQUITY (continued)  
for the year ended 31 December 2023

B04-CTCK

| ITEMS  | Notes     | Beginning balance     |                       | Increase/(decrease) |                         |                 |                        | Ending balance          |                         |
|--|-----------|-----------------------|-----------------------|---------------------|-------------------------|-----------------|------------------------|-------------------------|-------------------------|
|  |           | 1 January 2022<br>VND | 1 January 2023<br>VND | Previous year       |                         | Current year    |                        | 31 December 2022<br>VND | 31 December 2023<br>VND |
|  |           |                       |                       | Increase<br>VND     | Decrease<br>VND         | Increase<br>VND | Decrease<br>VND        |                         |                         |
| <b>II. OTHER COMPREHENSIVE INCOME/(EXPENSE)</b>  |           |                       |                       |                     |                         |                 |                        |                         |                         |
| 1. Income/(expense) from revaluation of AFS financial assets and other long-term investments |           | 30,012,348,800        | 153,272,000           | -                   | (29,859,076,800)        | -               | (6,318,739,192)        | 153,272,000             | (6,165,467,192)         |
| <b>TOTAL</b>   | <b>35</b> | <b>30,012,348,800</b> | <b>153,272,000</b>    | <b>-</b>            | <b>(29,859,076,800)</b> | <b>-</b>        | <b>(6,318,739,192)</b> | <b>153,272,000</b>      | <b>(6,165,467,192)</b>  |

Prepared by:

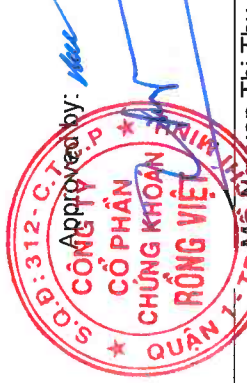


Ms. Hoang Vu Quynh Nhu  
Supervisor of Finance and  
Accounting Department


Reviewed by:



Ms. Duong Kim Chi  
Chief Accountant



Approved by:



Ms. Nguyen Thi Thu Huyen  
General Director

Ho Chi Minh City, Vietnam

28 February 2024



# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS  
as at 31 December 2023 and for the year then ended

B09-CTCK

## 1. CORPORATE INFORMATION

Viet Dragon Securities Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to Securities Trading License No. 32/UBCK-GPHĐKD issued by the State Securities Commission on 21 December 2006. According to the 20th change license dated 13 January 2023, adjusted to Business Registration Certificate No. 0304734965. The Establishment and Operation License has been adjusted many times and the most recent time is No. 02/GPĐC-UBCK, issued on 5 January 2023.

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

The Company's head office is located on the 1st to the 8th floor, Viet Dragon Building, 141 Nguyen Du Street, Ben Thanh Ward, District 1, Ho Chi Minh City. As at 31 December 2023, the Company has six (06) branches located in Ha Noi, Nha Trang, Can Tho, Binh Duong, Dong Nai and Vung Tau.

The number of the Company's employees as at 31 December 2023 is 432 persons (31 December 2022: 446 persons).

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

#### *Capital*

According to the separate statement of financial position as at 31 December 2023, the Company's charter capital amounts to VND2,100,000,000,000 while its owners' equity is VND2,391,819,277,694 and its total assets are VND5,289,740,735,125.

#### *Investment objectives*

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

#### *Investment restrictions*

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

- ▶ Securities company is not allowed to invest, contribute capital to invest in real-estate investment except for the purpose of use for head office, branches, and transaction offices directly serving professional business activities of the securities company.
- ▶ Securities company may invest in real-estate investment and fixed assets on the principle that the carrying value of the fixed assets and real-estate investment should not exceed fifty percent (50%) of the total value of assets of the securities company.
- ▶ Securities company is not allowed to use more than seventy percent (70%) of its owners' equity to invest in corporate bonds. Securities company, licensed to engage in self-trading activity, is allowed to trade listed bonds in accordance with relevant provision on trading Government bonds.



# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2023 and for the year then ended

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## 1. CORPORATE INFORMATION (continued)

### *Main features of operation of the Company (continued)*

#### *Investment restrictions (continued)*

- ▶ Securities company must not by itself, or authorize another organization or individuals to: Invest in shares or contribute capital to companies that owned more than fifty percent (50%) of the charter capital of the securities company, except for purchasing of odd lots at the request of customers; Make joint investment with an affiliated person of five percent (5%) or more in the charter capital of another securities company; Invest more than twenty percent (20%) in the total currently circulating shares or fund certificates of a listing organization; Invest more than fifteen percent (15%) in the total currently circulating shares or fund certificates of an unlisted organization, this provision shall not apply to member fund, ETF fund or open-end fund certificates; Invest or contribute capital of more than ten percent (10%) in the total paid-up capital of a limited liability company or of a business project; Invest or contribute more than fifteen percent (15%) of its equity in a single organization or of a business project; Invest more than seventy percent (70%) of its total equity in shares, capital contribution and a business project, specifically invest more than twenty percent (20%) of its total equity in unlisted shares, capital contribution and a business project.
- ▶ Securities company was established, acquired a fund management company as a subsidiary. In this case, the securities company is not required to comply with the following provisions: Invest more than twenty percent (20%) of the total number of outstanding shares and fund certificates of a listed organization; Invest more than fifteen percent (15%) of the total number of outstanding shares and fund certificates of an unlisted organization, this provision does not apply to member fund certificates, exchange-traded funds and open-ended funds; Invest or contribute more than ten percent (10%) of the total capital contributed by a limited liability company or a business project.

#### **Subsidiary**

As at 31 December 2023, the Company has one (01) subsidiary is as follow:

| <i>Subsidiary</i>                                 | <i>Main activity</i>   | <i>Direct ownership rate</i> |
|---|--|------------------------------|
| Viet Dragon Asset Management Corporation ("VDAM") | Establishing and managing securities investment funds, securities investment companies, managing securities portfolios, providing securities investment consulting and performing other related business activities in accordance with regulations under the law | 58%                          |

Viet Dragon Asset Management Corporation ("VDAM") is a joint stock company incorporated under the Law on Enterprises of Vietnam under the Certificate of Business Registration No. 0304746375 issued by the Department of Planning and Investment of Ho Chi Minh City, which the latest license change was on 15 November 2023. Fund management operation license No. 10/UBCK-GPHĐQLQ dated 22 December 2006 issued by the State Securities Commission, the most recent license change on 6 November 2023.

## 2. BASIS OF PREPARATION

### 2.1 *Purpose of preparing the separate financial statements*

The Company has a subsidiary as disclosed in Note 1 and Note 10. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information on the securities market. As required by these regulations, the Company also prepared the consolidated financial statements of the Company and its subsidiary for the year ended 31 December 2023 ("the consolidated financial statements") as prepared on 28 February 2024.

**2. BASIS OF PREPARATION (continued)**

**2.1 Purpose of preparing the separate financial statements (continued)**

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations, consolidated cash flows and consolidated changes in owners' equity of the Company and its subsidiary.

**2.2 Applied accounting standards and system**

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

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

**2.3 Registered accounting documentation system**

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

**2.4 Fiscal year**

The Company prepares its separate financial statements for the fiscal year from 1 January to 31 December.

**2.5 Accounting currency**

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

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

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

Accordingly, the accompanying separate financial statements, including their utilization are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the separate financial position, separate results of operations, separate cashflows and separate changes in owners' equity in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The accounting policies adopted by the Company in the preparation and presentation of the separate financial statements are consistent with those used in the preparation and presentation of the separate financial statements for the year ended 31 December 2022.

**4.2 *Cash and cash equivalents***

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of three (3) months or less that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

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

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

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

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

Financial assets at FVTPL are initially recognized at cost (acquisition cost of the assets excluding transaction cost arising from the purchase) and subsequently recognized at fair value.

Increase in the difference arising from revaluation of financial assets at FVTPL at fair value in comparison with the previous year is recognized into the separate income statement under "*Gain from revaluation of financial assets at FVTPL*". Decrease in the difference arising from revaluation of financial assets at FVTPL at fair value in comparison with the previous year is recognized into the separate income statement under "*Loss from revaluation of financial assets at FVTPL*".

Transaction costs relating to the purchase of the financial assets at FVTPL are recognized when incur as expenses in the separate income statement.

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

**4.4 Loans**

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

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

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

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

Loans are subject to an assessment of impairment at the separate financial statement date. Provision is made for loan based on its estimated loss which is determined by the negative difference between the market value of securities used as collaterals for such loan and the loan balance. Any increase/decrease in the balance of provision is recognized in the separate income statement under "*Provision expense for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans*".

**4.5 Available-for-sale financial assets (AFS)**

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

- a) Loans and receivables;
- b) Held-to-maturity investments; or
- c) Financial assets at fair value through profit and loss.

Available-for-sale financial assets are recognized initially at cost plus (+) transaction costs which are directly attributable to the purchase of the financial assets. After initial recognition, available-for-sale financial assets are subsequently measured at fair value.

Difference arising from the revaluation of AFS in comparison with previous year is recognized under "Income/(expense) from revaluation of AFS financial assets" in "Other comprehensive income after tax" which is a part of the separate income statement.



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

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

As at the separate financial statement date, the Company assessed whether there is any objective evidence that an AFS is impaired. Any increase/decrease in the balance of provision is recognized in the separate income statement under "*Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans*".

- ▶ Where an equity instrument is classified as available-for-sale, evidence of impairment includes a significant or prolonged decline in the fair value of the investment below its original cost. "Significant" is to be evaluated against the original cost of the asset and 'prolonged' indicates the period in which the fair value has been below its original cost. When any evidence of impairment exists, provision is determined as the difference between the AFS asset's cost and fair value at the assessment date.
- ▶ Where a debt instrument is classified as available-for-sale, the assessment of impairment is made when there is objective evidence that the amount of the loan is uncollectible or is uncertain. Investment results from one or more loss events occurring that adversely affect the expected future cash flows of the investments. Objective evidence of impairment may include the market value/fair value (if any) of the impairment debt, signs that the debtor or group of debtors is experiencing financial difficulties. Significant financial exposure, default or default in interest or principal payments, the possibility of the debtor becoming bankrupt or a financial restructuring, and observable data indicating a decline. It is possible to quantify expected future cash flows, such as changes in repayment, conditions, a financial position associated with the possibility of default. When there is evidence of impairment, provision is made based on the difference between the amortized amount and the fair value at the time of assessment.

**4.6 Fair value/market value of financial assets**

Fair value/market value of the securities is determined as follows:

- ▶ For securities listed on Hanoi Stock Exchange and Ho Chi Minh City Stock Exchange, their market prices are their closing prices on the latest trading day until the revaluated date;
- ▶ For unlisted securities registered for trading on the Unlisted Public Company Market ("UPCom"), their market prices are the average reference prices in the last 30 consecutive trading days until the revaluated date;
- ▶ For the delisted securities and suspended trading securities from the sixth day afterward, their actual stock prices are their closing prices at the delisted date;
- ▶ The market price for unlisted securities and securities unregistered for trading on UPCom, their actual stock price are the prices according to the judgment of the Company on the basis of comparing the book value and referring to the trading prices on the market;
- ▶ For securities which do not have reference price from the above sources, the impairment is determined based on the financial performance and the book value of securities issuers as at the assessment date.
- ▶ For the purpose of determining CIT taxable profit, the tax bases for financial assets are determined by cost minus (-) provision for diminution in value. Accordingly, market value of securities for provision purpose is determined in accordance with the Circular 48 and Circular 24 amending and supplementing Circular 48.

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

**4.7 Derecognition of financial assets**

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

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

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

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

**4.8 Reclassification of financial assets**

*Reclassification when selling financial assets other than FVTPL*

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

*Reclassification due to change in purpose or ability to hold*

Securities companies are required to reclassify financial assets to their applicable categories if their purpose or ability to hold has changed, consequently:

- ▶ Non-derivative financial assets at FVTPL or financial assets that are not required to classify as financial asset at FVTPL at the initial recognition can be classified as loans and other receivables or as cash and cash equivalents if the requirements are met. The gains or losses arising from revaluation of financial assets at FVTPL prior to the reclassification are not allowed to be reversed.
- ▶ Due to changes in purposes or ability to hold, some HTM investments are required to be reclassified into AFS financial assets and to be reassessed at fair value. The difference arising from revaluation between carrying value and fair value are recognized under "Gain/loss from revaluation of assets at fair value" in Owners' equity.

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

### 4.9 Long-term financial investments

#### *Investment in subsidiaries*

Investments in subsidiaries over which the Company has controlled are recognized at cost.

Distributions received from the accumulated profits of subsidiaries after the date that the Company assumed control the subsidiary is stated in the separate income statement. Other distributions are considered as a return of the investments and are deducted from the cost of investment.

#### *Investments in equity of other entities*

Investments in equity of other entities are recorded at fair value for listed securities, securities registered for trading on the UpCom market, or based on the separate financial statements of the capital-receiving organization at the time of preparing the Company's annual financial report for unlisted securities.

In case the capital-receiving organization does not prepare financial statements at the same time as the Company's, the Company does not make provisions for this investment.

At the date of preparing separate financial statements, the Company also assesses whether there is objective evidence that long-term investments have been impaired.

An increase or decrease in the provision balance is recorded in other comprehensive income/expense in the separate income statement.

### 4.10 Receivables

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

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

The Company has made provision for doubtful receivables in accordance with Circular No. 48/2019/TT-BTC dated 8 August 2019 issued by the Ministry of Finance and Circular No. 24/2022/TT-BTC amendments to Circular No. 48. Accordingly, the provision rates for overdue receivables are as follows:

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

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

**4.11 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

**4.12 Intangible fixed assets**

Intangible fixed assets are stated at cost less accumulated amortization.

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

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

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

**4.13 Depreciation and amortization**

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

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

**4.14 Operating leases**

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

**4.15 Borrowings and non-convertible bonds issued**

Borrowings and non-convertible bonds issued by the Company are recorded and stated at cost of the balance at the end of the accounting period.



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

**4.16 Prepaid expenses**

Prepaid expenses, including short-term prepaid expenses and long-term prepaid expenses in the separate statement of financial position, are amortized over the year for which the amounts are paid or the year in which economic benefits are generated in relation to these expenses.

The following types of expenses are recorded as short-term and long-term prepaid expenses and are amortized over the year from one (1) year to three (3) years to the separate income statement:

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

**4.17 Payables and accrued expenses**

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

**4.18 Employee benefits**

**4.18.1 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 17.5% (from 1 July 2021 to 30 June 2022, at the rate of 17%) of an employee's basic salary, salary-related allowances and other supplements. Other than that, the Company has no further obligation relating to post-employment benefits.

**4.18.2 Severance allowance**

The Company has the obligation, under Article 46 of the Vietnam Labor Code No. 45/2019/QH14 taking effect on 1 January 2021, to pay allowance arising from voluntary resignation of employees, equal to half month's salary for each year of employment up to 31 December 2008 plus salary allowances (if any). From 1 January 2009, the average monthly salary used in this calculation is the average monthly salary of the latest six-month period up to the resignation date.

**4.18.3 Unemployment allowance**

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

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

**4.19 Foreign currency transactions**

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

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

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

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

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

**4.20 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 measured at the fair value of receipts or receivables less trade discount, concessions and sales return. The following specific recognition criteria must also be met before revenue is recognized:

*Revenue from brokerage services*

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

*Revenue from trading of securities*

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

*Interest income*

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

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

**4.20 Revenue recognition (continued)**

*Dividends*

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

*Other income*

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

*Other revenues from rendering services*

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

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

**4.21 Borrowing costs**

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

**4.22 Cost of securities sold**

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

**4.23 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 payable to/or recovered from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the report date.

Current income tax is charged or credited to the separate 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.

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

**4.23 Corporate income tax (continued)**

*Deferred income tax*

Deferred income tax is provided using for temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amount for separate 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 financial year end date and reduced to a certain extent that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered. Previously unrecognized deferred income tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

**4.24 Owners' equity**

*Contributed capital from shareholders*

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

*Undistributed profit*

Undistributed profit comprises of realized and unrealized undistributed profit.

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

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

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

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

#### *Reserves*

The Company uses annual after-tax profits to set aside funds according to the Resolution of the General Meeting of Shareholders at the annual meeting.

### 4.25 *Distribution of net profits*

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

### 4.26 *Segment information*

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

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

### 4.27 *Related parties*

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

### 4.28 *Nil balances*

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

### 4.29 *Significant events*

#### *Additional acquisition of the existing subsidiary - Viet Dragon Asset Management Corporation*

On 9 August 2023, the Company acquired an additional 7% ownership in Viet Dragon Asset Management Corporation, increasing its percentage ownership to 58% on this date for a total additional monetary purchase price of VND6,300,000,000.



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## 5. CASH AND CASH EQUIVALENTS

|   | <i>Ending balance<br/>VND</i> | <i>Beginning balance<br/>VND</i> |
|---|-------------------------------|----------------------------------|
| <b>Cash</b>   | <b>356,397,484,347</b>        | <b>480,833,167,750</b>           |
| Cash on hand  | -                             | 39,085,902                       |
| Cash at banks for operation of the Company              | 318,337,092,898               | 480,750,159,028                  |
| Cash for clearing and settlement securities transaction | 38,060,391,449                | 43,922,820                       |
| <b>Cash equivalents</b>                                 | <b>449,500,000,000</b>        | <b>60,000,000,000</b>            |
|   | <b>805,897,484,347</b>        | <b>540,833,167,750</b>           |

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

|                | <i>Volume of trading<br/>in the year<br/>(Unit)</i> | <i>Value of trading<br/>in the year<br/>(VND)</i> |
|----------------|---|---|
| a. The Company | <b>95,865,066</b>                                   | <b>6,300,676,714,929</b>                          |
| - Shares       | 94,777,118  | 2,659,505,899,500                                 |
| - Bonds        | 1,087,906   | 677,704,175,010                                   |
| - Others       | 42  | 2,963,466,640,419                                 |
| b. Investors   | <b>5,900,704,504</b>                                | <b>147,649,732,810,660</b>                        |
| - Shares       | 5,431,174,282                                       | 119,401,917,351,230                               |
| - Bonds        | 4,678,494   | 484,910,175,020                                   |
| - Others       | 464,851,728   | 27,762,905,284,410                                |
|                | <b>5,996,569,570</b>                                | <b>153,950,409,525,589</b>                        |

# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2023 and for the year then ended

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## 7. FINANCIAL ASSETS

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

|                    | Ending balance           |                          | Beginning balance        |                          |
|--------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                    | Cost<br>VND              | Fair value<br>VND        | Cost<br>VND              | Fair value<br>VND        |
| Listed shares      | 491,183,216,451          | 518,294,123,750          | 670,349,264,362          | 428,293,230,200          |
| Unlisted<br>shares | 47,016,551,221           | 45,670,640,405           | 178,921,007,460          | 170,358,838,342          |
| Listed bonds       | 4,145,010,334            | 4,057,200,000            | 8,110,480,000            | 8,131,120,000            |
| Unlisted<br>bonds  | 491,933,414,402          | 493,172,330,886          | 527,413,447,509          | 531,119,773,922          |
|                    | <b>1,034,278,192,408</b> | <b>1,061,194,295,041</b> | <b>1,384,794,199,331</b> | <b>1,137,902,962,464</b> |

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

|                      | Ending balance         |                          | Beginning balance |                          |
|----------------------|------------------------|--------------------------|-------------------|--------------------------|
|                      | Cost<br>VND            | Revaluation value<br>VND | Cost<br>VND       | Revaluation value<br>VND |
| <b>Listed shares</b> |                        |                          |                   |                          |
| MWVG                 | 133,793,622,000        | 134,456,200,000          | -                 | -                        |
| DBC                  | 46,881,505,000         | 52,060,000,000           | -                 | -                        |
| CMG                  | 20,146,525,000         | 24,451,132,500           | -                 | -                        |
|                      | <b>200,821,652,000</b> | <b>210,967,332,500</b>   | <b>-</b>          | <b>-</b>                 |

# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2023 and for the year then ended

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## 7. FINANCIAL ASSETS (continued)

### 7.3 Loans

|                            | Ending balance           |                         |                          | Beginning balance        |                         |                          |
|----------------------------|--------------------------|-------------------------|--------------------------|--------------------------|-------------------------|--------------------------|
|                            | Cost<br>VND              | Provision<br>VND        | Fair value (iii)<br>VND  | Cost<br>VND              | Provision<br>VND        | Fair value (iii)<br>VND  |
| Margin activities (i)      | 2,246,791,696,769        | (44,200,215,258)        | 2,202,591,481,511        | 2,018,232,184,843        | (44,210,127,758)        | 1,974,022,057,085        |
| Advances to customers (ii) | 526,670,879,244          | -                       | 526,670,879,244          | 278,054,523,622          | -                       | 278,054,523,622          |
|                            | <b>2,773,462,576,013</b> | <b>(44,200,215,258)</b> | <b>2,729,262,360,755</b> | <b>2,296,286,708,465</b> | <b>(44,210,127,758)</b> | <b>2,252,076,580,707</b> |

(i) Securities under margin transaction are used as collaterals for the loans granted by the Company to investors. As at 31 December 2023 and 31 December 2022, the par value of those securities that are used as collaterals for margin trading was VND2,186,468,090,000 and VND2,857,190,930,000 respectively, the market value of those securities that are used as collaterals for margin trading was VND5,488,886,598,240 and VND5,134,324,889,450 respectively.

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

(iii) Determining the fair value of financial assets

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



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2023 and for the year then ended

## 7. FINANCIAL ASSETS (continued)

|        | Ending balance   |                   |   |                 | Beginning balance           |                 |                   |   |                   |                          |
|--------|--|-------------------|---|-----------------|-----------------------------|-----------------|-------------------|---|-------------------|--------------------------|
|        | Cost<br>VND  | Fair value<br>VND | Revaluation difference<br>Increase<br>VND | Decrease<br>VND | Revaluation<br>value<br>VND | Cost<br>VND     | Fair value<br>VND | Revaluation difference<br>Increase<br>VND | Decrease<br>VND   | Revaluation value<br>VND |
| I.     | Financial assets at fair value through profit and loss (FVTPL) |                   |   |                 |                             |                 |                   |   |                   |                          |
| 1.     | Listed shares  |                   |   |                 |                             |                 |                   |   |                   |                          |
| DBC    | 141,846,842,115  | 147,392,272,000   | 5,545,429,885                             | -               | 147,392,272,000             | 213,043,447,183 | 113,917,848,000   | -   | (99,125,599,183)  | 113,917,848,000          |
| ACB    | 71,104,437,190   | 76,002,358,500    | 4,897,921,310                             | -               | 76,002,358,500              | 78,532,703,207  | 66,271,590,000    | -   | (12,261,113,207)  | 66,271,590,000           |
| CTG    | 49,777,802,916   | 47,420,176,200    | -   | (2,357,626,716) | 47,420,176,200              | 93,550,328,838  | 76,345,126,000    | -   | (17,205,202,838)  | 76,345,126,000           |
| VNM    | 48,634,820,000   | 48,672,000,000    | 37,180,000                                | -               | 48,672,000,000              | -               | -                 | -   | -                 | -                        |
| KDC    | 40,200,000,000   | 37,800,000,000    | -   | (2,400,000,000) | 37,800,000,000              | 37,800,000,000  | -                 | -   | -                 | -                        |
| Others | 139,619,314,230  | 161,007,317,050   | 21,634,129,440                            | (246,126,620)   | 161,007,317,050             | 285,222,785,134 | 171,758,666,200   | 22,516,947                                | (113,486,635,881) | 171,758,666,200          |
|        | 491,183,216,451  | 518,294,123,750   | 32,114,660,635                            | (5,003,753,336) | 518,294,123,750             | 670,349,264,362 | 428,293,230,200   | 22,516,947                                | (242,078,551,109) | 428,293,230,200          |
| 2.     | Unlisted shares  |                   |   |                 |                             |                 |                   |   |                   |                          |
| QNS    | 33,154,313,767   | 34,465,240,000    | 1,310,926,233                             | -               | 34,465,240,000              | 168,750,000,000 | 162,850,500,000   | -   | (5,899,500,000)   | 162,850,500,000          |
| DORU   |  |                   |   |                 |                             |                 |                   |   |                   |                          |
| FOAM   | 4,450,000,000  | 1,800,000,000     | -   | (2,650,000,000) | 1,800,000,000               | 4,450,000,000   | 1,800,000,000     | -   | (2,650,000,000)   | 1,800,000,000            |
| Others | 9,412,237,454  | 9,405,400,405     | 992,269                                   | (7,829,318)     | 9,405,400,405               | 5,721,007,460   | 5,708,338,342     | 911,646                                   | (13,580,764)      | 5,708,338,342            |
|        | 47,016,551,221   | 45,670,640,405    | 1,311,918,502                             | (2,657,829,318) | 45,670,640,405              | 178,921,007,460 | 170,358,838,342   | 911,646                                   | (8,563,080,764)   | 170,358,838,342          |

|        |                       |                       |                      |                        |                       |                        |                        |                |                        |                        |
|--------|-----------------------|-----------------------|----------------------|------------------------|-----------------------|------------------------|------------------------|----------------|------------------------|------------------------|
| QNS    | 33,154,313,767        | 34,465,240,000        | 1,310,926,233        | -                      | 34,465,240,000        | 168,750,000,000        | 162,850,500,000        | -              | (5,999,500,000)        | 162,850,500,000        |
| DORU   |                       |                       |                      |                        |                       |                        |                        |                |                        |                        |
| FOAM   | 4,450,000,000         | 1,800,000,000         | -                    | (2,650,000,000)        | 1,800,000,000         | 4,450,000,000          | 1,800,000,000          | -              | (2,650,000,000)        | 1,800,000,000          |
| Others | 9,412,237,454         | 9,405,400,405         | 992,269              | (7,829,318)            | 9,405,400,405         | 5,721,007,460          | 5,708,338,342          | 911,646        | (13,580,764)           | 5,708,338,342          |
|        | <u>47,016,551,221</u> | <u>45,670,640,405</u> | <u>1,311,918,502</u> | <u>(2,657,829,318)</u> | <u>45,670,640,405</u> | <u>178,921,007,460</u> | <u>170,358,838,342</u> | <u>911,646</u> | <u>(8,563,080,764)</u> | <u>170,358,838,342</u> |

# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2023 and for the year then ended

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## 7. FINANCIAL ASSETS (continued)

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

|   | Ending balance  |                   |                        | Beginning balance |                   |                          |
|---|-----------------|-------------------|------------------------|-------------------|-------------------|--------------------------|
|   | Cost<br>VND     | Fair value<br>VND | Revaluation difference |                   | Fair value<br>VND | Revaluation value<br>VND |
|   |                 |                   | Increase<br>VND        | Decrease<br>VND   |                   |                          |
| I. Financial assets at fair value through profit and loss (FVTPL) (continued) |                 |                   |                        |                   |                   |                          |
| 3. Listed bonds   | 4,145,010,334   | 4,057,200,000     | -                      | (87,810,334)      | 8,131,120,000     | 8,131,120,000            |
| 4. Unlisted bonds   |                 |                   |                        |                   |                   |                          |
| CTGL2129008   | 100,236,712,329 | 102,722,191,800   | 2,485,479,471          | -                 | -                 | -                        |
| VCBH2128004   | -               | -                 | -                      | -                 | -                 | -                        |
| Others  | 391,696,702,073 | 390,450,139,086   | 3,627,316,222          | (4,873,879,209)   | 231,865,205,470   | 231,865,205,470          |
|   | 491,933,414,402 | 493,172,330,886   | 6,112,795,693          | (4,873,879,209)   | 299,254,568,452   | 299,254,568,452          |
| II. Available-for-sale financial assets (AFS)                                 |                 |                   |                        |                   |                   |                          |
| 1. Listed shares  |                 |                   |                        |                   |                   |                          |
| MMWG  | 133,793,622,000 | 134,456,200,000   | 662,578,000            | -                 | 8,110,429,180     | 8,110,429,180            |
| DBC   | 46,881,505,000  | 52,060,000,000    | 5,178,495,000          | -                 | -                 | -                        |
| CMG   | 20,146,525,000  | 24,451,132,500    | 4,304,607,500          | -                 | -                 | -                        |
|   | 200,821,652,000 | 210,967,332,500   | 10,145,680,500         | -                 | 531,119,773,922   | 531,119,773,922          |
|   |                 |                   |                        |                   | 20,640,000        | 8,131,120,000            |

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2023 and for the year then ended

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## 7. FINANCIAL ASSETS (continued)

### 7.5 Provision for impairment of financial assets

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

| Financial assets      | Basis for provision      |                          |   | Provision at<br>31 December 2022<br>VND | Reversal during the year<br>VND |
|-----------------------|--------------------------|--------------------------|---|---|---------------------------------|
|                       | Cost<br>VND              | Revaluation value<br>VND | Provision at<br>31 December 2023<br>VND |   |                                 |
| <b>Loans</b>          |                          |                          |   |   |                                 |
| Margin activities     | 2,246,791,696,769        | 2,202,591,481,511        | 44,200,215,258                          | 44,210,127,758                          | (9,912,500)                     |
| Advances to customers | 526,670,879,244          | 526,670,879,244          | -                                       | -                                       | -                               |
|                       | <b>2,773,462,576,013</b> | <b>2,729,262,360,755</b> | <b>44,200,215,258</b>                   | <b>44,210,127,758</b>                   | <b>(9,912,500)</b>              |

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## 8. RECEIVABLES

|   | Ending balance<br>VND | Beginning balance<br>VND |
|---|-----------------------|--------------------------|
| Receivables from selling financial assets   | 5,485,000,000         | -                        |
| Receivables and accruals from dividends and interest income from financial assets | 8,569,438,298         | 5,122,449,229            |
| - <i>Receivables and accruals for due dividend and interest income</i>            | 656,523,410           | 247,214,476              |
| - <i>Accruals for undue dividend and interest income</i>                          | 7,912,914,888         | 4,875,234,753            |
| Advances to suppliers   | 11,754,748,302        | 1,512,190,985            |
| Receivables from services provided by the Company                                 | 11,643,571,730        | 13,697,315,054           |
| - <i>Receivables from custodian services</i>                                      | 7,635,840,644         | 6,547,285,127            |
| - <i>Other receivables</i>  | 4,007,731,086         | 7,150,029,927            |
| Other receivables   | 2,012,517,379         | 1,992,534,413            |
| Provision for impairment of receivables   | (1,978,208,478)       | (1,978,208,478)          |
|   | <b>37,487,067,231</b> | <b>20,346,281,203</b>    |

Details of provision for impairment of receivables:

|                         | Doubtful debts           |                       | Provision                |                 |                       |
|-------------------------|--------------------------|-----------------------|--------------------------|-----------------|-----------------------|
|                         | Beginning balance<br>VND | Ending balance<br>VND | Beginning balance<br>VND | Addition<br>VND | Ending balance<br>VND |
| Other receivables       |                          |                       |                          |                 |                       |
| - <i>Van Thien Hung</i> | <b>1,978,208,478</b>     | <b>1,978,208,478</b>  | <b>1,978,208,478</b>     | -               | <b>1,978,208,478</b>  |

## 9. PREPAID EXPENSES

|   | Ending balance<br>VND | Beginning balance<br>VND |
|---|-----------------------|--------------------------|
| Short-term prepaid expenses                   | 10,269,848,132        | 8,204,113,858            |
| - <i>Software maintenance</i>                 | 3,608,444,455         | 1,635,782,056            |
| - <i>Office supplies, tools and materials</i> | 422,436,458           | 1,340,714,860            |
| - <i>Employee insurance</i>                   | 317,127,825           | -                        |
| - <i>Office renovation expenses</i>           | 24,596,934            | -                        |
| - <i>Other expenses</i>                       | 5,897,242,460         | 5,227,616,942            |
| Long-term prepaid expenses                    | 5,874,952,587         | 11,482,072,597           |
| - <i>Office renovation expenses</i>           | 4,987,741,250         | 9,678,589,000            |
| - <i>Software maintenance</i>                 | 21,450,009            | 662,318,759              |
| - <i>Office supplies, tools and materials</i> | 19,541,500            | 53,291,500               |
| - <i>Other expenses</i>                       | 846,219,828           | 1,087,873,338            |
|   | <b>16,144,800,719</b> | <b>19,686,186,455</b>    |

# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 10. LONG-TERM INVESTMENTS

|   | <i>Ending balance<br/>VND</i> | <i>Beginning balance<br/>VND</i> |
|---|-------------------------------|----------------------------------|
| Investment in subsidiary  | 76,420,000,000                | 46,920,000,000                   |
| - Viet Dragon Asset Management Corporation  | 76,420,000,000                | 46,920,000,000                   |
| Other long-term investments   | 250,971,070,408               | 75,191,590,000                   |
| - Quang Nam Ngoc Linh Ginseng Pharmaceutical<br>Trading Joint Stock Company (QUASAPHARCO) | 32,500,000,000                | 32,500,000,000                   |
| - Rong Viet Investment Fund (RVIF)  | 49,799,120,000                | 42,691,590,000                   |
| - Tam Duc Cardiology Hospital Joint Stock<br>Company (TTD)                                | 33,763,080,000                | -                                |
| - Vietnam Vegetable Oils Industry Corporation<br>(VOC)                                    | 134,908,870,408               | -                                |
|   | <b>327,391,070,408</b>        | <b>122,111,590,000</b>           |

## 11. TANGIBLE FIXED ASSETS

|                                 | <i>Means of<br/>transportation<br/>VND</i> | <i>Office equipment<br/>VND</i> | <i>Total<br/>VND</i> |
|---------------------------------|--|---------------------------------|----------------------|
| <b>Cost</b>                     |  |                                 |                      |
| Beginning balance               | 9,167,954,400                              | 82,998,591,329                  | 92,166,545,729       |
| Increase during the year        | 964,045,000                                | 10,959,004,094                  | 11,923,049,094       |
| Disposals during the year       | (767,750,000)                              | (10,949,785,698)                | (11,717,535,698)     |
| Ending balance                  | 9,364,249,400                              | 83,007,809,725                  | 92,372,059,125       |
| <b>Accumulated depreciation</b> |  |                                 |                      |
| Beginning balance               | 4,986,038,038                              | 48,935,765,640                  | 53,921,803,678       |
| Depreciation during the year    | 998,924,000                                | 10,475,863,827                  | 11,474,787,827       |
| Disposals during the year       | (767,750,000)                              | (10,949,785,698)                | (11,717,535,698)     |
| Ending balance                  | 5,217,212,038                              | 48,461,843,769                  | 53,679,055,807       |
| <b>Net book value</b>           |  |                                 |                      |
| Beginning balance               | 4,181,916,362                              | 34,062,825,689                  | 38,244,742,051       |
| Ending balance                  | 4,147,037,362                              | 34,545,965,956                  | 38,693,003,318       |

Cost of tangible fixed assets which have been fully depreciated but are still in use at 31 December 2023 amounted to VND28,715,980,255 (31 December 2022: VND34,395,517,453).

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## 12. INTANGIBLE FIXED ASSETS

|                                 | Computer software<br>VND | Trademark<br>VND | Copyrights<br>VND | Others<br>VND | Total<br>VND    |
|---------------------------------|--------------------------|------------------|-------------------|---------------|-----------------|
| <b>Cost</b>                     |                          |                  |                   |               |                 |
| Beginning balance               | 19,260,497,066           | 762,900,192      | 3,980,666,671     | 502,503,782   | 24,506,567,711  |
| Increase during the year        | 9,659,752,150            | -                | 8,709,626,687     | 458,309,544   | 18,827,688,381  |
| Disposals during the year       | (36,000,000)             | (307,500,192)    | (176,187,500)     | (502,503,782) | (1,022,191,474) |
| Ending balance                  | 28,884,249,216           | 455,400,000      | 12,514,105,858    | 458,309,544   | 42,312,064,618  |
| <b>Accumulated amortization</b> |                          |                  |                   |               |                 |
| Beginning balance               | 15,458,385,952           | 392,704,063      | 1,878,499,198     | 502,503,782   | 18,232,092,995  |
| Amortization during the year    | 2,876,071,739            | 91,080,000       | 1,057,861,880     | 61,107,936    | 4,086,121,555   |
| Disposals during the year       | (36,000,000)             | (307,500,192)    | (176,187,500)     | (502,503,782) | (1,022,191,474) |
| Ending balance                  | 18,298,457,691           | 176,283,871      | 2,760,173,578     | 61,107,936    | 21,296,023,076  |
| <b>Net book value</b>           |                          |                  |                   |               |                 |
| Beginning balance               | 3,802,111,114            | 370,196,129      | 2,102,167,473     | -             | 6,274,474,716   |
| Ending balance                  | 10,585,791,525           | 279,116,129      | 9,753,932,280     | 397,201,608   | 21,016,041,542  |

Cost of intangible fixed assets which have been fully amortized but are still in use at 31 December 2023 amounted to VND12,741,897,317 (31 December 2022: VND13,764,088,791).



# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2023 and for the year then ended

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## 13. LONG-TERM DEPOSITS, COLLATERALS AND PLEDGES

These are security deposits for office rentals at Head Office, Ha Noi, Nha Trang, Can Tho, Binh Duong, Dong Nai and Vung Tau Branch.

## 14. DEPOSITS TO SETTLEMENT ASSISTANCE FUND

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

According Decision No. 105/QĐ-VSD dated 20 August 2021 regarding the regulations on management and usage of the Assistance Fund issued by the General Director of the Vietnam Securities Depository, the Company must deposit an initial amount of VND120 million at the Vietnam Securities Depository and pay an addition of 0.01% of the total amount of brokered securities in the previous year, but not over VND2,5 billion per annum. The maximum contribution of each custody member to the Settlement Assistance Fund is VND20 billion for custody members who are the companies having trading securities and brokerage activities.

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

|                  | <i>Ending balance<br/>VND</i> | <i>Beginning balance<br/>VND</i> |
|------------------|-------------------------------|----------------------------------|
| Initial payment  | 120,000,000                   | 120,000,000                      |
| Addition payment | 13,464,509,286                | 13,464,509,286                   |
| Interests        | 6,415,490,714                 | 6,415,490,714                    |
|                  | <b>20,000,000,000</b>         | <b>20,000,000,000</b>            |

## 15. OTHER NON-CURRENT ASSETS

Other non-current assets are the deposits in the Derivatives Trading Clearing Fund. According to the Policy on Management and Use of Derivatives Trading Clearing Fund issued in conjunction with Decision No. 97/QĐ-VSD dated 23 March 2017 by the Vietnam Securities Depository, the minimum amount of initial contribution applicable to direct clearing members is VND10 billion.

# Viet Dragon Securities Corporation

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## 16. SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES

|                       | Interest rate<br>% per annum | Beginning balance<br>VND | Addition<br>during the year<br>VND | Repayment<br>during the year<br>VND | Ending balance<br>VND  |
|-----------------------|------------------------------|--------------------------|------------------------------------|-------------------------------------|------------------------|
| Short-term borrowings |                              |                          |                                    |                                     |                        |
| - From a foreign bank | 5.90 - 6.95                  | 166,250,000,000          | 657,898,500,000                    | (824,148,500,000)                   | -                      |
| - From domestic banks | 4.30 - 8.00                  | 320,000,000,000          | 2,923,100,000,000                  | (3,053,100,000,000)                 | 190,000,000,000        |
|                       |                              | <b>486,250,000,000</b>   | <b>3,580,998,500,000</b>           | <b>(3,877,248,500,000)</b>          | <b>190,000,000,000</b> |

## 17. BOND ISSUANCE

|                          | Interest rate<br>% per annum | Beginning balance<br>VND | Addition<br>during the year<br>VND | Repayment<br>during the year<br>VND | Ending balance<br>VND    |
|--------------------------|------------------------------|--------------------------|------------------------------------|-------------------------------------|--------------------------|
| Short-term bond issuance |                              |                          |                                    |                                     |                          |
| - Held by individuals    | 8.80 - 10.15                 | 558,180,000,000          | 864,000,000,000                    | (567,280,000,000)                   | 854,900,000,000          |
| - Held by corporations   | 8.80 - 10.15                 | 930,500,000,000          | 1,675,700,000,000                  | (930,500,000,000)                   | 1,675,700,000,000        |
|                          |                              | <b>1,488,680,000,000</b> | <b>2,539,700,000,000</b>           | <b>(1,497,780,000,000)</b>          | <b>2,530,600,000,000</b> |
| Long-term bond issuance  |                              |                          |                                    |                                     |                          |
| Held by individuals      | 9.10 - 9.60                  | 98,300,000,000           | -                                  | (52,900,000,000)                    | 45,400,000,000           |
| Held by corporations     | 8.80 - 9.60                  | 35,000,000,000           | -                                  | (35,000,000,000)                    | -                        |
|                          |                              | <b>133,300,000,000</b>   | <b>-</b>                           | <b>(87,900,000,000)</b>             | <b>45,400,000,000</b>    |

These are registered, unconvertible and unsecured bonds issued privately to professional securities investors. Each bond has a par value of VND1,000,000 and VND100,000,000 and a tenor from 1 year to 2 years since its issue date. In 2023, the Company has fully paid the principal and interest of the issued Bonds as well as fully paid all due debts.

# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 18. PAYABLES FOR SECURITIES TRADING ACTIVITIES

These are expenses payable to the stock exchanges.

## 19. SHORT-TERM TRADE PAYABLES

|  | Ending balance<br>VND | Beginning balance<br>VND |
|--|-----------------------|--------------------------|
| Payables for purchases of listed securities  | 40,200,000,000        | -                        |
| Payables for purchases of goods and services | 152,172,298           | 691,057,460              |
|  | <b>40,352,172,298</b> | <b>691,057,460</b>       |

## 20. STATUTORY OBLIGATIONS

| Items                                      | Beginning<br>balance<br>VND | Payables<br>during the year<br>VND | Payment<br>during the year<br>VND | Ending balance<br>VND |
|--|-----------------------------|------------------------------------|-----------------------------------|-----------------------|
| Corporate income tax                       | (21,195,163,427)            | 47,597,014,946                     | (9,717,749,630)                   | 16,684,101,889        |
| Value added tax                            | 46,715,551                  | 1,322,937,767                      | (1,249,026,663)                   | 120,626,655           |
| Personal income tax on behalf of investors | 10,416,310,259              | 92,229,132,098                     | (93,581,783,811)                  | 9,063,658,546         |
| Personal income tax                        | 2,685,856,627               | 17,473,682,194                     | (19,716,733,758)                  | 442,805,063           |
| - Payables                                 | 3,038,326,077               |                                    |                                   | 1,430,070,471         |
| - Receivables                              | (352,469,450)               |                                    |                                   | (987,265,408)         |
| Foreign contractor tax                     | 1,559,390,476               | 3,598,352,675                      | (4,845,851,664)                   | 311,891,487           |
| Business registration tax                  | -                           | 194,234,192                        | (194,234,192)                     | -                     |
|  | <b>(6,486,890,514)</b>      | <b>162,415,353,872</b>             | <b>(129,305,379,718)</b>          | <b>26,623,083,640</b> |

In which:

|               |                  |                |
|---------------|------------------|----------------|
| - Receivables | (21,547,632,877) | (987,265,408)  |
| - Payables    | 15,060,742,363   | 27,610,349,048 |

## 21. SHORT-TERM ACCRUED EXPENSES

|                                   | Ending balance<br>VND | Beginning balance<br>VND |
|-----------------------------------|-----------------------|--------------------------|
| Interests on bonds and borrowings | 12,456,449,864        | 17,247,927,150           |
| Board of Directors' remuneration  | -                     | 414,444,443              |
| Brokerage fee and custody fee     | 672,619,676           | 730,381,913              |
| Others                            | 1,495,013,484         | 660,835,887              |
|                                   | <b>14,624,083,024</b> | <b>19,053,589,393</b>    |

# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 22. OTHER SHORT-TERM PAYABLES

|                                     | <i>Ending balance</i><br>VND | <i>Beginning balance</i><br>VND |
|-------------------------------------|------------------------------|---------------------------------|
| Dividend payables                   | 115,928,200                  | 115,928,200                     |
| - Dividend payables to shareholders | 115,928,200                  | 115,928,200                     |
| Others                              | 2,107,207,331                | 289,299,841                     |
|                                     | <b>2,223,135,531</b>         | <b>405,228,041</b>              |

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

|                       | <i>Ending balance</i><br>VND | <i>Beginning balance</i><br>VND |
|-----------------------|------------------------------|---------------------------------|
| Beginning balance     | 115,928,200                  | 148,205,200                     |
| Dividend paid         | -                            | (32,277,000)                    |
| <b>Ending balance</b> | <b>115,928,200</b>           | <b>115,928,200</b>              |

## 23. DEFERRED TAX LIABILITIES

|   | <i>Ending balance</i><br>VND | <i>Beginning balance</i><br>VND |
|---|------------------------------|---------------------------------|
| Taxable temporary differences:                              |                              |                                 |
| Increase in revaluation gain of financial assets at FVTPL   | 39,539,374,830               | 8,154,497,773                   |
| Increase in revaluation gain of other long-term investments | 20,847,880,500               | 191,590,000                     |
| Calculated at tax rate 20% applicable to the Company        | <b>12,077,451,065</b>        | <b>1,669,217,554</b>            |

# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 24. OWNERS' EQUITY

### 24.1 Undistributed profit/(loss)

|                               | Ending balance<br>VND  | Beginning balance<br>VND |
|-------------------------------|------------------------|--------------------------|
| Undistributed realized profit | 260,906,911,457        | 173,625,757,155          |
| Unrealized profit/(loss)      | 27,837,714,637         | (212,183,140,692)        |
|                               | <b>288,744,626,094</b> | <b>(38,557,383,537)</b>  |

### 24.2 Share capital

|  | Share capital<br>VND     | Share premium<br>VND | Differences from<br>revaluation of financial<br>assets at fair value<br>VND | Undistributed<br>(loss)/profit<br>VND | Total<br>VND             |
|--|--------------------------|----------------------|---|---------------------------------------|--------------------------|
| Beginning balance  | 2,100,000,000,000        | 9,240,118,792        | 153,272,000   | (38,557,383,537)                      | 2,070,836,007,255        |
| Profit after tax   | -                        | -                    | -   | 327,302,009,631                       | 327,302,009,631          |
| Revaluation of<br>financial assets and<br>other long-term<br>investments | -                        | -                    | (6,318,739,192)   | -                                     | (6,318,739,192)          |
| <b>Ending balance</b>  | <b>2,100,000,000,000</b> | <b>9,240,118,792</b> | <b>(6,165,467,192)</b>  | <b>288,744,626,094</b>                | <b>2,391,819,277,694</b> |

# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 24. OWNERS' EQUITY (continued)

### 24.2 Share capital (continued)

Detail of Company share capital as at 31 December 2023:

|                    | Share<br>Unit      | Amount<br>VND            | Ratio<br>%     |
|--------------------|--------------------|--------------------------|----------------|
| Nguyen Mien Tuan   | 36,587,925         | 365,879,250,000          | 17.42%         |
| Nguyen Xuan Do     | 34,807,500         | 348,075,000,000          | 16.58%         |
| Nguyen Hoang Hiep  | 34,807,500         | 348,075,000,000          | 16.58%         |
| Pham My Linh       | 24,459,209         | 244,592,090,000          | 11.65%         |
| Other shareholders | 79,337,866         | 793,378,660,000          | 37.77%         |
|                    | <b>210,000,000</b> | <b>2,100,000,000,000</b> | <b>100.00%</b> |

The Company's shares are as follows:

|                              | Ending balance<br>Unit | Beginning balance<br>Unit |
|------------------------------|------------------------|---------------------------|
| Authorized shares            | 210,000,000            | 210,000,000               |
| Ordinary shares              | 210,000,000            | 210,000,000               |
| Shares issued and fully paid | 210,000,000            | 210,000,000               |
| Ordinary shares              | 210,000,000            | 210,000,000               |
| Outstanding shares           | 210,000,000            | 210,000,000               |
| Ordinary shares              | 210,000,000            | 210,000,000               |



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 25. DISCLOSURE OF SEPARATE OFF-BALANCE SHEET ITEMS

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

|  | Par value              |                          |
|--|------------------------|--------------------------|
|  | Ending balance<br>VND  | Beginning balance<br>VND |
| Unrestricted and traded financial assets | 295,410,870,000        | 288,542,980,000          |
| Financial assets awaiting for settlement | 2,000,000,000          | -                        |
|  | <b>297,410,870,000</b> | <b>288,542,980,000</b>   |

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

|  | Par value             |                          |
|--|-----------------------|--------------------------|
|  | Ending balance<br>VND | Beginning balance<br>VND |
| Unrestricted and non-traded financial assets           | 2,450,000             | 2,450,000                |
| Unrestricted and awaiting for trading financial assets | 9,058,270,000         | 210,000                  |
|  | <b>9,060,720,000</b>  | <b>2,660,000</b>         |

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

|                                       | Par value             |                          |
|---------------------------------------|-----------------------|--------------------------|
|                                       | Ending balance<br>VND | Beginning balance<br>VND |
| Financial assets awaiting for arrival | <b>6,000,000,000</b>  | -                        |

# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 25. DISCLOSURE OF SEPARATE OFF-BALANCE SHEET ITEMS (continued)

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

|                               | Par value              |                          |
|-------------------------------|------------------------|--------------------------|
|                               | Ending balance<br>VND  | Beginning balance<br>VND |
| Unregistered Financial assets | <b>546,924,430,000</b> | <b>543,616,600,000</b>   |

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

|   | Quantity             |                      |
|---|----------------------|----------------------|
|   | Ending balance       | Beginning balance    |
| Unrestricted and traded financial assets    | 1,675,081,279        | 1,782,663,557        |
| Restricted and traded financial assets      | 7,637,871            | 50,622,174           |
| Mortgage and traded financial assets        | 246,072,477          | 290,486,177          |
| Blocked financial assets                    | 80,939,980           | 103,020,129          |
| Financial assets awaiting for settlement    | 28,168,118           | 16,007,974           |
| Customers' deposits for derivatives trading | 156                  | 98                   |
|   | <b>2,037,899,881</b> | <b>2,242,800,109</b> |

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

|  | Quantity          |                   |
|--|-------------------|-------------------|
|  | Ending balance    | Beginning balance |
| Unrestricted and non-traded financial assets                 | 10,080,607        | 13,055,051        |
| Restricted and non-traded financial assets                   | 5,664,000         | 5,842,390         |
| Sealed, temporarily detained and non-traded financial assets | 46,500            | -                 |
|  | <b>15,791,107</b> | <b>18,897,441</b> |

### 25.7 Financial assets awaiting for arrival of investors

|        | Quantity          |                   |
|--------|-------------------|-------------------|
|        | Ending balance    | Beginning balance |
| Shares | <b>14,048,685</b> | <b>10,718,805</b> |

# Viet Dragon Securities Corporation

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## 25. DISCLOSURE OF SEPARATE OFF-BALANCE SHEET ITEMS (continued)

### 25.8 Entitled financial assets of investors

|        | Quantity          |                   |
|--------|-------------------|-------------------|
|        | Ending balance    | Beginning balance |
| Shares | <b>15,011,899</b> | <b>13,847,329</b> |

### 25.9 Investors' deposits

|   | Ending balance<br>VND    | Beginning balance<br>VND |
|---|--------------------------|--------------------------|
| Investors' deposits for securities trading activities managed by the Company            | 1,821,009,067,361        | 1,554,522,353,696        |
| - Domestic investors' deposits for securities trading activities managed by the Company | 1,819,992,151,167        | 1,539,911,376,785        |
| - Foreign investors' deposits for securities trading activities managed by the Company  | 1,016,916,194            | 14,610,976,911           |
| Investors' deposits at VSD  | 7,584,871,490            | 9,547,442,598            |
| Investors' deposits for clearing and settlement   | 1,535,754,518            | 954,164,404              |
| - Domestic investors' deposits for clearing and settlement securities transactions      | 280,013,469              | 872,928,223              |
| - Foreign investors' deposits for clearing and settlement securities transactions       | 1,255,741,049            | 81,236,181               |
| Deposits of securities issuers  | 19,370,532               | 103,298,841              |
|   | <b>1,830,149,063,901</b> | <b>1,565,127,259,539</b> |

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

|  | Ending balance<br>VND    | Beginning balance<br>VND |
|--|--------------------------|--------------------------|
| Payables to investors - Investors' deposits for securities trading activities managed by the Company |                          |                          |
| - Domestic investors   | 1,826,994,115,207        | 1,534,940,357,917        |
| - Foreign investors  | 1,016,916,194            | 14,610,976,911           |
|  | <b>1,828,011,031,401</b> | <b>1,549,551,334,828</b> |

### 25.11 Dividend, bond principal and interest payables

|                   | Ending balance<br>VND | Beginning balance<br>VND |
|-------------------|-----------------------|--------------------------|
| Dividend payables | <b>2,138,032,500</b>  | <b>15,575,924,711</b>    |

# Viet Dragon Securities Corporation

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

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

|   | Current year<br>VND     | Previous year<br>VND    |
|---|-------------------------|-------------------------|
| Gain from sale of financial assets at FVTPL | 45,301,814,781          | 106,526,267,193         |
| Loss from sale of financial assets at FVTPL | (114,867,510,807)       | (148,213,090,130)       |
|   | <b>(69,565,696,026)</b> | <b>(41,686,822,937)</b> |

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

| No | Financial assets    | Quantity<br>Shares | Proceeds<br>VND          | Cost of disposals<br>(*)<br>VND | Gain/(loss) from<br>sale during the<br>current year<br>VND | Gain/(loss) from<br>sale during the<br>previous year<br>VND |
|----|---------------------|--------------------|--------------------------|---------------------------------|--|---|
| 1  | Listed shares       | 39,170,413         | 1,011,908,343,700        | 1,081,622,207,658               | (69,713,863,958)   | (49,787,582,529)  |
| 2  | Unlisted shares     | 7,748,459          | 244,579,631,800          | 243,536,956,492                 | 1,042,675,308  | (10,598,516,382)  |
| 3  | Listed bonds        | 434,150            | 43,407,917,000           | 43,823,976,216                  | (416,059,216)  | (120,092,047)   |
| 4  | Unlisted bonds      | 83,985             | 314,670,621,964          | 315,247,162,603                 | (576,540,639)  | 18,468,495,157  |
| 5  | Deposit certificate | 21                 | 1,481,782,366,449        | 1,481,684,273,970               | 98,092,479   | 350,872,864   |
|    |                     | <b>47,437,028</b>  | <b>3,096,348,880,913</b> | <b>3,165,914,576,939</b>        | <b>(69,565,696,026)</b>                                    | <b>(41,686,822,937)</b>                                     |

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

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

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

Increase/(decrease) in revaluation gain of FVTPL financial assets  
Decrease/(increase) in revaluation loss of FVTPL financial assets

| No | Financial assets | Cost<br>VND              | Fair value<br>VND        | Revaluation<br>difference as at<br>31 December 2023<br>VND | Revaluation<br>difference as at<br>31 December 2022<br>VND | Difference<br>adjustment in<br>current year<br>VND | Current year<br>VND    | Previous year<br>VND     |
|----|------------------|--------------------------|--------------------------|--|--|--|------------------------|--------------------------|
| 1  | Listed shares    | 491,183,216,451          | 518,294,123,750          | 27,110,907,299   | (242,056,034,162)  | 269,166,941,461                                    | 31,384,877,057         | (35,992,937,073)         |
| 2  | Unlisted shares  | 47,016,551,221           | 45,670,640,405           | (1,345,910,816)  | (8,562,169,118)  | 7,216,258,302                                      | 242,422,462,443        | (247,450,379,373)        |
| 3  | Listed bonds     | 4,145,010,334            | 4,057,200,000            | (87,810,334)   | 20,640,000   | (108,450,334)                                      |                        |                          |
| 4  | Unlisted bonds   | 491,933,414,402          | 493,172,330,886          | 1,238,916,484  | 3,706,326,413  | (2,467,409,929)                                    |                        |                          |
|    |                  | <b>1,034,278,192,408</b> | <b>1,061,194,295,041</b> | <b>26,916,102,633</b>                                      | <b>(246,891,236,867)</b>                                   | <b>273,807,339,500</b>                             | <b>273,807,339,500</b> | <b>(283,443,316,446)</b> |

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 26. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)

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

|   | Current year<br>VND    | Previous year<br>VND   |
|---|------------------------|------------------------|
| Dividend, interest from financial assets at FVTPL | 65,541,195,712         | 31,588,711,084         |
| Interest income from deposits                     | 10,442,995,617         | 3,524,465,753          |
| Interest income from loans and receivables        | 324,953,332,908        | 365,925,873,757        |
|   | <b>400,937,524,237</b> | <b>401,039,050,594</b> |

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

|  | Current year<br>VND    | Previous year<br>VND   |
|--|------------------------|------------------------|
| Borrowing costs to finance lending activities        | 189,884,891,027        | 226,541,156,503        |
| (Reversal)/Charged provision for impairment of loans | (9,912,500)            | 122,858,304            |
|  | <b>189,874,978,527</b> | <b>226,664,014,807</b> |

## 28. EXPENSES FOR PROPRIETARY TRADING ACTIVITIES

|   | Current year<br>VND  | Previous year<br>VND |
|---|----------------------|----------------------|
| Salary expense, other related expenses and customer referral commission | 4,248,000,037        | 5,006,090,077        |
| Office rentals  | 207,396,858          | 231,378,191          |
| Other expenses  | 232,474,776          | 958,382,935          |
|   | <b>4,687,871,671</b> | <b>6,195,851,203</b> |



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## 29. EXPENSES FOR BROKERAGE SERVICES

|   | <i>Current year</i><br><i>VND</i> | <i>Previous year</i><br><i>VND</i> |
|---|-----------------------------------|------------------------------------|
| Salary expense and other related expenses | 65,878,051,208                    | 80,285,107,696                     |
| Transaction fee for brokerage activities  | 33,133,383,078                    | 46,756,577,092                     |
| Commission expenses for collaborators     | 10,144,042,479                    | 11,434,316,745                     |
| Office rentals                            | 11,941,520,314                    | 9,741,086,185                      |
| Depreciation and amortization expenses    | 1,796,934,255                     | 958,650,000                        |
| Other expenses                            | 16,679,685,626                    | 14,810,300,439                     |
|   | <b>139,573,616,960</b>            | <b>163,986,038,157</b>             |

## 30. EXPENSES FOR SECURITIES CUSTODIAN SERVICES

|                  | <i>Current year</i><br><i>VND</i> | <i>Previous year</i><br><i>VND</i> |
|------------------|-----------------------------------|------------------------------------|
| Custody expenses | 6,973,770,908                     | 7,746,857,998                      |
| Other expenses   | 1,217,413,954                     | 1,113,417,809                      |
|                  | <b>8,191,184,862</b>              | <b>8,860,275,807</b>               |

## 31. EXPENSES FOR FINANCIAL ADVISORY SERVICES

|   | <i>Current year</i><br><i>VND</i> | <i>Previous year</i><br><i>VND</i> |
|---|-----------------------------------|------------------------------------|
| Salary expense and other related expenses | 12,620,628,915                    | 15,414,834,572                     |
| Office rentals                            | 1,301,882,337                     | 1,081,855,505                      |
| Other expenses                            | 1,343,812,535                     | 1,787,665,717                      |
|   | <b>15,266,323,787</b>             | <b>18,284,355,794</b>              |

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## 32. EXPENSES FOR OTHER OPERATING SERVICES

|   | <i>Current year</i><br><i>VND</i> | <i>Previous year</i><br><i>VND</i> |
|---|-----------------------------------|------------------------------------|
| Salary expense, other related expenses and customer referral commission | 14,319,227,946                    | 13,011,955,978                     |
| Office rentals  | 1,777,786,389                     | 1,583,109,499                      |
| Fixed asset depreciation and amortization costs                         | 244,755,612                       | -                                  |
| Other expenses  | 1,831,893,353                     | 2,046,351,693                      |
|   | <b>18,173,663,300</b>             | <b>16,641,417,170</b>              |

## 33. GENERAL AND ADMINISTRATIVE EXPENSES

|   | <i>Current year</i><br><i>VND</i> | <i>Previous year</i><br><i>VND</i> |
|---|-----------------------------------|------------------------------------|
| Salary expense and other related expenses | 83,234,665,563                    | 75,020,580,978                     |
| Depreciation and amortization expenses    | 13,519,219,515                    | 11,261,858,215                     |
| Office rentals                            | 8,822,329,441                     | 8,180,445,677                      |
| Remuneration of the Board of Directors    | 2,323,333,334                     | -                                  |
| Events and business trip expenses         | 3,675,952,231                     | 1,879,634,412                      |
| Maintenance expenses                      | 7,724,838,582                     | 6,508,923,221                      |
| Electricity, telecommunication services   | 1,978,855,739                     | 1,792,711,165                      |
| Other expenses                            | 16,003,097,408                    | 14,787,735,118                     |
|   | <b>137,282,291,813</b>            | <b>119,431,888,786</b>             |

## 34. CORPORATE INCOME TAX

The Company has the obligations to pay the Corporate Income Tax ("CIT") at a rate of 20% of taxable profits (2022: 20%).

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 separate financial statements could change later upon final determination by the tax authorities.

### 34.1 Corporate income tax expense

The total corporate tax expense/(income) in this year is represented in the table below:

|                               | <i>Current year</i><br><i>VND</i> | <i>Previous year</i><br><i>VND</i> |
|-------------------------------|-----------------------------------|------------------------------------|
| Current CIT expense           | 47,597,014,946                    | 166,405,635                        |
| Deferred CIT expense/(income) | 33,786,484,171                    | (34,708,096,175)                   |
|                               | <b>81,383,499,117</b>             | <b>(34,541,690,540)</b>            |

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 34. CORPORATE INCOME TAX (continued)

### 34.2 Current CIT expense

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

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

|   | Current year<br>VND    | Previous year<br>VND     |
|---|------------------------|--------------------------|
| <b>Profit/(loss) before tax</b>   | <b>408,685,508,748</b> | <b>(133,151,721,460)</b> |
| At CIT rate of 20% applicable to the Company                            | 81,737,101,750         | (26,630,344,292)         |
| <b>Increase adjustments</b>   | <b>7,611,230,547</b>   | <b>216,518,948</b>       |
| Non-deductible operating expenses                                       | 412,643,132            | 216,518,948              |
| Increase in revaluation gain of financial assets from the previous year | 7,198,587,415          | -                        |
| <b>Decrease adjustments</b>   | <b>41,751,317,351</b>  | <b>1,095,683,416</b>     |
| Dividend income   | 4,426,421,560          | 1,095,683,416            |
| Increase in revaluation gain of financial assets at FVTPL               | 6,276,975,411          | -                        |
| Revenue, dividend receivable and distributed profit                     | 3,465,572,800          | -                        |
| Carrying forward losses from the previous year                          | 27,509,508,760         | -                        |
| Reversal of expenses  | 72,838,820             | -                        |
| <b>Additional tax paid after finalization</b>                           | <b>-</b>               | <b>166,405,635</b>       |
| <b>Current CIT expense</b>  | <b>47,597,014,946</b>  | <b>166,405,635</b>       |
| CIT (receivable)/payable at the beginning of the year                   | (21,195,163,427)       | 30,080,927,954           |
| CIT payable in the year   | 47,597,014,946         | 166,405,635              |
| CIT paid in the year  | (9,717,749,630)        | (51,442,497,016)         |
| <b>CIT payable/(receivable) at the end of the year</b>                  | <b>16,684,101,889</b>  | <b>(21,195,163,427)</b>  |

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 34. CORPORATE INCOME TAX (continued)

### 34.3 Deferred CIT expense

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

|  | Separate<br>statement of financial position |                             | Separate<br>income statement |                         |
|--|---|-----------------------------|------------------------------|-------------------------|
|  | Ending balance<br>VND                       | Beginning<br>balance<br>VND | Current year<br>VND          | Previous year<br>VND    |
| <b>Deferred CIT assets</b>                         |   |                             |                              |                         |
| Estimated tax losses carried forward to next year  | -   | (27,509,508,760)            | 27,509,508,760               | (27,509,508,760)        |
| <b>Deferred CIT liabilities</b>                    |   |                             |                              |                         |
| Gain from revaluation of financial assets at FVTPL | 7,907,874,965                               | 1,630,899,554               | 6,276,975,411                | (7,198,587,415)         |
| <b>Deferred CIT income</b>                         |   |                             | <b>33,786,484,171</b>        | <b>(34,708,096,175)</b> |

### 34.4 Tax loss carried forward from the previous year

The Company is allowed to carry forward taxable losses to the next year to offset against profits earned within 5 years from the year after the loss. Details are as follows:

| Originating year | Can be utilized up to | Tax losses amount<br>VND | Tax losses carried forward at 31 December 2023<br>VND | Tax losses not yet carried forward at the end of the current year<br>VND |
|------------------|-----------------------|--------------------------|---|--|
| 2022             | 2027                  | 137,547,543,799          | (137,547,543,799)                                     | -  |
|                  |                       | <b>137,547,543,799</b>   | <b>(137,547,543,799)</b>                              | -  |

## 35. ACCUMULATED OTHER COMPREHENSIVE INCOME

| Items   | Beginning balance<br>VND | Movement during the year<br>VND | Changes in owners' equity recorded in income statement<br>VND | Ending balance<br>VND |
|---|--------------------------|---------------------------------|---|-----------------------|
| Income/(expense) from revaluation of AFS financial assets and other long-term investments | 153,272,000              | (6,318,739,192)                 | -   | (6,165,467,192)       |

# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 36. ADDITIONAL INFORMATION FOR SEPARATE STATEMENT OF CHANGES IN OWNERS' EQUITY

Expense is recorded directly to owner's equity as follows:

|  | Current year<br>VND    | Previous year<br>VND    |
|--|------------------------|-------------------------|
| Expense recorded directly to owner's equity  | (6,318,739,192)        | (29,859,076,800)        |
| - Expense from revaluation of AFS financial assets and other long-term investments | (6,318,739,192)        | (29,859,076,800)        |
|  | <u>(6,318,739,192)</u> | <u>(29,859,076,800)</u> |

## 37. OTHER INFORMATION

### 37.1 Related party transactions

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

The list of related parties with material transactions with the Company and the relationship between the Company and related parties is as follows:

| Related party                              | Relationship   |
|--|--|
| Mr. Nguyen Mien Tuan                       | Major shareholder  |
| Mr. Nguyen Xuan Do                         | Major shareholder  |
| Mr. Nguyen Hoang Hiep                      | Major shareholder  |
| Ms. Pham My Linh                           | Major shareholder  |
| Hoang Trieu Company Limited                | Member of Board of Directors of the Company is the legal representative of Hoang Trieu Company Limited |
| Viet Dragon Asset Management Corporation   | Subsidiary   |
| Board of Directors and Board of Management | Key management   |

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 37. OTHER INFORMATION (continued)

### 37.1 Related party transactions (continued)

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

| <i>Related parties</i>                   | <i>Transactions</i>                 | <i>Current year<br/>VND</i> | <i>Previous year<br/>VND</i> |
|--|-------------------------------------|-----------------------------|------------------------------|
| Hoang Trieu Company Limited              | Office rentals and related services | 14,116,878,134              | 16,989,315,575               |
| Viet Dragon Asset Management Corporation | Payment for shares purchase         | 29,500,000,000              | 6,120,000,000                |
|  | Brokerage fees                      | 389,130,134                 | 85,387,015                   |
|  | Interest                            | 17,917,721                  | -                            |
|  | Custody fees                        | 3,487,304                   | 1,958,223                    |
|  | SMS fees                            | 132,000                     | 190,300                      |

Details of income and remuneration of members of the Board of Directors, Supervisory Board and General Director of the Company during the year are as follows:

| <i>Name</i>                   | <i>Position</i>              | <i>Current year<br/>VND</i> | <i>Previous year<br/>VND</i> |
|-------------------------------|------------------------------|-----------------------------|------------------------------|
| <b>Board of Directors (*)</b> |                              |                             |                              |
| Mr. Nguyen Mien Tuan          | President                    | 2,388,013,300               | 2,465,160,000                |
| Ms. Pham My Linh              | Member                       | 60,000,000                  | 380,000,000                  |
| Mr. Nguyen Thuc Vinh          | Dedicated member             | 1,543,387,350               | 1,156,680,000                |
| Mr. Nguyen Hieu               | Dedicated member             | 220,000,000                 | 619,218,646                  |
| Mr. Nguyen Chi Trung          | Dedicated member             | 2,177,747,400               | 1,358,527,000                |
| Ms. Hoang Hai Anh             | Independent member           | 220,000,000                 | 380,000,000                  |
| Mr. Tran Nam Trung            | Independent member           | 220,000,000                 | 80,000,000                   |
| Mr. Pham Huu Luan             | Independent member           | 207,893,748                 | -                            |
| Mr. Nguyen Quoc Bao           | Dismissed Independent member | -                           | 300,000,000                  |
| <b>Supervisory Board (*)</b>  |                              |                             |                              |
| Mr. Ho Tan Dat                | Head of Board                | 971,409,250                 | 849,886,000                  |
| Ms. Nguyen Bich Diep          | Member                       | 845,052,735                 | 520,220,000                  |
| Mr. Nguyen Trung Quan         | Member                       | 745,894,655                 | 452,159,966                  |
| Mr. Nguyen Van Minh           | Dismissed Head of Board      | -                           | 180,000,000                  |
| Ms. Nguyen Thi Thuy Hang      | Dismissed Member             | -                           | 368,048,059                  |



# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 37. OTHER INFORMATION (continued)

### 37.1 Related party transactions (continued)

Details of income and remuneration of members of the Board of Directors, Supervisory Board and General Director of the Company during the year are as follows (continued):

| <i>Name</i>              | <i>Position</i>                          | <i>Current year<br/>VND</i> | <i>Previous year<br/>VND</i> |
|--------------------------|--|-----------------------------|------------------------------|
| <b>The Management</b>    |  |                             |                              |
| Ms. Nguyen Thi Thu Huyen | Member of the Board and General Director | 3,171,144,534               | 3,378,121,934                |
| Mr. Le Minh Hien         | Deputy CEO and Financial Director        | 1,542,501,504               | 1,636,960,000                |

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

| <i>Related parties</i>                   | <i>Transactions</i>              | <i>Payables</i>             |                              |
|--|----------------------------------|-----------------------------|------------------------------|
|  |                                  | <i>Current year<br/>VND</i> | <i>Previous year<br/>VND</i> |
| Hoang Trieu Company Limited              | Payables for provided services   | (220,352,178)               | -                            |
| Viet Dragon Asset Management Corporation | Investors' deposit               | (35,096,145,068)            | 1,318,803,331                |
|  | Securities custodian receivables | 273,356                     | 133,470                      |
|  | Brokerage fee receivables        | 17,735,408                  | -                            |
|  | Payables to stock transaction    | (11,823,605,000)            | -                            |

### 37.2 Segment information

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

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 37. OTHER INFORMATION (continued)

### 37.2 Segment information (continued)

Segment information by business lines are as follows:

|   | Proprietary activities<br>VND | Brokerage and<br>securities services<br>VND | Investment Banking<br>VND | Others<br>VND          | Total<br>VND             |
|---|-------------------------------|---|---------------------------|------------------------|--------------------------|
| <b>For the fiscal year ended</b>              |                               |   |                           |                        |                          |
| <b>31 December 2023</b>                       |                               |   |                           |                        |                          |
| Net income from securities trading activities | 147,814,135,069               | 540,544,007,783                             | 55,728,860,861            | 7,642,429,057          | 751,729,432,770          |
| Direct expenses                               | 121,979,386,843               | (426,668,440,432)                           | (15,495,739,645)          | 98,191,255,469         | (221,993,537,765)        |
| Depreciation and allocated expenses           | (335,872,991)                 | (24,717,599,888)                            | (1,838,119,817)           | -                      | (26,891,592,696)         |
| <b>Segment result</b>                         | <b>269,457,648,921</b>        | <b>89,157,967,463</b>                       | <b>38,395,001,399</b>     | <b>105,833,684,526</b> | <b>502,844,302,309</b>   |
| Net financial income                          | 2,334,806,468                 | -   | -                         | 40,266,634,970         | 42,601,441,438           |
| <b>Segment result</b>                         | <b>271,792,455,389</b>        | <b>89,157,967,463</b>                       | <b>38,395,001,399</b>     | <b>146,100,319,496</b> | <b>545,445,743,747</b>   |
| General and administrative expenses           | -                             | 5,783,425                                   | -                         | 516,273,389            | (137,282,291,813)        |
| Net other income                              | -                             | -   | -                         | -                      | 522,056,814              |
| <b>Operating result</b>                       |                               |   |                           |                        | <b>408,685,508,748</b>   |
| <b>As at 31 December 2023</b>                 |                               |   |                           |                        |                          |
| Segment assets                                | 2,095,003,293,507             | 2,787,285,014,806                           | 55,000,000                | -                      | 4,882,343,308,313        |
| Unallocated assets                            |                               |   |                           |                        | 407,397,426,812          |
| <b>Total assets</b>                           | <b>2,095,003,293,507</b>      | <b>2,787,285,014,806</b>                    | <b>55,000,000</b>         | <b>-</b>               | <b>5,289,740,735,125</b> |
| Segment liabilities                           | 40,200,000,000                | 2,791,191,110,911                           | 3,362,028,000             | -                      | 2,834,753,138,911        |
| Unallocated liabilities                       |                               |   |                           |                        | 63,168,318,520           |
| <b>Total liabilities</b>                      | <b>40,200,000,000</b>         | <b>2,791,191,110,911</b>                    | <b>3,362,028,000</b>      | <b>-</b>               | <b>2,897,921,457,431</b> |

# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
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## 37. OTHER INFORMATION (continued)

### 37.2 Segment information (continued)

Segment information by business lines are as follows:

|   | Proprietary<br>activities<br>VND | Brokerage and<br>securities services<br>VND | Investment<br>Banking<br>VND | Others<br>VND          | Total<br>VND             |
|---|----------------------------------|---|------------------------------|------------------------|--------------------------|
| <b>For the fiscal year ended</b>              |                                  |   |                              |                        |                          |
| <b>31 December 2022</b>                       |                                  |   |                              |                        |                          |
| Net income from securities trading activities | 110,145,687,101                  | 656,190,207,395                             | 49,572,250,888               | 4,496,465,311          | 820,404,610,695          |
| Direct expenses                               | (414,107,165,427)                | (470,061,716,485)                           | (19,447,781,667)             | 85,430,001,627         | (818,186,661,952)        |
| Depreciation and allocated expenses           | (488,258,829)                    | (28,466,163,017)                            | (1,749,498,670)              | -                      | (30,703,920,516)         |
| <b>Segment result</b>                         | <b>(304,449,737,155)</b>         | <b>157,662,327,893</b>                      | <b>28,374,970,551</b>        | <b>89,926,466,938</b>  | <b>(28,485,971,773)</b>  |
| Net financial income                          | (14,379,983,104)                 | -   | -                            | 29,249,019,973         | 14,869,036,869           |
| <b>Segment result</b>                         | <b>(318,829,720,259)</b>         | <b>157,662,327,893</b>                      | <b>28,374,970,551</b>        | <b>119,175,486,911</b> | <b>(13,616,934,904)</b>  |
| General and administrative expenses           |                                  |   |                              |                        | (119,431,888,786)        |
| Net other income                              |                                  |   |                              |                        | (102,897,770)            |
| <b>Operating result</b>                       |                                  |   |                              |                        | <b>(133,151,721,460)</b> |
| <b>As at 31 December 2022</b>                 |                                  |   |                              |                        |                          |
| Segment assets                                | 1,320,464,913,640                | 2,304,003,400,492                           | 4,690,620,000                | -                      | 3,629,158,934,132        |
| Unallocated assets                            |                                  |   |                              |                        | 612,287,992,249          |
| <b>Total assets</b>                           | <b>1,320,464,913,640</b>         | <b>2,304,003,400,492</b>                    | <b>4,690,620,000</b>         | <b>-</b>               | <b>4,241,446,926,381</b> |
| Segment liabilities                           | -                                | 2,137,909,701,335                           | 3,616,128,000                | -                      | 2,141,525,829,335        |
| Unallocated liabilities                       |                                  |   |                              |                        | 29,085,089,791           |
| <b>Total liabilities</b>                      | <b>-</b>                         | <b>2,137,909,701,335</b>                    | <b>3,616,128,000</b>         | <b>-</b>               | <b>2,170,610,919,126</b> |

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## 37. OTHER INFORMATION (continued)

### 37.3 Operating lease commitments

The Company currently leases its offices under the operating lease contracts. As at 31 December 2023, the future rental fee payables as stated in the rental contracts are as follows:

|                  | <i>Ending balance</i><br><i>VND</i> | <i>Beginning balance</i><br><i>VND</i> |
|------------------|-------------------------------------|--|
| Within 1 year    | 24,653,510,940                      | 24,301,781,809                         |
| From 1 - 5 years | 58,741,312,400                      | 83,149,422,008                         |
|                  | <b>83,394,823,340</b>               | <b>107,451,203,817</b>                 |

### 37.4 Purposes and policies of financial risk management

Financial liabilities of the Company mainly comprised of trade payables and other payables. Primary purpose of financial liabilities is to finance main business operation of the Company. The Company possesses financial assets at FVTPL, loans, receivables from customers and other receivables, cash on hand and short-term deposit incurring directly from business operation of the 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. Management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

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

#### **Market risk**

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

#### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rate relates primarily to the Company's cash, short-term deposits and HTM investment.

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 as the Company's financial instrument bearing fixed interest rate.

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## 37. OTHER INFORMATION (continued)

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

#### *Market risk* (continued)

##### *Foreign currency risk*

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

As of December 31, 2023, the Company does not have any foreign currency principal balances.

##### *Share 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. Board of Director of the Company also reviews and approves decisions to invest in shares.

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

At the reporting date, the fair value of both the Company's listed shares and unlisted shares amounted to VND563,964,764,155 (31 December 2022: VND598,652,068,542). A decrease by 10% on the stock market index may result in a decrease in the Company's profit before tax by VND56,396,476,416 (31 December 2022: VND59,865,206,854). An increase by 10% on the stock market index may result in an increase in the Company's profit before tax by VND56,396,476,416 (31 December 2022: VND59,865,206,854).

**37. OTHER INFORMATION (continued)**

**37.4 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 margin loans, advances to customers and trade receivables) and from its financing activities, including deposits with banks, HTM investments.

***Trade receivables***

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

The Company is regularly monitored outstanding customer receivables and required secured methods or credit insurance to large customers' receivables. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients. The 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.

***Deposits at banks***

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

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

The Company manages customer credit risk through the Company's control policies, procedures and processes related to the process of margin lending and advances to customers. The Company only makes margin loans with securities that are allowed to be traded on margin in accordance with the Regulation on Margin Lending and are graded selectively according to the Company's principle of stock quality assessment. Credit limit is controlled on the basis of collateral value, customer's transaction credit, and control limit criteria.



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## 37. OTHER INFORMATION (continued)

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

#### Credit risk (continued)

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

The following loans are considered as overdue as at 31 December 2022 (excluding of contracts that was extended or liquidated before the signing date of this report). Except for financial assets which are reserved for impairment, according to the Management's assessment, the remaining financial assets are neither overdue nor impaired as they are all liquid.

|                   | Total<br>VND      | Balance provision<br>VND | Neither past due<br>nor impaired<br>VND | Past due but not impairment |                             |                              |                    |
|-------------------|-------------------|--------------------------|---|-----------------------------|-----------------------------|------------------------------|--------------------|
|                   |                   |                          |   | Under 3<br>months<br>VND    | From 3 - 6<br>months<br>VND | Over 6 - 12<br>months<br>VND | Over 1 year<br>VND |
| Beginning balance | 2,296,286,708,465 | 44,210,127,758           | 2,252,076,580,707                       | -                           | -                           | -                            | -                  |
| Ending balance    | 2,773,462,576,013 | 44,200,215,258           | 2,729,262,360,755                       | -                           | -                           | -                            | -                  |

#### Liquidity risk

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

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

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2023 and for the year then ended

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## 38. OTHER INFORMATION (continued)

### 38.4 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 31 December 2023:

|  | Overdue<br>VND        | On demand<br>VND         | Up to 1 year<br>VND      | Over 1 to 5 years<br>VND | Over 5 years<br>VND   | Total<br>VND             |
|--|-----------------------|--------------------------|--------------------------|--------------------------|-----------------------|--------------------------|
| <b>FINANCIAL ASSETS</b>                                    |                       |                          |                          |                          |                       |                          |
| Cash and cash equivalents                                  | -                     | 356,397,484,347          | 449,500,000,000          | -                        | -                     | 805,897,484,347          |
| Financial asset at FVTPL                                   | -                     | 1,061,194,295,041        | -                        | -                        | -                     | 1,061,194,295,041        |
| Loans – gross  | 44,200,215,258        | -                        | 2,729,262,360,755        | -                        | -                     | 2,773,462,576,013        |
| Available-for-sale financial assets (“AFS”)                | -                     | -                        | 210,967,332,500          | -                        | -                     | 210,967,332,500          |
| Receivables from sales of financial assets                 | -                     | -                        | 5,485,000,000            | -                        | -                     | 5,485,000,000            |
| Receivables and accruals from dividend and interest income | -                     | -                        | 8,569,438,298            | -                        | -                     | 8,569,438,298            |
| Receivables from services provided by the Company          | -                     | -                        | 11,643,571,730           | -                        | -                     | 11,643,571,730           |
| Advances to suppliers                                      | -                     | -                        | 11,754,748,302           | -                        | -                     | 11,754,748,302           |
| Short-term deposits, collaterals and pledges               | -                     | -                        | 55,900,000               | -                        | -                     | 55,900,000               |
| Other receivables  | 1,978,208,478         | 34,308,901               | -                        | -                        | -                     | 2,012,517,379            |
| Advances   | -                     | -                        | 390,286,875              | -                        | -                     | 390,286,875              |
| Other long-term investments                                | -                     | -                        | -                        | 218,471,070,408          | 32,500,000,000        | 250,971,070,408          |
| Long-term deposits, collaterals and pledges                | -                     | -                        | -                        | 5,286,171,902            | -                     | 5,286,171,902            |
| Deposits to Settlement Assistance Fund                     | -                     | 20,000,000,000           | -                        | -                        | -                     | 20,000,000,000           |
| Other non-current assets                                   | -                     | 10,000,000,000           | -                        | -                        | -                     | 10,000,000,000           |
|  | <b>46,178,423,736</b> | <b>1,447,626,088,289</b> | <b>3,427,628,638,460</b> | <b>223,757,242,310</b>   | <b>32,500,000,000</b> | <b>5,177,690,392,795</b> |

# Viet Dragon Securities Corporation

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2023 and for the year then ended

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## 38. OTHER INFORMATION (continued)

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

#### Liquidity risk (continued)

|  | Overdue<br>VND        | On demand<br>VND         | Up to 1 year<br>VND      | Over 1 to 5 years<br>VND | Over 5 years<br>VND   | Total<br>VND             |
|--|-----------------------|--------------------------|--------------------------|--------------------------|-----------------------|--------------------------|
| <b>FINANCIAL LIABILITIES</b>               |                       |                          |                          |                          |                       |                          |
| Short-term borrowings and financial leases | -                     | -                        | 190,000,000,000          | -                        | -                     | 190,000,000,000          |
| Bond issuance                              | -                     | -                        | 2,530,600,000,000        | 45,400,000,000           | -                     | 2,576,000,000,000        |
| Payables for securities trading activities | -                     | -                        | 2,727,461,047            | -                        | -                     | 2,727,461,047            |
| Short-term trade payables                  | -                     | -                        | 40,352,172,298           | -                        | -                     | 40,352,172,298           |
| Short-term advance from customers          | -                     | -                        | 13,369,228,000           | -                        | -                     | 13,369,228,000           |
| Short-term accrued expenses                | -                     | -                        | 14,624,083,024           | -                        | -                     | 14,624,083,024           |
| Other short-term payables                  | -                     | -                        | 2,223,135,531            | 361,166,000              | -                     | 2,584,301,531            |
|  | -                     | -                        | <b>2,793,896,079,900</b> | <b>45,761,166,000</b>    | -                     | <b>2,839,657,245,900</b> |
| <b>Net liquidity gap</b>                   | <b>46,178,423,736</b> | <b>1,447,626,088,289</b> | <b>633,732,558,560</b>   | <b>177,996,076,310</b>   | <b>32,500,000,000</b> | <b>2,338,033,146,895</b> |

The Company assessed that concentration of payment risk is low. The Company is in capable of accessing capital resource and borrowings that matures in 12 months could be renewed with existing lenders. In 2023, the Company did not have overdue debt.

**39. EVENTS AFTER THE BALANCE SHEET DATE**

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

Prepared by:



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Supervisor of Finance  
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Reviewed by:



Ms. Duong Kim Chi  
Chief Accountant

Approved by:



Ms. Nguyen Thi Thu Huyen  
General Director



Ho Chi Minh City, Vietnam

28 February 2024

