

**Deloitte.**

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

**REVIEWED INTERIM SEPARATE  
FINANCIAL STATEMENTS**

**FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2019**



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## **STATEMENT OF THE BOARD OF MANAGEMENT**

The Board of Management of VNDIRECT Securities Joint stock Company (the "Company") presents this report together with the Company's interim separate financial statements for the 6-month period ended 30 June 2019.

### **BOARD OF DIRECTORS AND BOARD OF MANAGEMENT**

The members of the Board of Directors and Board of Management of the Company who held office during the period and to the date of this report are as follows:

#### **Board of Directors**

Ms. Pham Minh Huong	Chairwoman
Mr. Vu Hien	Member
Mr. Nguyen Hoang Giang	Member
Mr. Pham Le Nhat Quang	Member
Mr. Pekka Mikeal Nastamo	Member (Appointed on 18 April 2019)
Mr. Christopher Bertram Brinkeborn Beselin	Member (Resigned on 18 April 2019)

#### **Board of Management**

Ms. Pham Minh Huong	Chief Executive Officer
Mr. Tran Vu Thach	Managing Director (Resigned on 09 April 2019)
Mr. Hoang Minh Chau	IT Director (Resigned on 01 June 2019)
Ms. Vu Nam Huong	Finance Director
Ms. Nguyen Thi Ha Ninh	Chief Accountant

### **BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY**

The Board of Management of the Company is responsible for preparing the interim separate financial statements, which give a true and fair view of the financial position of the Company as at 30 June 2019, and of its financial performance, its cash flows and its changes in equity for the 6-month period then ended in accordance with Vietnamese Accounting Standards, the accounting regime applicable to securities companies issued by the Ministry of Finance attached to Circular No. 210/2014/TT-BTC ("Circular 210") dated 30 December 2014; Circular No. 334/2016/TT-BTC ("Circular 334") dated 27 December 2016 amending, supplementing and replacing Annexes 02 and 04 of Circular 210 and other legal regulations relating to interim financial reporting. In preparing these interim separate financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures, disclosed and explained in the interim separate financial statements;
- Prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the interim separate financial statements so as to minimize errors and frauds.

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**STATEMENT OF THE BOARD OF MANAGEMENT (Continued)**

The Board of Management is responsible for ensuring that the accounting records are properly recorded in a reasonable manner to properly reflect the financial position of the Company at any time and to ensure that the interim separate financial statements comply with Vietnamese Accounting Standards and accounting regimes applicable to securities companies promulgated together with the Ministry of Finance's Circular No. 210/2014/TT-BTC of 30 December 2014; Circular No. 334/2016/TT-BTC dated 27 December 2016 amending, supplementing and replacing annexes 02 and 04 of Circular 210 and other other legal regulations relating to interim financial reporting. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management confirms that the Company has complied with the above requirements in preparing these interim separate financial statements.

For and on behalf of the Board of Management,



**Phạm Minh Hương**  
**Chief Executive Officer**

*14 August 2019*  
*Hanoi, S.R.Vietnam*



No: 0281 /VN1A-HN-BC

## REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

**To:** **Shareholders**  
**Board of Directors and Board of Management**  
**VNDIRECT Securities Joint Stock Company**

We have reviewed the accompanying interim separate financial statements of VNDIRECT Securities Joint Stock Company ("the Company") prepared on 14 August 2019, as set out from page 4 to page 50, which comprise the interim statement of financial position as at 30 June 2019, the interim income statement, interim cash flows statement and interim statement of changes in equity for the period then ended and the explanatory notes to the interim separate financial statements.

### Management's Responsibility

The Company's Board of Management is responsible for the preparation and fair presentation of these interim separate financial statements in accordance with Vietnamese Accounting Standards, the accounting regime applicable to securities companies issued by the Ministry of Finance attached to Circular No. 210/2014/TT-BTC ("Circular 210") dated 30 December 2014; Circular No. 334/2016 / TT-BTC ("Circular 334") dated 27 December 2016 amending, supplementing and replacing Annexes 02 and 04 of Circular 210 and other legal regulations relating to interim financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of interim separate financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express a conclusion on these interim separate financial statements based on our review. We conducted our review in accordance with Vietnamese Standards on Review Engagement (VSRE) No. 2410 – Review of Interim Financial Information Performed by the Independent Auditors of the Entity.

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

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not present fairly, in all material respects, of the financial position of the Company as at 30 June 2019 and of its financial performance, cash flows and changes in equity for the period then ended in accordance with Vietnamese Accounting Standards, the accounting regime applicable to securities companies issued by the Ministry of Finance attached to Circular No. 210/2014/TT-BTC ("Circular 210") dated 30 December 2014; Circular No. 334/2016 / TT-BTC ("Circular 334") dated 27 December 2016 amending, supplementing and replacing Annexes 02 and 04 of Circular 210 and other legal regulations relating to interim financial reporting.



**Tran Thi Thuy Ngoc**  
**Deputy General Director**  
Audit Practising Registration Certificate  
No. 0031-2018-001-1

**DELOITTE VIETNAM COMPANY LIMITED**

14 August 2019  
Hanoi, S.R. Vietnam

## INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

Unit: VND

ITEMS	Codes	Notes	Closing balance	Opening balance
<b>ASSETS</b>				
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>10,495,554,898,332</b>	<b>10,149,706,296,976</b>
(100=110+130)				
<b>I. Financial assets</b>	<b>110</b>		<b>10,456,239,445,911</b>	<b>10,133,493,160,133</b>
1. Cash and cash equivalents	111	6	385,855,965,180	895,793,164,153
1.1 Cash	111.1		230,155,965,180	488,793,164,153
1.2 Cash equivalents	111.2		155,700,000,000	407,000,000,000
2. Financial assets at fair value through profit or loss ("FVTPL")	112	8	1,275,707,306,291	912,532,963,745
3. Held-to-maturity investments ("HTM")	113	8	4,437,000,000,000	5,371,330,000,000
4. Loans receivable	114	8	3,035,553,021,266	2,582,474,306,127
5. Available-for-sale financial assets ("AFS")	115	8	1,278,129,265,469	387,030,902,241
6. Provision for impairment of financial assets and collaterals	116	10	(224,937,697,553)	(169,905,132,948)
7. Receivables from financial assets	117		207,023,316,109	145,757,659,492
7.1 Receivables from sales of financial assets	117.1		51,410,545,800	67,009,971,500
7.2 Dividends and interest receivables from financial assets	117.2	11	155,612,770,309	78,747,687,992
Dividends and interest receivables not yet due	117.4		155,612,770,309	78,747,687,992
8. Prepayments to suppliers	118		54,950,622,499	2,424,693,339
9. Other receivables	122	12	11,620,861,079	10,717,818,413
10. Allowance for doubtful debts	129	13	(4,663,214,429)	(4,663,214,429)
<b>II. Other current assets</b>	<b>130</b>		<b>39,315,452,421</b>	<b>16,213,136,843</b>
1. Advances	131		2,785,277,672	3,210,801,553
2. Short-term prepaid expenses	133	14	6,238,537,714	6,504,751,914
3. Short-term deposits, collaterals and pledges	134		2,621,173,643	2,500,563,283
4. Other current assets	137		27,670,463,392	3,997,020,093
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>1,419,707,840,790</b>	<b>376,839,928,415</b>
(200=210+220+240+250)				
<b>I. Long-term financial assets</b>	<b>210</b>		<b>1,260,000,000,000</b>	<b>210,000,000,000</b>
1. Investments	212		1,260,000,000,000	210,000,000,000
1.1 Held-to-maturity investments	212.1	8	1,100,000,000,000	100,000,000,000
1.2 Investments in subsidiaries	212.2	15	160,000,000,000	110,000,000,000
<b>II. Fixed assets</b>	<b>220</b>		<b>64,588,595,586</b>	<b>72,912,546,977</b>
1. Tangible fixed assets	221	16	47,596,962,828	54,009,140,204
- Cost	222		108,106,792,793	107,783,001,986
- Accumulated depreciation	223a		(60,509,829,965)	(53,773,861,782)
2. Intangible assets	227	17	16,991,632,758	18,903,406,773
- Cost	228		85,171,624,207	83,084,078,207
- Accumulated amortisation	229a		(68,179,991,449)	(64,180,671,434)
<b>III. Construction in progress</b>	<b>240</b>		<b>500,000,000</b>	<b>500,000,000</b>
<b>IV. Other long-term assets</b>	<b>250</b>		<b>94,619,245,204</b>	<b>93,427,381,438</b>
1. Long-term prepaid expenses	252	14	8,641,807,012	7,457,357,514
2. Deposits at Payment Support Fund	254	18	20,000,000,000	20,000,000,000
3. Other long-term assets	255	19	65,977,438,192	65,970,023,924
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>11,915,262,739,122</b>	<b>10,526,546,225,391</b>

The accompanying notes are an integral part of these interim separate financial statements

## INTERIM STATEMENT OF FINANCIAL POSITION (Continued)

As 30 June 2019

Unit: VND

ITEMS	Codes	Notes	Closing balance	Opening balance
<b>LIABILITIES AND EQUITY</b>				
<b>C. LIABILITIES</b>	<b>300</b>		<b>8,931,776,917,545</b>	<b>7,554,886,582,507</b>
<b>(300=310+340)</b>				
<b>I. Current liabilities</b>	<b>310</b>		<b>8,629,528,438,618</b>	<b>7,049,934,578,334</b>
1. Short-term borrowings and finance lease liabilities	311	20	6,849,588,284,179	6,012,344,898,307
1.1 Short-term borrowings	312		6,849,588,284,179	6,012,344,898,307
2. Short-term bonds issued	316	21	911,562,200,000	726,562,200,000
3. Accounts payable for securities trading activities	318	22	780,173,058,996	152,425,291,772
4. Accounts payable to suppliers	320	23	1,135,002,106	2,382,091,715
5. Advances from customers	321		7,517,954,370	2,535,120,090
6. Taxes and other obligations to the State budget	322	24	18,655,125,104	35,889,807,578
7. Payables to employees	323		4,510,547,963	6,996,117,562
8. Employees' benefits payable	324		4,271,116,497	3,028,864,974
9. Short-term accrued expenses	325	25	35,399,640,864	92,377,609,353
10. Other short-term payables	329		2,273,198,546	530,794,978
11. Bonus and welfare funds	331	26	14,442,309,993	14,861,782,005
<b>II. Long-term liabilities</b>	<b>340</b>		<b>302,248,478,927</b>	<b>504,952,004,173</b>
1. Long-term bonds issued	346	21	300,000,000,000	500,000,000,000
2. Deferred tax liabilities	356	27	2,248,478,927	4,952,004,173
<b>D. OWNERS' EQUITY</b>	<b>400</b>		<b>2,983,485,821,577</b>	<b>2,971,659,642,884</b>
<b>(400=410)</b>				
<b>I. Owners' equity</b>	<b>410</b>		<b>2,983,485,821,577</b>	<b>2,971,659,642,884</b>
1. Owners' contributed capital	411		2,124,679,209,127	2,124,680,195,027
1.1 Share capital	411.1	28	2,204,301,690,000	2,204,301,690,000
a. Ordinary shares with voting rights	411.1a		2,204,301,690,000	2,204,301,690,000
1.2 Share premium	411.2		121,224,048,620	121,224,048,620
1.3 Treasury shares	411.5		(200,846,529,493)	(200,845,543,593)
2. Reserve to supplement charter capital	414		89,932,080,839	89,932,080,839
3. Financial and operational risk reserve	415		60,630,353,836	60,630,353,836
4. Undistributed profits	417	29	708,244,177,775	696,417,013,182
4.1 Realised profits	417.1		699,386,580,645	675,782,530,613
4.2 Unrealised profits	417.2		8,857,597,130	20,634,482,569
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>440</b>		<b>11,915,262,739,122</b>	<b>10,526,546,225,391</b>
<b>(440=300+400)</b>				

The accompanying notes are an integral part of these interim separate financial statements

## INTERIM STATEMENT OF FINANCIAL POSITION (Continued)

As 30 June 2019

Unit: VND

## OFF-BALANCE SHEET ITEMS

ITEMS	Codes	Notes	Closing balance	Opening balance
<b>A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER COMMITMENTS</b>				
1. Bad debts written off	004		101,986,716,060	101,986,716,060
2. Shares in circulation (number of securities)	006		208,565,416	208,565,480
3. Treasury shares (number of securities)	007		11,864,753	11,864,689
4. Listed/registered financial assets at VSD of securities company	008		335,017,899,300	242,723,930,000
5. Custodied financial assets at VSD but not yet traded of securities company	009		5,690,870,000	5,770,000
6. Financial assets in transit of the Company	010		704,879,400,000	148,490,500,000
7. Financial assets of the securities company not yet custodied at VSD	012		1,513,396,230,000	554,924,410,000
8. Covered warrants	014		2,568,680	-
<b>B. ASSETS AND PAYABLES RELATING TO ASSETS MANAGED BY VNDIRECT</b>				
1. Listed/registered financial assets at VSD of investors/customers	021		32,498,695,767,000	28,943,992,430,000
a. Freely traded financial assets	021.1		29,750,302,631,500	26,629,255,570,000
b. Financial assets under pledged transactions	021.3		2,263,815,930,000	1,942,609,490,000
c. Blocked financial assets	021.4		104,633,610,000	54,631,610,000
d. Financial assets awaiting for settlement	021.5		379,943,595,500	317,495,760,000
2. Financial assets custodied at VSD but not yet traded of investors/customers	022		764,257,470,000	1,010,283,560,000
a. Freely traded financial assets custodied at VSD but not yet traded	022.1		701,729,320,000	263,545,560,000
b. Financial assets custodied at VSD but not yet traded and restricted for transfer	022.2		24,742,100,000	708,951,950,000
c. Financial assets custodied at VSD but not yet traded and under pledged transactions	022.3		37,786,050,000	37,786,050,000
3. Financial assets in transit of investors/customers	023		309,221,288,800	324,074,460,000
4. Customers' deposits	026		1,953,995,248,746	2,012,172,375,981
4.1. Customers' cash deposits for securities transactions managed by securities company	027		1,454,744,241,480	1,543,460,975,482
4.2. Customers' deposits for securities transactions	028		499,107,923,700	468,569,564,560
4.3. Cash deposits for clearing and settlement of securities transactions	029		142,773,566	91,855,939
a. Cash deposits for securities transactions clearing and settlement of domestic customers	029.1		46,758,184	17,809,964
b. Cash deposits for securities transactions clearing and settlement of foreign customers	029.2		96,015,382	74,045,975

The accompanying notes are an integral part of these interim separate financial statements



## INTERIM INCOME STATEMENT

For the 6-month period ended 30 June 2019

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
<b>I. OPERATING INCOME</b>				
1.1. Gains from financial assets at fair value through profit or loss ("FVTPL")	01		122,138,704,830	192,958,654,138
a. Gains from sales of financial assets at FVTPL	01.1	30	101,273,334,420	140,676,116,476
b. Gains from revaluation of financial assets at FVTPL	01.2	31	2,656,115,485	26,232,376,087
c. Dividends and interest income from financial assets at FVTPL	01.3	32	16,930,735,325	26,050,161,575
d. Loss from revaluation of payable for outstanding covered warrants	01.4		1,278,519,600	-
1.2. Interest income from held-to-maturity investments	02	32	180,282,236,656	115,805,862,297
1.3. Interest income from loans and receivables	03	32	191,284,050,586	239,486,033,817
1.4. Gains from available-for-sale financial assets	04	32	14,765,628,775	1,598,700,000
1.5. Revenue from securities brokerage	06	33	168,574,167,691	304,332,783,781
1.6. Revenue from underwriting and issuance agency services	07	33	7,978,836,848	2,731,615,285
1.7. Revenue from securities investment advisory services	08	33	15,550,545,454	1,343,072,229
1.8. Revenue from securities custody services	09	33	6,707,100,763	4,985,473,923
1.9. Other operating income	11	33	2,209,271,395	1,991,718,288
<b>Total operating income</b> (20=01+02+03+04+06+07+08+09+11)	<b>20</b>		<b>709,490,542,998</b>	<b>865,233,913,758</b>
<b>II. OPERATING EXPENSES</b>				
2.1. Losses from financial assets at FVTPL	21		109,000,310,234	186,109,962,989
a. Losses from sales of financial assets at FVTPL	21.1	30	36,689,792,609	126,962,112,128
b. (Reversal of) allowance for impairment of financial assets at FVTPL	21.2	31	68,804,690,786	56,020,979,314
c. Costs of purchase transactions of financial assets at FVTPL	21.3		3,310,828,139	3,126,871,547
d. Gains from revaluation of payable for outstanding covered warrants			194,998,700	-
2.2. (Reversal of) Allowance for financial assets, write-off of doubtful debts and impairment loss on financial assets	24		3,485,136,437	(1,407,113,565)
2.3. Expenses for securities brokerage services	27		76,933,584,905	136,135,947,137
2.4. Expenses for securities investment advisory services	29		-	531,473,720
2.5. Expenses for securities custody services	30		7,319,921,159	6,916,408,024
<b>Total operating expenses</b> (40=21+24+27+29+30)	<b>40</b>		<b>196,738,952,735</b>	<b>328,286,678,305</b>

The accompanying notes are an integral part of these interim separate financial statements

**INTERIM INCOME STATEMENT (Continued)**

For the 6-month period ended 30 June 2019

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
<b>III. FINANCIAL INCOME</b>				
3.1. Dividends and interest income from demand deposits at banks	42	34	2,942,331,392	3,934,962,750
<b>Total financial income (50=42)</b>	<b>50</b>		<b>2,942,331,392</b>	<b>3,934,962,750</b>
<b>IV. FINANCIAL EXPENSES</b>				
4.1. Realised and unrealised foreign exchange loss	51		2,616,551,380	-
4.2. Interest expense	52	35	204,139,514,306	124,185,535,640
<b>Total financial expenses (60=51+52)</b>	<b>60</b>		<b>206,756,065,686</b>	<b>124,185,535,640</b>
<b>V. GENERAL AND ADMINISTRATION EXPENSES</b>				
	<b>62</b>	<b>36</b>	<b>150,968,722,144</b>	<b>125,603,195,327</b>
<b>VI. OPERATING PROFIT (70=20+50-40-60-62)</b>				
	<b>70</b>		<b>157,969,133,825</b>	<b>291,093,467,236</b>
<b>VII. OTHER INCOME AND EXPENSES</b>				
7.1. Other income	71		148,315,726	77,550,214
7.2. Other expenses	72		739,645,207	-
<b>Profit from other activities (80=71-72)</b>	<b>80</b>		<b>(591,329,481)</b>	<b>77,550,214</b>
<b>VIII. ACCOUNTING PROFIT BEFORE TAX (90=70+80)</b>				
	<b>90</b>		<b>157,377,804,344</b>	<b>291,171,017,450</b>
8.1. Realised profits before tax	91		171,031,749,152	264,938,641,363
8.2. Unrealised (loss)/profits before tax	92		(13,653,944,808)	26,232,376,087
<b>IX. CORPORATE INCOME TAX (CIT) EXPENSES</b>				
9.1. Current CIT expense	100.1		31,616,503,859	47,496,273,244
9.2. Deferred CIT (income)/expense	100.2		(2,703,525,246)	5,246,475,217
<b>X. NET PROFIT AFTER TAX (200 = 90 - 100)</b>	<b>200</b>		<b>128,464,825,731</b>	<b>238,428,268,989</b>

Ms. Nguyen Thi Tuyen  
Preparer

Ms. Nguyen Thi Ha Ninh  
Chief Accountant



Ms. Phạm Minh Hương  
Chief Executive Officer

Hanoi, S.R.Vietnam  
14 August 2019

The accompanying notes are an integral part of these interim separate financial statements

**INTERIM CASH FLOW STATEMENT**

(Indirect method)

For the 6-month period ended 30 June 2019

Unit: VND

ITEMS	Codes	Current period	Prior period
<b>I. Cash flows from operating activities</b>			
<b>1. Profit before tax</b>	<b>01</b>	<b>157,377,804,344</b>	<b>291,171,017,450</b>
<b>2. Adjustments for:</b>	<b>02</b>	<b>270,043,685,684</b>	<b>188,378,211,135</b>
- Depreciation and amortisation of fixed assets	03	10,735,288,198	9,578,809,746
- Allowances and provisions	04	55,032,564,605	54,613,865,749
- Unrealised loss foreign exchange differences	05	136,318,575	-
- Interest expenses	06	204,139,514,306	124,185,535,640
<b>3. Adjustment for non-cash expenses</b>	<b>10</b>	<b>194,998,700</b>	<b>-</b>
- Losses from revaluation of financial assets at FVTPL	11	194,998,700	-
<b>4. Adjustment for non-cash income</b>	<b>18</b>	<b>(3,934,635,085)</b>	<b>(26,232,376,087)</b>
- Gains from revaluation of financial assets at FVTPL	19	(3,934,635,085)	(26,232,376,087)
<b>5. Operating profit before changes in working capital</b>	<b>30</b>	<b>423,681,853,643</b>	<b>453,316,852,498</b>
- Decrease/(Increase) in financial assets at FVTPL	31	(360,518,227,061)	(91,373,314,508)
- (Increase) in held-to-maturity investments (HTM)	32	(65,670,000,000)	(1,886,114,967,228)
- Decrease/(increase) in loans receivable	33	(453,078,715,139)	187,151,303,457
- Decrease/(increase) in financial assets available for sales (AFS)	34	(891,098,363,228)	206,315,474,771
- (Increase)/decrease in receivables from sales of financial assets	35	15,599,425,700	(52,031,943,026)
- (Increase) in dividends and interests receivable from financial assets	36	(76,865,082,317)	(30,863,391,934)
- Decrease/(increase) in other receivables	39	(53,428,971,826)	29,373,811,934
- (Increase) in other assets	40	(23,375,944,046)	(3,989,108,378)
- (Decrease)/Increase in accrued expenses (excluding loan interest expense)	41	(122,723,600,598)	1,732,750,980
- (Decrease)/Increase in prepaid expenses	42	(918,235,298)	740,317,965
- Corporate income tax paid	43	(44,853,595,131)	(58,120,443,753)
- Interest paid	44	(138,394,200,772)	(101,871,222,966)
- (Decrease)/Increase in accounts payable to suppliers	45	623,547,517,215	(218,498,343,972)
- Increase in employees' benefits payable	46	1,242,251,523	1,116,995,800
- (Decrease)/Increase in taxes and other obligations to the State budget (excluding corporate income tax paid)	47	(3,997,591,202)	40,134,609
- (Decrease) in payables to employees	48	(2,485,569,599)	(28,066,823,342)
- (Decrease) in other payables	50	(2,202,299,002)	(33,083,941,701)
<b>Net cash flows from operating activities</b>	<b>60</b>	<b>(1,175,539,347,138)</b>	<b>(1,624,225,858,794)</b>

The accompanying notes are an integral part of these interim separate financial statements

**INTERIM CASH FLOW STATEMENT (Continued)***(Indirect method)**For the 6-month period ended 30 June 2019**Unit: VND*

ITEMS	Codes	Current period	Prior period
<b>II. Cash flows from investing activities</b>			
1. Payments for acquisition and construction of fixed assets, investment properties and other assets	61	(2,411,336,807)	(1,749,236,000)
2. Payments for investments in subsidiaries, joint ventures, associates and other investments	63	(50,000,000,000)	-
<b>Net cash flows from investing activities</b>	<b>70</b>	<b>(52,411,336,807)</b>	<b>(1,749,236,000)</b>
<b>III. Cash flows from financing activities</b>			
1. Proceeds from equity issued or capital contributed by shareholders	71	-	504,584,770,000
2. Cash paid for capital withdrawals and buy-back of issued shares	72	(985,900)	(467,150)
3. Proceeds from borrowings	73	92,464,070,158,593	40,572,735,461,671
3.1. <i>Other borrowings</i>	73.2	92,464,070,158,593	40,572,735,461,671
4. Payments to settle loan principals	74	(91,641,962,772,721)	(39,385,083,061,346)
4.1. <i>Payments to settle other loan principals</i>	74.3	(91,641,962,772,721)	(39,385,083,061,346)
5. Dividends, profits paid to shareholders	76	(104,092,915,000)	(216,429,761,000)
<b>Net cash flows from financing activities</b>	<b>80</b>	<b>718,013,484,972</b>	<b>1,475,806,942,175</b>
<b>IV. Net cash flows during the period</b>	<b>90</b>	<b>(509,937,198,973)</b>	<b>(150,168,152,619)</b>
<b>V. Cash and cash equivalents at the beginning of the period</b>	<b>101</b>	<b>895,793,164,153</b>	<b>336,761,394,060</b>
- Cash	101.1	488,793,164,153	236,761,394,060
- Cash equivalents	101.2	407,000,000,000	100,000,000,000
<b>VI. Cash and cash equivalents at the end of the period</b>	<b>103</b>	<b>385,855,965,180</b>	<b>186,593,241,441</b>
- Cash	103.1	230,155,965,180	186,593,241,441
- Cash equivalents	103.2	155,700,000,000	-

*The accompanying notes are an integral part of these interim separate financial statements*

**INTERIM CASH FLOW STATEMENT (Continued)**

(Direct method)

For the 6-month period ended 30 June 2019

Unit: VND

**CASH FLOWS OF CUSTOMERS FOR BROKERAGE AND ENTRUSTMENT ACTIVITIES**

ITEMS	Codes	Current period	Prior period
<b>I. Cash flows of customers for brokerage and entrustment activities</b>			
1. Proceeds from sales of securities brokered by the Company	01	41,842,809,820,028	78,581,088,604,266
2. Payments for purchases of securities brokered by the Company	02	(41,842,758,902,401)	(78,580,800,457,900)
3. Deposits received to settle securities transactions of customers	07	(58,485,070,607)	558,443,734,097
4. Receipts from securities issuers	14	1,230,110,327,054	1,171,113,699,704
5. Payments to securities issuers	15	(1,229,853,301,309)	(1,167,035,976,535)
<b>Net cash flows during the period</b>	<b>20</b>	<b>(58,177,127,235)</b>	<b>562,809,603,632</b>
<b>II. Cash and cash equivalents of customers at the beginning of the period</b>	<b>30</b>	<b>2,012,172,375,981</b>	<b>2,173,272,198,379</b>
Cash at banks at the beginning of the period	31	2,012,172,375,981	2,173,272,198,379
- Deposits of customers for securities transactions managed by the Company	32	1,542,142,377,286	1,300,561,959,256
- Deposits for securities transactions for customers	33	468,569,564,560	872,053,173,200
- Deposits for clearing and settlement of securities transactions	34	91,855,939	33,435,738
- Deposits from securities issuers	35	1,368,578,196	623,630,185
<b>III. Cash and cash equivalents of customers at the end of the period (40=20+30)</b>	<b>40</b>	<b>1,953,995,248,746</b>	<b>2,736,081,802,011</b>
Cash at banks at the end of the period:	41	1,953,995,248,746	2,736,081,802,011
- Deposits of customers for securities transactions managed by the Company	42	1,453,119,257,539	2,016,716,720,253
- Deposits for securities transactions for customers	43	499,107,923,700	714,342,146,300
- Deposits for clearing and settlement of securities transactions	44	142,773,566	321,582,104
- Deposits from securities issuers	45	1,625,293,941	4,701,353,354

  
Ms. Nguyen Thi Tuyen  
Preparer

  
Ms. Nguyen Thi Ha Ninh  
Chief Accountant

  
Ms. Phạm Minh Hoàng  
Chief Executive Officer

Hanoi, S.R.Vietnam  
14 August 2019

The accompanying notes are an integral part of these interim separate financial statements

**INTERIM STATEMENT OF CHANGES IN EQUITY**  
For the 6-month period ended 30 June 2019

Unit: VND

ITEMS	Note	Opening balance		Movement		Closing balance			
		Current period	Prior period	Current period	Prior period	Current period	Prior period		
		Increase	Decrease	Increase	Decrease	Increase	Decrease		
<b>1. Changes in owners' equity</b>		<b>2,468,865,477,799</b>	<b>2,971,659,642,884</b>	<b>893,263,374,887</b>	<b>(408,539,409,308)</b>	<b>140,240,725,270</b>	<b>(128,414,546,577)</b>	<b>2,953,589,443,378</b>	<b>2,983,485,821,577</b>
1. Owners' contributed capital	28	1,621,127,781,027	2,124,680,195,027	654,835,105,898	743,366,952	(985,900)		2,276,706,253,877	2,124,679,209,127
1.1. Share capital		1,549,981,650,000	2,204,301,690,000	654,320,040,000	-	-		2,204,301,690,000	2,204,301,690,000
1.2. Share premium		120,708,515,572	121,224,048,620	515,533,048	-	-		121,224,048,620	121,224,048,620
1.3. Treasury shares		(49,562,384,545)	(200,845,543,593)	(467,150)	743,366,952	(985,900)		(48,819,484,743)	(200,846,529,493)
2. Reserve to supplement charter capital		69,196,036,758	89,932,080,839	-	-	-		69,196,036,758	89,932,080,839
3. Financial and operational risk reserves		39,894,309,755	60,630,353,836	-	-	-		39,894,309,755	60,630,353,836
4. Undistributed profits	29	738,647,350,259	696,417,013,182	238,428,268,989	(409,282,776,260)	140,241,711,170	(128,414,546,577)	567,792,842,988	708,244,177,775
4.1. Realised profits		712,006,306,462	675,782,530,613	217,442,368,119	(409,282,776,260)	140,241,711,170	(116,637,661,138)	520,165,898,321	699,386,580,645
4.2. Unrealised profits		26,641,043,797	20,634,482,569	20,985,900,870	-	-	(11,776,885,439)	47,626,944,667	8,857,597,130
		<b>2,468,865,477,799</b>	<b>2,971,659,642,884</b>	<b>893,263,374,887</b>	<b>(408,539,409,308)</b>	<b>140,240,725,270</b>	<b>(128,414,546,577)</b>	<b>2,953,589,443,378</b>	<b>2,983,485,821,577</b>



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**Ms. Nguyen Thi Tuyen**  
Preparer

**Ms. Nguyen Thi Ha Ninh**  
Chief Accountant

**Ms. Pham Minh Huong**  
Chief Executive Officer

Hanoi, S.R. Vietnam  
14 August 2019

The accompanying notes are an integral part of these interim separate financial statements

**NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS**

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

**1. GENERAL INFORMATION**

VNDIRECT Securities Joint Stock Company (the "Company") is incorporated as a joint stock company in Vietnam under Business Registration Certificate No. 0103014521 dated 7 November 2006. The Company's Securities Operating Licence No. 101/UBCK-GP dated 31 December 2007 was issued by the State Securities Commission of Vietnam and the amended License for Establishment and Operation of Securities Company No. 38 / GPDC-UBCK dated 01 June 2018. The Company's Head Office is located at No. 1 Nguyen Thuong Hien Street, Hai Ba Trung District, Hanoi, Vietnam. The Company's Charter was issued on 25 September 2006 with the latest amendment dated 20 April 2018.

**Charter capital**

As at 30 June 2019, the Company's charter capital is VND 2,204,301,690,000 (at 31 December 2018: VND 2,204,301,690,000).

**Principal activities**

The principal activities of the Company are to conduct securities brokerage, proprietary trading, and to provide securities investment and financial advisory services, margin trading, securities custody and securities underwriting services.

**Investment restrictions of securities companies**

The Company follows Article 44 of Circular No. 210/2012/TT-BTC issued by the Ministry of Finance on 30 November 2012 and Circular No. 07/2016/TT-BTC dated 18 January 2016 amending and supplementing several articles of Circular 210, accordingly:

Securities companies must not purchase or contribute capital for purchase of real estate, except for cases where they are used as head offices, branches or transaction offices in direct service of professional operations of securities companies.

Securities companies purchase or invest in real estate under the provisions of Clause 1 of this Article and fixed assets on the principle that the residual value of fixed assets and real estate shall not exceed fifty percent (50%) of the total assets of the securities companies.

The total value of investments in corporate bonds of securities companies must not exceed seventy percent (70%) of equity. Securities companies licensed to conduct securities proprietary trading activities may sell and repurchase listed bonds in accordance with relevant regulations on bond repurchase transactions.

Securities companies must not directly or entrust other entities or individuals to:

- a) Investing in shares or capital contributions of companies owning more than fifty percent (50%) of the charter capital of such securities companies, except for cases of purchase of odd lots of shares at the request of customers;
- b) Together with related persons, investing from five percent (5%) or more in the charter capital of other securities companies;
- c) Investing in more than twenty per cent (20%) of the total number of outstanding stocks and fund units of a listed organization;
- d) Invest more than fifteen per cent (15%) of total outstanding stocks and fund units of an unlisted organization, this provision shall not apply to member fund units, exchange traded funds and open funds;

- e) Invest or contribute more than ten percent (10%) of the total capital contributed by a limited liability company or business project;
- f) Invest or contribute more than fifteen percent (15%) of equity to an entity or business project;
- g) Invest in more than seventy percent (70%) of equity capital in shares, capital contributions and business projects, of which no more than twenty per cent (20%) of equity may be invested in unlisted shares, capital contributions and business projects.

A securities company can establish, acquire a fund management company as a subsidiary. In this case, the securities company shall not have to comply with the provisions at Points c, d and e, Clause 4 of this Article. A securities company which plans to establish or acquire a fund management company as a subsidiary must meet the following conditions:

- a) The owner's equity after the capital contribution for the establishment and acquisition of the fund management company must be at least equal to the legal capital for the business operations being performed by the company;
- b) Liquid capital ratio after the capital contribution for the establishment or acquisition of the fund management company must be at least one hundred and eighty percent (180%);
- c) Securities companies, after making capital contribution for the establishment and acquisition of a fund management company, must comply with the debt limit prescribed in Article 42 of this Circular and investment limit prescribed in Clause 3 of this Article and Point f of Clause 4 of this Article.

In cases where the securities company exceeds the limit prescribed due to its underwriting under the form of firm commitment, consolidation or merger, or changes in assets or owner's equity of the securities company or capital contributing entities, securities companies must apply necessary measures to comply with the investment limits prescribed in Clauses 2, 3 and 4 of this Article for a maximum of one (01) year.

**Disclosure of information comparability in the interim separate financial statements**

The comparative figures are the figures in the audited financial statements for the year ended 31 December 2018 and the figures in the reviewed interim separate financial statements for the six-month period ended 30 June 2018.

**Normal production and business cycle**

The Company's normal production and business cycle is carried out for a time period of 12 months.

**Number of employees**

As at 30 June 2019, the Company has 866 employees (as at 31 December 2018: 930 employees).

**Subsidiaries**

As at 30 June 2019, the Company has two (02) subsidiaries, of which one (01) is directly owned and (01) is indirectly owned as follows:

<b>Name</b>	<b>Establishment and Operation</b>	<b>Principal activities</b>	<b>Charter capital</b>	<b>% ownership interest</b>
I.P.A Securities Investment Fund Management Limited Company	Licences for Establishment and Operation No.30/UBCK-GP dated 4/3/2008, 02/GPDC-UBCK dated 8/3/2017	Securities investment fund management and securities investment portfolio management	VND 100 billion	100%



<u>Name</u>	<u>Establishment and Operation</u>	<u>Principal activities</u>	<u>Charter capital</u>	<u>% ownership interest</u>
IVND Limited Company	Business Registration Certificate No. 0108599981 dated 24 January 2019	Web portal	VND 20 billion	100% (*)

(\*) Indirect ownership through I.P.A Securities Investment Fund Management Company Limited

**2. BASIS OF PREPARATION OF INTERIM SEPARATE FINANCIAL STATEMENTS AND ACCOUNTING PERIOD**

**Basis of preparation of interim separate financial statements**

The interim separate financial statement expressed in Vietnam Dong ("VND") are prepared in accordance with Vietnamese Accounting Standards, the accounting regime applicable to securities companies issued by the Ministry of Finance attached to Circular No. 210/2014/TT-BTC ("Circular 210") dated 30 December 2014; Circular No. 334/2016 / TT-BTC ("Circular 334") dated 27 December 2016 amending, supplementing and replacing Annexes 02 and 04 of Circular 210 and other legal regulations relating to interim financial reporting.

The accompanying interim separate financial statements are not intended to present the financial position, results of operations, cash flows and changes in equity in accordance with generally accepted accounting principles and practices in countries other than Vietnam. These interim separate financial statements are not intended for use by those who are not aware of Vietnam's accounting principles, procedures and practices applicable to securities companies.

The Company also prepares and releases the interim consolidated financial statements of the Company and its subsidiaries (collectively called "VNDIRECT"), expressed in Vietnam Dong ("VND"), in accordance with Vietnamese Accounting Standards, the accounting regime applicable to securities companies issued by the Ministry of Finance attached to Circular No. 210/2014/TT-BTC ("Circular 210") dated 30 December 2014; Circular No. 334/2016 / TT-BTC ("Circular 334") dated 27 December 2016 amending, supplementing and replacing Annexes 02 and 04 of Circular 210 and other legal regulations relating to interim financial reporting. These interim separate financial statements should be read in conjunction with the consolidated financial statements of VNDIRECT for the six-month period ended 30 June 2019 for the purpose of comprehensive information on the consolidated financial position of VNDIRECT as at 30 June 2019, the consolidated results of operations, consolidated cash flows and the consolidated changes in equity of VNDIRECT for the six-month period ended 30 June 2019.

**Measurement basis**

The interim separate financial statements, except for interim cash flow statement, are prepared on accrual basis using the historical cost method, except for financial assets at fair value through profit or loss and available-for-sale financial assets to be disclosed in Note 3. The interim cash flow statement is prepared using the indirect method.

**Accounting period**

These interim separate financial statements are prepared for the period from 1 January 2019 to 30 June 2019. The financial year of the Company begins on 01 January and ends on 31 December.

**Accounting and presentation currency**

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for the purpose of preparation and presentation of interim separate financial statements.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### **Financial assets and financial liabilities**

##### *Recognition*

Financial assets and financial liabilities are recognised in the interim statement of financial position when the Company becomes a party of contractual provisions of the financial assets and liabilities.

##### *Derecognition*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers all assets in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

##### *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the interim statement of financial position when, and only when, the Company has a legal right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### **Cash and cash equivalents**

Cash comprises cash at bank for the Company's activities and deposits for clearing and settlement of securities transactions of the Company. Cash deposits for securities transactions, clearing and settlement of securities transactions of customers are separated from the Company's accounts.

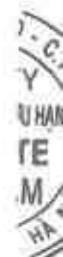
Cash equivalents are short-term investments with recovery or maturity of no more than three months, which are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value from the acquisition date at reporting date.

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

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

- It is considered by the Board of Management as held for trading. A financial asset is considered as held for trading if:
  - it is acquired principally for the purpose of selling it in the near term;
  - there is evidence of a recent pattern of short-term profit-taking; or
  - a derivative financial instrument (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Company as at fair value through profit or loss.

Financial assets at fair value through profit or loss are initially recognised at cost which are the purchase prices of the financial assets (for unlisted securities) or at order matching prices on the Stock Exchanges (for listed securities).



For the securities listed on the Stock Exchanges, the fair values are the closing prices at the nearest trading date prior to the reporting date.

For the securities already registered for trading (shares registered on UPCOM), fair values are the closing prices at the nearest trading date prior to the reporting date.

For the securities which are unlisted and not yet registered for trading on UPCOM, fair value is the average price of transaction prices at the nearest trading date prior to the reporting date but within one month from the reporting date provided by three securities companies which are not related to the Company. In case there were no transaction prices within this period, these securities are stated at cost.

For delisted securities and securities for which trading has been suspended or cancelled from the 6<sup>th</sup> day onwards, fair value shall be the book value at the latest balance sheet date.

Investments in equity instruments, including derivatives to be settled by equity instruments are stated at cost if there are no quoted prices and their fair values cannot be determined reliably.

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

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

- those that the Company, on initial recognition, designates as at fair value in the statement of income;
- those that the Company designates as available-for-sale; and
- those that meet the definition of loans and receivables.

Held-to-maturity investments are recognised initially at cost which includes purchase prices plus (+) transaction costs which are directly attributable to the purchase of such investments such as brokerage fee, transaction fee, communication fee. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest rate less allowance for diminution in the value of financial assets (if any).

Financial assets shall be no longer classified as held-to-maturity investments if in the current period or in the most recent two financial years a significant amount of held-to-maturity financial assets are reclassified or sold, unless the sales and reclassification meets either of the following conditions:

- Close to the maturity date, changes in the market interest rates do not cause material effect to the value of these financial assets;
- Such sales or reclassification is carried out after the Company has recovered a significant portion of the principal of these financial assets by or before the contractual payment date; or
- Such sales or reclassification is related to a special event beyond the Company's control and such event is unforeseeable.

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

Available-for-sale financial assets are debt securities and equity instruments of other entities that are designated as available-for-sale or as remaining financial assets.

Available-for-sale securities are initially recognised at cost of acquisition which includes purchase prices plus (+) transaction costs which are directly attributable to the purchase such as brokerage fee, transaction fee, communication fee.

Available-for-sale financial assets are measured at fair value with the gain or loss arising from the changes in fair value being recognised in equity (other comprehensive income).

The fair values of available-for-sale financial assets are determined using the method as described in section "Financial assets at Fair value through profit or loss" of this Note.

**Loans receivable**

Loans receivable are financial assets with fixed or determinable payments that are not quoted in an active market. Loans receivable of the Company comprise margin loans and advances to customers for the proceeds from selling securities.

Loans receivable are initially stated at cost and subsequently measured at amortised cost using the effective interest rate method, less allowance for doubtful debts made in accordance with the accounting policy described in section Receivables of this Note. The Company also makes general allowance for loans receivable at the rate of 0.75% of the total loans receivable.

For overdue loans which are irrecoverable, the Company perform risk handing process in accordance with current other prevailing legal regulations.

**Accounts receivable**

Receivables from sales of financial assets and services rendered and other receivables are stated at cost less allowance for doubtful debts.

Allowance for doubtful debts is made based on the overdue status of debts or expected losses on undue debts which may occur when an economic entity is bankrupted or liquidated; or debtor is missing, running away, being prosecuted, under arrest, under a trial or pending execution of sentences or deceased.

Allowance for doubtful debts based on overdue status is made in accordance with Circular No. 228/2009/TT-BTC dated 7 December 2009 issued by Ministry of Finance as follows:

<b>Overdue status</b>	<b>Allowance rate</b>
From 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%

For overdue debts, the Company's Board of Management also assesses the expected recovery of the debts in determining the allowance.

Allowance for doubtful debts based on the expected losses of undue debts is determined by the Company's Board of Management after giving consideration to the recovery of these debts.

**Investments in subsidiaries**

For the purpose of these interim separate financial statements, investments in subsidiaries are initially recognised at cost which includes purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss, except where such a loss was anticipated by the Company's management before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

**Tangible fixed assets**

*Cost*

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use and expenses for dismantlement, relocation of assets, and restoration of the place where assets are located. Expenditure incurred after tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul cost, is charged to the statement of income in the period in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

*Depreciation*

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

	<u>Years</u>
Buildings and structures	10
Office equipment	3 - 10

**Intangible assets**

*Computer software*

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 to 10 years.

**Construction in progress**

Construction in progress represents the cost of office construction and software development which has not been completed. No depreciation is provided for construction in progress during the period of construction and completion.

**Trade and other payables**

Trade and other payables are stated at their cost.

**Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**Bonds issued**

At initial recognition, straight bonds issued are measured at cost which is the proceed from issuance, net of issuance costs.

**Share capital**

*Ordinary shares*

Ordinary shares are stated at the issuing price less costs directly attributable to the issue of shares. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

*Share premium*

When share capital is contributed by shareholders, the difference between the issuing price and the par value of shares is recognised in the share premium account under equity section.

*Repurchase and reissue of ordinary shares (treasury shares)*

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognised as a reduction from equity. Repurchased shares are classified as treasury shares under equity. When treasury shares are sold for reissue subsequently, cost of the reissued shares is determined on a weighted average basis. Any difference between the amount received and the cost of the shares reissued is presented within share premium.

**Statutory reserves**

The Company allocates realised profit to statutory reserves annually in accordance with Circular No. 146/2014/TT-BTC dated 6 October 2014 of the Ministry of Finance as follows:

	<u>Annual allocation</u>	<u>Maximum balance</u>
Reserve to supplement charter capital	5% of profit after tax	10% of share capital
Financial and operational risk reserve	5% of profit after tax	10% of share capital

The reserve to supplement charter capital is used to supplement share capital as determined by the General Meeting of Shareholders.

The purpose of the financial reserve is to cover the remaining losses/damages incurred during the normal course of business after such losses/damages have been covered by the compensation paid by the individuals or entities who have caused them.

These statutory reserves are non-distributable and are recognised as part of owners' equity.

**Revenue and other income**

*Gains/losses from sales of financial assets*

Gains/losses from sales of financial assets is recognised in the interim separate statement of income upon receipt of the matching order reports of securities trading transactions from Vietnam Securities Depository ("VSD") (for listed securities) and completion of the agreement on transfer of assets (for unlisted securities).

*Dividend and interest income from financial assets*

Dividend income recognised in the interim separate statement of income when the Company's right to receive dividends is established. Dividend is not recognised in respect of the shares traded from the ex-rights date.

In respect of share dividends, the Company only recognises the number of the shares and no revenue is recognised.

Interest income is recognised in the interim separate statement of income on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

*Revenue from securities brokerage*

Revenue from securities brokerage activities is recognised in the interim separate statement of income when the securities transactions of the customer have been processed.

*Revenue from securities investment advisory and financial advisory*

Revenue from securities investment advisory and financial advisory activities is recognised proportion to the stage of completion of the transaction at the end of the accounting period. The stage of completion is assessed by reference to work performed.

*Revenue from securities custody*

Revenue from securities custody service is recognised in the interim separate statement of income when services are rendered.

**Operating lease payment**

Payments made under operating leases are recognised in the interim separate statement of income on a straight-line basis over the term of the lease.

**Interest expense**

Interest expense is recognised in the interim separate statement of income on an accrual basis.

**Taxation**

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the interim separate statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the annual reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**Segment reporting**

MA segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The primary format for segment reporting is based on business segments.

#### **Related parties**

Parties are considered to be 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 where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

#### **Nil balances**

Items or balances required by Circular 334/2016/TT-BTC dated 27 December 2016 issued by the Ministry of Finance that are not shown in these interim separate financial statements indicate nil balances.

### **4. FINANCIAL RISK MANAGEMENT**

#### **Overview**

The Company has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk;

This Note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

The Company's Supervisory Board oversees how Board of Management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management policies in relation to the risks faced by the Company.

#### **Risk management framework**

The Board of Management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Management has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Management on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Supervisory Board is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Supervisory Board.

#### **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans and receivables from customers, held-to-maturity investments and available-for-sale debt securities.

To manage the level of credit risk, the Company attempts to deal with counterparties of good credit standing, and when appropriate, obtains collaterals for other receivables. The Board of Management has established a credit policy under which each new customer is analysed individually for credit worthiness before the standard terms and conditions are offered.

Concentrations of credit risk that arise from groups of counterparties when they have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The major concentrations of credit risk arise from type of customer in relation to the Company's advances to customers for the proceeds from selling securities and margin loans.

**Exposure to credit risk**

The total carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	Closing balance	Opening balance
		VND	VND
Cash and cash equivalents	(i)	385,855,965,180	895,793,164,153
Held-to-maturity investments	(i)	5,537,000,000,000	5,471,330,000,000
Loans receivable	(ii)	3,035,553,021,266	2,582,474,306,127
Available-for-sale debt securities	(iii)	1,270,629,265,469	379,530,902,241
Accounts receivable	(ii)	218,644,177,188	156,475,477,905
Other financial assets		65,345,587,727	37,547,099,707
		<b>10,513,028,016,830</b>	<b>9,523,150,950,133</b>

(i) *Cash and cash equivalents and held-to-maturity investments*

The cash and cash equivalents of the Company are mainly held with well-known financial institutions. The Board of Management does not foresee any significant credit risk from these deposits and does not expect that these financial institutions may default and cause losses to the Company.

(ii) *Loans receivable and receivables*

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. In response to the risk, Board of Management of the Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Credit purchase limit is established for each customer, which represents the maximum receivable amount without requiring approval from the Chief Executive Officer. The limit is annually reviewed. Debtors with overdue balances are requested to settle the balances before further credit is granted. The Board of Management also requests collaterals based on its assessment of credit risk for each customer. Collaterals generally accepted are deposits and securities.

The Board of Management monitors the market value of collaterals and requests more collaterals on the basis of agreements, and monitors the market value of collaterals when considering the adequacy of allowance for doubtful debts.

Loans receivable and other receivables that are neither past due nor impaired mainly relate to a wide range of customers of whom there was no recent history of default. Management believes that those receivables are of high credit quality.

(iii) *Available-for-sale debt securities*

The Company limits credit risk by only investing in government bonds or debt bonds issued by economic entities with low credit risk.

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**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The financial liabilities with fixed or determinable payments have the following contractual maturities including the estimated interest payments:

Closing balance	Carrying value VND	Contractual cash flows VND	From 1 to 2 years	
			Within 1 year VND	VND
<b>Current liabilities</b>				
Short-term borrowings	6,894,588,284,179	6,894,159,774,323	6,894,159,774,323	-
Short-term bonds issued	911,562,200,000	1,008,436,921,512	1,008,436,921,512	-
Accounts payable for securities trading activities	780,173,058,996	780,173,058,996	780,173,058,996	-
Accounts payable to suppliers	1,135,002,106	1,135,002,106	1,135,002,106	-
Advances from customers	7,517,954,370	7,517,954,370	7,517,954,370	-
Short-term accrued expenses	35,399,640,864	35,399,640,864	35,399,640,864	-
Other financial liabilities	2,273,198,546	2,273,198,546	2,273,198,546	-
	300,000,000,000	357,078,082,192	28,539,041,096	328,539,041,096
<b>Long-term liabilities</b>				
Long-term bonds issued	<b>8,887,649,339,061</b>	<b>9,086,173,632,909</b>	<b>8,757,634,591,813</b>	<b>328,539,041,096</b>
<b>Opening balance</b>				
<b>Current liabilities</b>				
Short-term borrowings	6,012,344,898,307	6,026,186,882,617	6,026,186,882,617	-
Short-term bonds issued	726,562,200,000	794,639,432,858	794,639,432,858	-
Accounts payable for securities trading activities	152,425,291,772	152,425,291,772	152,425,291,772	-
Accounts payable to suppliers	2,382,091,715	2,382,091,715	2,382,091,715	-
Advances from customers	2,535,120,090	2,535,120,090	2,535,120,090	-
Short-term accrued expenses	92,377,609,353	92,377,609,353	92,377,609,353	-
Other financial liabilities	530,794,978	530,794,978	530,794,978	-
	500,000,000,000	589,222,222,222	44,611,111,111	544,611,111,111
<b>Long-term liabilities</b>				
Long-term bonds issued	<b>7,489,158,006,215</b>	<b>7,660,299,445,605</b>	<b>7,115,688,334,494</b>	<b>544,611,111,111</b>

The Company manages its ability to meet the expected operational expenses and servicing its debts by investing its cash surpluses in short-term investments and maintaining several banking facilities.

**Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and share prices will affect the Company's results of operations or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

*Interest rate risk*

As at the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<b>Financial assets</b>		
Cash and cash equivalents	385,855,965,180	895,793,164,153
Held-to-maturity investments	5,537,000,000,000	5,471,330,000,000
Loans receivable	3,035,553,021,266	2,582,474,306,127
Available-for-sale debt securities	1,270,629,265,469	379,530,902,241
Payment to Clearing Fund for derivative transactions	15,053,950,692	15,046,536,424
Deposits at Payment Support Fund	20,000,000,000	20,000,000,000
Deposit for derivative transactions	27,670,463,392	3,997,020,093
	<b><u>10,291,762,665,999</u></b>	<b><u>9,368,171,929,038</u></b>
<b>Financial liabilities</b>		
Short-term borrowings	6,849,588,284,179	6,012,344,898,307
Short-term bonds issued	911,562,200,000	726,562,200,000
Long-term bonds issued	300,000,000,000	500,000,000,000
	<b><u>8,061,150,484,179</u></b>	<b><u>7,238,907,098,307</u></b>

*Equity securities price risk*

Equity securities price risk is the risk that the market values of equity securities decrease as a result of changes in the values of individual securities. The equity securities price risk exposure arises from the Company's financial assets at fair value through profit or loss.

Financial assets at FVTPL of the Company are affected by market risk arising from the uncertainty in the fluctuation of the future market value of these securities. Market price risk is managed by diversifying the investment portfolio and careful selection of securities within specified limits.

As at 30 June 2019, market value of equity securities and fund unit at FVTPL of the Company was VND 1,073.9 billion (31 December 2018: VND 762.3 billion. Had the market value of these securities increased or decreased by 10% as at 30 June 2019 assuming that all other variables remained constant, profit after tax of the Company would have increased or decreased by VND 85.9 billion (31 December 2018: 10%, increased or decreased by VND 61.0 billion).

**Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

As at 30 June 2019, the Company had exchange rate risks arising from short-term bank loan contracts with the amount of USD 15 million (as at 31 December 2018: USD15 million).

As at 30 June 2019, the Company has prevented exchange rate risks by signing USD forward contracts with May Bank Limited - Ho Chi Minh City branch on 14 June 2019 (with amount of USD 5,000,000 at forward rate of 23.349 VND/USD) and Vietnam Maritime Commercial Joint Stock Bank on 14 June 2019 (with amount of USD 5,000,000 at forward rate of 23.352 VND/USD and USD 5,000,000 at forward rate of 23.347 VND/USD).

**5. SEGMENT REPORTING**

**Segment reporting by geographical area**

All of the Company's business activities are performed in Vietnam.

**Segment reporting by business segments**

The Company comprises the following main business segments:

- **Brokerage:** Securities brokerage activities for customers, securities investment advisory and custody services.
- **Proprietary trading:** Securities trading activities of the Company.
- **Treasury:** Granting margin loans and advances to customers for the proceeds from selling securities; bank deposits.



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	Brokerage services		Proprietary trading		Treasury		Total	
	Closing balance	Opening balance	Closing balance	Opening balance	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND	VND	VND	VND	VND
Segment assets	7,500,000,000	7,500,000,000	2,566,993,404,919	1,117,468,455,054	9,079,837,771,843	9,008,672,742,057	11,654,331,176,762	10,133,641,197,111
Unallocated assets	-	-	-	-	-	-	260,931,562,360	392,905,028,280
<b>Total assets</b>	<b>7,500,000,000</b>	<b>7,500,000,000</b>	<b>2,566,993,404,919</b>	<b>1,117,468,455,054</b>	<b>9,079,837,771,843</b>	<b>9,008,672,742,057</b>	<b>11,915,262,739,122</b>	<b>10,526,546,225,391</b>
Segment liabilities	-	-	780,173,058,996	152,425,291,772	8,151,603,858,549	7,402,461,290,735	8,931,776,917,545	7,554,886,582,507
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>780,173,058,996</b>	<b>152,425,291,772</b>	<b>8,151,603,858,549</b>	<b>7,402,461,290,735</b>	<b>8,931,776,917,545</b>	<b>7,554,886,582,507</b>
	Brokerage services		Proprietary trading		Treasury		Total	
	Closing balance	Opening balance	Closing balance	Opening balance	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND	VND	VND	VND	VND
<b>Operating revenue</b>								
- Gains from financial assets at FVTPL and derivatives	-	-	122,138,704,830	192,958,654,138	-	-	122,138,704,830	192,958,654,138
- Interest income from held-to-maturity investments	-	-	-	-	-	-	-	-
- Interest income from loans and receivables	-	-	-	-	180,282,236,656	115,805,862,297	180,282,236,656	115,805,862,297
- Gains from available-for-sale financial assets	-	-	14,765,628,775	1,598,700,000	-	-	14,765,628,775	1,598,700,000
- Revenue from brokerage services	168,574,167,691	304,332,783,781	-	-	-	-	168,574,167,691	304,332,783,781
- Revenue from underwriting and issuance agency services	7,978,836,848	2,731,615,285	-	-	-	-	7,978,836,848	2,731,615,285
- Revenue from securities investment advisory services	15,550,545,454	1,343,072,220	-	-	-	-	15,550,545,454	1,343,072,220
- Revenue from securities custody services	6,707,100,763	4,985,473,923	-	-	-	-	6,707,100,763	4,985,473,923
- Other operating income	-	-	-	-	2,209,271,395	1,991,718,288	2,209,271,395	1,991,718,288
- Financial income	-	-	-	-	2,942,331,392	3,934,962,750	2,942,331,392	3,934,962,750
<b>Total revenue</b>	<b>198,810,650,756</b>	<b>313,392,945,218</b>	<b>136,904,333,605</b>	<b>194,557,354,138</b>	<b>376,717,890,029</b>	<b>361,218,577,152</b>	<b>712,432,874,390</b>	<b>869,168,876,508</b>

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	Brokerage services		Proprietary trading		Treasury		Total	
	Closing balance VND	Opening balance VND						
<b>Direct expenses</b>								
- Losses from financial assets at FVTPL	-	109,000,310,234	186,109,962,989	-	-	-	109,000,310,234	186,109,962,989
- (Reversal of) Allowance made for financial assets, write-off of doubtful debts and impairment loss on financial assets	-	-	-	3,485,136,437	(1,407,113,565)	-	3,485,136,437	(1,407,113,565)
- Expenses for securities brokerage	76,933,584,905	136,135,947,137	-	-	-	-	76,933,584,905	136,135,947,137
- Expenses for securities investment	-	531,473,720	-	-	-	-	-	531,473,720
- Expenses for advisory services	7,319,921,159	6,916,408,024	-	-	-	-	7,319,921,159	6,916,408,024
- Expenses for securities custody services	-	-	-	2,616,551,380	-	-	2,616,551,380	-
- Realised and unrealised foreign exchange loss	-	-	-	-	-	-	-	-
- Expenses for financial advisory activities	-	-	-	204,139,514,306	124,185,535,640	-	204,139,514,306	124,185,535,640
<b>Total expenses</b>	<b>84,253,506,064</b>	<b>143,583,828,881</b>	<b>109,000,310,234</b>	<b>186,109,962,989</b>	<b>210,241,202,123</b>	<b>122,778,422,075</b>	<b>403,495,018,421</b>	<b>452,472,213,945</b>
<b>Segment operating results</b>	<b>114,557,144,692</b>	<b>169,809,116,337</b>	<b>27,904,023,371</b>	<b>8,447,391,149</b>	<b>166,476,687,906</b>	<b>238,440,155,077</b>	<b>308,937,855,969</b>	<b>416,696,662,563</b>
Unallocated expenses							150,968,722,144	125,603,195,327
<b>Results from operating activities</b>							<b>157,969,133,825</b>	<b>291,093,467,236</b>
Other income							148,315,726	77,550,214
Other expenses							739,645,207	-
Current corporate income tax expenses							28,912,978,613	52,742,748,461
<b>Net profit after tax</b>							<b>128,464,825,731</b>	<b>238,428,268,989</b>

6. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash at banks for VNDIRECT's activities	229,996,976,304	488,780,684,536
Cash in transit	106,965,000	-
Deposits for clearing and settlement of securities transactions	52,023,876	12,479,617
Cash equivalents (*)	155,700,000,000	407,000,000,000
	<b><u>385,855,965,180</u></b>	<b><u>895,793,164,153</u></b>

(\*) These are bank deposits with original terms not exceeding 3 months.

7. VOLUME AND VALUE OF TRANSACTIONS DURING THE PERIOD

	<u>Volume of transactions</u>	<u>Value of transactions</u>
	Number of securities	VND
<b>Of VNDIRECT</b>	<b>350,768,876</b>	<b>119,245,814,400,000</b>
Shares	37,180,620	1,180,770,434,358
Bonds	308,582,355	116,719,114,319,042
Other securities	5,005,901	1,345,929,646,600
<b>Of Investors</b>	<b>4,673,970,656</b>	<b>385,669,881,735,311</b>
Shares	4,638,526,781	78,430,830,616,111
Bonds	700,003	72,502,801,100
Other securities	34,743,872	307,166,548,318,100

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8. FINANCIAL ASSETS

Financial assets at fair value through profit or loss

	Closing balance		Opening balance	
	Cost	Fair value (*)	Cost	Fair value (*)
	VND	VND	VND	VND
<b>Financial assets at FVTPL</b>				
Shares and fund units (i)	1,265,548,432,559	1,275,707,306,291	887,772,942,880	912,532,963,745
<b>Total</b>	<b>1,265,548,432,559</b>	<b>1,275,707,306,291</b>	<b>887,772,942,880</b>	<b>912,532,963,745</b>

(\*) The fair value of financial assets at FVTPL represents the historical cost and the upward difference of financial assets at FVTPL. The downward difference of financial assets at FVTPL is recognised in the allowance for diminution in value of financial assets in Note 10.

(i) At 30 June 2019, there was no financial assets at FVTPL pledged at banks (31 December 2018: 15,761,118 ABB shares, 494,700 VGG shares and 700,000 LTG shares with total fair value of VND 139,264 million) as security for loans granted to the Company (Note 20).

Held-to-maturity investments

	Closing balance		Opening balance	
	Cost	Fair value	Cost	Fair value
	VND	VND	VND	VND
<b>Held-to-maturity investments</b>				
Term deposits with term to maturity:				
- From over 3 months to under 1 year	4,437,000,000,000	Not applicable	5,371,330,000,000	Not applicable
- Above 1 year	1,100,000,000,000	Not applicable	100,000,000,000	Not applicable
<b>Total</b>	<b>5,537,000,000,000</b>		<b>5,471,330,000,000</b>	

As at 30 June 2019, these term deposits earned annual interest rates ranging from 4.2% - 7.8% (31 December 2018: 3.5% - 7.5%). Included in these term deposits was VND 5,315,300 million which was pledged with banks as security for loans granted to the Company (31 December 2018: VND 5,218,000 million) (Note 20).

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Loan receivables

	Closing balance		Opening balance	
	Cost VND	Fair value VND	Cost VND	Fair value VND
<b>Loan receivables</b>				
Margin loans	2,959,301,943,913	(**)	2,456,280,458,266	(**)
Advances to customers for the proceeds of selling securities	76,251,077,353	(**)	126,193,847,861	(**)
<b>Total</b>	<b>3,035,553,021,266</b>		<b>2,582,474,306,127</b>	

Available-for-sale financial assets

	Closing balance		Opening balance	
	Cost VND	Fair value VND	Cost VND	Fair value VND
<b>Available-for-sale financial assets</b>				
Equity securities	7,500,000,000	(**)	7,500,000,000	(**)
Government bonds (ii)	754,301,000,000	754,301,000,000	148,490,500,000	148,490,500,000
Corporate bonds	367,432,695,123	367,432,695,123	29,669,435,442	29,669,435,442
Certificate of deposit	148,895,570,346	148,895,570,346	201,370,966,799	201,370,966,799
<b>Total</b>	<b>1,278,129,265,469</b>		<b>387,030,902,241</b>	

(ii) As at 30 June 2019, there was no government bonds that were pledged with banks as security for loans granted to the Company (As at 31 Dec 2019, there was no government bonds that were pledged with banks as security for loans granted to the Company) (Note 20).

(\*\*) The Company has not determined fair values of these financial instruments because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards, accounting regime applicable to securities companies. The fair values of these financial instruments may differ from their carrying amounts.



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9. MOVEMENTS IN FAIR VALUES OF FINANCIAL ASSETS MEASURED AT FAIR VALUE

	Cost VND	Market value/ Fair value VND		Revaluation difference		Revaluation value VND
				Increase VND	Decrease VND	
<b>I. Financial assets at FVTPL</b>						
<i>Listed shares</i>						
PTI	698,316,429,937	654,584,513,100	7,843,815,899	51,575,732,736	654,584,513,100	654,584,513,100
VIC	266,887,919,882	229,959,357,000	-	36,928,562,882	229,959,357,000	229,959,357,000
FPT	73,659,730,310	73,220,745,000	-	438,985,310	73,220,745,000	73,220,745,000
VHM	63,546,823,592	67,754,232,000	4,207,408,408	-	67,754,232,000	67,754,232,000
MBB	49,351,185,740	44,473,581,100	-	4,877,604,640	44,473,581,100	44,473,581,100
REE	49,248,584,801	46,765,610,100	-	2,482,974,701	46,765,610,100	46,765,610,100
MWG	40,811,172,588	38,854,316,500	-	1,956,856,088	38,854,316,500	38,854,316,500
TCB	30,663,363,864	32,166,057,600	1,502,693,736	-	32,166,057,600	32,166,057,600
BMI	22,114,169,880	19,451,547,500	-	2,662,622,380	19,451,547,500	19,451,547,500
VNM	10,745,812,660	9,591,554,700	-	1,154,257,960	9,591,554,700	9,591,554,700
Others	9,380,426,774	9,254,151,000	-	126,275,774	9,254,151,000	9,254,151,000
	81,907,239,846	83,093,360,600	2,133,713,755	947,593,001	83,093,360,600	83,093,360,600
<b>Listed fund certificates</b>	<b>2,409,765,649</b>	<b>2,681,000,000</b>	<b>340,300,000</b>	<b>69,065,649</b>	<b>2,681,000,000</b>	<b>2,681,000,000</b>
E1VFN30	1,490,065,649	1,421,000,000	-	69,065,649	1,421,000,000	1,421,000,000
FUESSV50	919,700,000	1,260,000,000	340,300,000	-	1,260,000,000	1,260,000,000
<b>Unlisted fund certificates</b>	<b>50,500,000,000</b>	<b>49,125,450,000</b>	-	<b>1,374,550,000</b>	<b>49,125,450,000</b>	<b>49,125,450,000</b>
VNDAF	50,500,000,000	49,125,450,000	-	1,374,550,000	49,125,450,000	49,125,450,000
<b>Unlisted shares</b>	<b>514,322,236,973</b>	<b>367,534,499,390</b>	<b>1,974,757,833</b>	<b>148,762,495,416</b>	<b>367,534,499,390</b>	<b>367,534,499,390</b>
An Binh Commercial Joint Stock Bank	170,489,057,266	104,460,587,112	-	66,028,470,154	104,460,587,112	104,460,587,112
Loc Troi Group Joint Stock Company	113,286,906,300	55,057,312,000	-	58,229,594,300	55,057,312,000	55,057,312,000
Orient Commercial Joint Stock Bank	95,255,037,078	95,255,037,078	-	-	95,255,037,078	95,255,037,078
CIENCO4 Group	62,400,000,000	41,280,000,000	-	21,120,000,000	41,280,000,000	41,280,000,000
Viet Tien Garment Joint Stock Corporation	31,140,960,000	32,155,500,000	1,014,540,000	-	32,155,500,000	32,155,500,000
MBland Holding Joint Stock Company	20,250,000,000	20,250,000,000	-	-	20,250,000,000	20,250,000,000
PV Oil Lube Joint Stock Company	6,691,058,000	3,799,600,000	-	2,891,458,000	3,799,600,000	3,799,600,000
Airports Corporation of Vietnam	4,588,811,800	5,393,200,000	804,388,200	-	5,393,200,000	5,393,200,000
RICONS Construction Joint Stock Company	4,078,000,000	4,078,000,000	-	-	4,078,000,000	4,078,000,000
IDICO Corporation - Joint Stock Company	3,610,146,500	3,534,180,000	-	75,966,500	3,534,180,000	3,534,180,000
Others	2,532,260,029	2,271,083,200	155,829,633	417,006,462	2,271,083,200	2,271,083,200
	<b>1,265,548,432,559</b>	<b>1,073,925,462,490</b>	<b>10,158,873,732</b>	<b>201,781,843,801</b>	<b>1,073,925,462,490</b>	<b>1,073,925,462,490</b>

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II Available-for-sale financial assets

	Cost VND	Market value/ Fair value VND		Revaluation difference		Revaluation value VND
		Increase VND	Decrease VND			
Government bonds	367,432,695,123	Not applicable				
Corporate bonds	754,301,000,000	Not applicable				
Certificate of deposit	148,895,570,346	Not applicable				
Unlisted shares	7,500,000,000	Not applicable				
	<b>1,278,129,265,469</b>					

10. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND COLLATERALS

I Financial assets at FVTPL

	Cost VND	Closing balance Market value/ Recoverable amount VND		Opening balance Provision VND		Allowance made/ (reserved) during the period VND
		Provision VND	Provision VND			
<b>Listed shares</b>	<b>567,887,127,706</b>	<b>516,311,394,970</b>	<b>51,575,732,736</b>	<b>9,358,972,424</b>	<b>42,216,760,312</b>	
PTI	266,887,919,882	229,959,357,000	36,928,562,882	-	36,928,562,882	
VHM	49,351,185,740	44,473,581,100	4,877,604,640	-	4,877,604,640	
TCB	22,114,169,880	19,451,547,500	2,662,622,380	-	2,662,622,380	
MBB	49,248,584,801	46,765,610,100	2,482,974,701	7,961	2,482,966,740	
REE	40,811,172,588	38,854,316,500	1,956,856,088	233,896,328	1,722,959,760	
Others	139,474,094,815	136,806,982,770	2,667,112,045	9,125,068,135	(6,457,956,090)	
<b>Listed fund certificates</b>	<b>1,490,065,649</b>	<b>1,421,000,000</b>	<b>69,065,649</b>	<b>94,579,829</b>	<b>(25,514,180)</b>	
EIVFVN30	1,490,065,649	1,421,000,000	69,065,649	94,579,829	(25,514,180)	
<b>Unlisted fund certificates</b>	<b>50,500,000,000</b>	<b>49,125,450,000</b>	<b>1,374,550,000</b>	<b>2,275,600,000</b>	<b>(901,050,000)</b>	
VNDAF	50,500,000,000	49,125,450,000	1,374,550,000	2,275,600,000	(901,050,000)	
<b>Unlisted shares</b>	<b>358,849,977,528</b>	<b>210,087,482,112</b>	<b>148,762,495,416</b>	<b>138,505,263,380</b>	<b>10,257,232,036</b>	
An Binh Commercial Joint Stock Bank	170,489,057,266	104,460,587,112	66,028,470,154	63,409,925,827	2,618,544,327	
Loc Troi Group Joint Stock Company	113,286,906,300	55,057,312,000	58,229,594,300	52,252,144,300	5,977,450,000	
CIENCO4 Group	62,400,000,000	41,280,000,000	21,120,000,000	14,880,000,000	6,240,000,000	
PV Oil Lube Joint Stock Company	6,691,058,000	3,799,600,000	2,891,458,000	1,828,858,000	1,062,600,000	
Lien Viet Post Joint Stock Commercial Bank	2,339,450,000	1,950,000,000	389,450,000	-	389,450,000	
Others	3,643,505,962	3,539,983,000	103,522,962	6,134,335,253	(6,030,812,291)	
	<b>978,727,170,883</b>	<b>776,945,327,082</b>	<b>201,781,843,801</b>	<b>150,234,415,633</b>	<b>51,547,428,168</b>	
<b>II Loans receivable</b>	<b>3,035,553,021,266</b>	<b>3,012,397,167,514</b>	<b>23,155,853,752</b>	<b>19,670,717,315</b>	<b>3,485,136,437</b>	
<b>Total</b>	<b>4,014,280,192,149</b>	<b>3,789,342,494,596</b>	<b>224,937,697,553</b>	<b>169,905,132,948</b>	<b>55,032,564,605</b>	

11. DIVIDENDS AND INTEREST RECEIVABLE FROM FINANCIAL ASSETS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Dividends receivable	11,028,131,160	1,698,900
Interest receivable from term deposits	92,690,493,488	38,457,986,527
Interest receivable from loans	51,894,145,661	40,288,002,565
	<u>155,612,770,309</u>	<u>78,747,687,992</u>

12. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Receivables from former employees	1,963,775,333	1,963,775,333
Receivables from overdraft of derivative transactions	2,363,629,261	3,256,333,682
Other receivables	7,293,456,485	5,497,709,398
	<u>11,620,861,079</u>	<u>10,717,818,413</u>

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13. ALLOWANCE FOR DOUBTFUL DEBTS

	Doubtful debts		Allowance for doubtful debts		Made/ (Reversed) VND
	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND	
<b>Current period</b>					
Receivables from former employees	1,963,775,333	1,963,775,333	(1,963,775,333)	(1,963,775,333)	-
Other receivables	2,699,439,096	2,699,439,096	(2,699,439,096)	(2,699,439,096)	-
	<b>4,663,214,429</b>	<b>4,663,214,429</b>	<b>(4,663,214,429)</b>	<b>(4,663,214,429)</b>	-
<b>Prior period</b>					
Receivables from former employees	1,963,775,333	1,963,775,333	(1,963,775,333)	(1,963,775,333)	-
Other receivables	2,699,439,096	2,699,439,096	(2,699,439,096)	(2,699,439,096)	-
	<b>4,663,214,429</b>	<b>4,663,214,429</b>	<b>(4,663,214,429)</b>	<b>(4,663,214,429)</b>	-

14. PREPAID EXPENSES

	Closing balance	Opening balance
	VND	VND
<b>Short-term prepaid expenses</b>		
Office rental	3,334,305,012	2,682,298,307
Software expenses	2,393,206,025	3,318,926,931
Others	511,026,677	503,526,676
	<b>6,238,537,714</b>	<b>6,504,751,914</b>
<b>Long-term prepaid expenses</b>		
Office repair and renovation expenses	3,804,714,011	1,372,836,233
Other expenses	4,837,093,001	6,084,521,281
	<b>8,641,807,012</b>	<b>7,457,357,514</b>

15. INVESTMENTS IN SUBSIDIARIES

	Closing balance		Opening balance	
	% ownership interest and voting rights	Cost	% ownership interest and voting rights	Cost
	VND	VND	VND	VND
<b>Investment in subsidiaries</b>				
I.P.A	100%	160,000,000,000	100%	110,000,000,000
Securities Investment Fund Management Limited Company				
<b>Total</b>	<b>100%</b>	<b>160,000,000,000</b>	<b>100%</b>	<b>110,000,000,000</b>

During the period, the Company contributed additional capital of VND 50 billion to I.P.A Securities Investment Fund Management Limited Company.

16. TANGIBLE FIXED ASSETS

	Buildings and structures	Office equipment	Total
	VND	VND	VND
<b>COST</b>			
Opening balance	24,184,557,012	83,598,444,974	107,783,001,986
Additions	-	323,790,807	323,790,807
Reclassification	(418,427,603)	418,427,603	-
<b>Closing balance</b>	<b>23,766,129,409</b>	<b>84,340,663,384</b>	<b>108,106,792,793</b>
<b>ACCUMULATED DEPRECIATION</b>			
Opening balance	11,366,250,164	42,407,611,618	53,773,861,782
Depreciation for the period	1,233,366,177	5,502,602,006	6,735,968,183
Reclassification	(1,167,148,702)	1,167,148,702	-
<b>Closing balance</b>	<b>11,432,467,639</b>	<b>49,077,362,326</b>	<b>60,509,829,965</b>
<b>NET BOOK VALUE</b>			
Opening balance	12,818,306,848	41,190,833,356	54,009,140,204
<b>Closing balance</b>	<b>12,333,661,770</b>	<b>35,263,301,058</b>	<b>47,596,962,828</b>

As at 30 June 2019, the cost of tangible fixed assets includes VND 28.3 billion which have been fully depreciated but are still in use (as at 31 December 2018: VND 20.6 billion).

17. INTANGIBLE ASSETS

	<u>Computer software</u> VND
<b>COST</b>	
Opening balance	83,084,078,207
Additions	2,087,546,000
<b>Closing balance</b>	<b>85,171,624,207</b>
<b>ACCUMULATED AMORTISATION</b>	
Opening balance	64,180,671,434
Charge for the period	3,999,320,015
<b>Closing balance</b>	<b>68,179,991,449</b>
<b>NET BOOK VALUE</b>	
<b>Opening balance</b>	<b>18,903,406,773</b>
<b>Closing balance</b>	<b>16,991,632,758</b>

As at 30 June 2019, the cost of intangible assets includes VND 46.9 billion of assets which have been fully amortised but are still in use (as at 31 December 2018: VND 43.1 billion).

18. DEPOSITS AT PAYMENT SUPPORT FUND

According to Decision No. 45/QD-VSD dated 22 May 2014 issued by the Vietnam Securities Depository, the Company is required to deposit an initial amount of VND 120 million at the Vietnam Securities Depository and an annual contribution of 0.01% of the total value of brokered securities, which are listed in the Stock Exchanges in the previous year with the maximum of annual contribution of VND 2.5 billion to the Payment Support Fund and the maximum deposit balance of VND 20 billion.

As at 30 June 2019 and 31 December 2018, the balance of deposit at payment support fund is VND 20 billion.

19. OTHER LONG-TERM ASSETS

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Deposits for purchase of real estates	50,000,000,000	50,000,000,000
Other deposits	923,487,500	923,487,500
Payment to Clearing Fund for derivative transactions	15,053,950,692	15,046,536,424
- Amount paid	15,000,000,000	15,000,000,000
- Interest allocated	53,950,692	46,536,424
	<b>65,977,438,192</b>	<b>65,970,023,924</b>

On 20 June 2017, the Company officially became a general clearing member at the Vietnam Securities Depository. Accordingly, the Company is qualified for providing derivatives clearing and settlement services under Decision 97/QD-VSD dated 23 March 2017 of the Vietnam Securities Depository ("Decision 97"). In accordance with Decision 97, the Company made an initial deposit of VND 15 billion to the Clearing Fund for derivative transactions ("the Clearing Fund"). On a monthly basis, the Vietnam Securities Depository reviews the Clearing Fund and reevaluates the value of the assets contributed to determine the contribution obligations of clearing members.

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**20. SHORT-TERM BORROWINGS**

Short-term borrowings	Opening balance VND	Increase during the period VND	Decrease during the period VND	Unrealised foreign exchange differences	Closing balance VND
Borrowings from banks	6,012,344,898,307	91,664,070,158,593	90,826,962,772,721	136,000,000	6,849,588,284,179
	<b>6,012,344,898,307</b>	<b>91,664,070,158,593</b>	<b>90,826,962,772,721</b>	<b>136,000,000</b>	<b>6,849,588,284,179</b>

As at 30 June 2019, these borrowings were secured by term deposits at banks of the Company amounting to VND 5,315,300 million (as at 31 December 2018: term deposits at banks of the Company amounting to VND 5,218,000 million and listed shares with a total fair value of VND 191,317 million) (Note 8).

These borrowings bore annual interest rates ranging from 2.85% - 9.3% (as at 31 December 2018: 2.95% - 8.5%).

**21. BONDS ISSUED**

Bonds issued	Interest rate %	Opening balance VND	Increase during the period VND	Decrease during the period VND	Closing balance VND
Long-term bonds	9.2% - 10%	1,226,562,200,000	800,000,000,000	815,000,000,000	1,211,562,200,000
In which:					
- Bonds with term to maturity under 1 year		726,562,200,000			911,562,200,000
- Bonds with term to maturity above 1 year		500,000,000,000			300,000,000,000

During the first 6 months of 2019, the Company issued 3 million non-convertible bonds under private placement which were unsecured and had a 2-year term, floating interest rate with the first period interest rate of 9.5% per annum and 5 million non-convertible bonds which were unsecured and had a 1-year term, fixed interest rate of 9.5% per annum and par value of VND 100,000 per bond to add funds to margin lending, securities trading, securities underwriting activities and M&A activities.

22. ACCOUNTS PAYABLE FOR SECURITIES TRADING ACTIVITIES

	Closing balance	Opening balance
	VND	VND
Payables to the Stock Exchanges	4,347,642,096	3,934,791,772
Payables for purchases of financial assets (i)	772,872,256,500	148,490,500,000
Payables related to covered warrants	2,953,160,400	-
	<b>780,173,058,996</b>	<b>152,425,291,772</b>

(i) This payable amount was paid on T+2 date.

23. SHORT-TERM TRADE PAYABLES

	Closing balance	Opening balance
	VND	VND
Financial Software Solutions JSC	920,707,500	1,711,800,000
Ms. Nhu Thi Hai Van	-	602,700,000
AWA Waterproofing Company Limited	46,496,182	46,496,182
Other domestic organizations	167,798,424	21,095,533
	<b>1,135,002,106</b>	<b>2,382,091,715</b>

24. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

	Closing balance	Opening balance
	VND	VND
Corporate income tax	6,943,528,904	19,547,932,530
Personal income tax	11,431,803,743	16,175,755,099
Value added tax	279,792,457	166,119,949
	<b>18,655,125,104</b>	<b>35,889,807,578</b>

25. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Interest expense on loans from credit institutions	12,239,390,310	15,306,486,479
Interest expense on issued bonds	22,055,030,043	76,389,270,638
Others	1,105,220,511	681,852,236
	<b>35,399,640,864</b>	<b>92,377,609,353</b>

26. BONUS AND WELFARE FUNDS

This fund is established by appropriating profit after tax as approved by shareholders in the General Meeting of Shareholders. This fund is used to pay bonus and welfare to employees in accordance with the Company's policies. Movements of bonus and welfare funds during the period were as follows:

	Current period	Prior period
	VND	VND
Opening balance	14,861,782,005	6,306,441,561
Appropriation during the period (Note 29)	12,544,746,138	41,858,845,260
Utilisation during the period	(12,964,218,150)	(33,754,184,816)
<b>Closing balance</b>	<b>14,442,309,993</b>	<b>14,411,102,005</b>

27. DEFERRED TAX LIABILITIES

	Closing balance		Opening balance	
	Tax rate	Value VND	Tax rate	Value VND
<b>Recognised deferred tax liabilities</b>				
Gains from revaluation of financial assets at FVTPL	20%	2,031,774,746	20%	4,952,004,173
Gains from revaluation of financial assets at FVTPL	20%	216,704,181	20%	-
		<u>2,248,478,927</u>		<u>4,952,004,173</u>

28. SHARE CAPITAL

The Company's authorised and issued share capital:

	Closing balance		Opening balance	
	Number of shares	Par value VND	Number of shares	Par value VND
Authorised and issued share capital	220,430,169	2,204,301,690,000	220,430,169	2,204,301,690,000
<b>Treasury shares</b>				
Ordinary shares	(11,864,753)	(118,647,530,000)	(11,864,689)	(118,646,890,000)
<b>Shares in circulation</b>				
Ordinary shares	208,565,416	2,085,654,160,000	208,565,480	2,085,654,800,000

Each ordinary share has a par value of VND 10,000 and is entitled to one vote at shareholders' meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

29. RETAINED PROFITS

	Closing balance VND	Opening balance VND
Undistributed realised profits	699,386,580,645	675,782,530,613
Unrealised profits	8,857,597,130	20,634,482,569
- Foreign exchange differences	(136,318,575)	826,465,877
- Revaluation of financial assets	8,127,098,986	19,808,016,692
- Revaluation of covered warrants	866,816,719	-
	<u>708,244,177,775</u>	<u>696,417,013,182</u>

*Profit distribution to shareholders in the period:*

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Undistributed realised profits of the prior	675,782,530,613	712,006,306,462
Realised profits of the period	139,415,245,293	217,442,368,119
Undistributed profit base belonging to shareholders and capital contributors	815,197,775,906	929,448,674,581
Funds appropriated from profits	12,544,746,138	41,858,845,260
- <i>Business bonus funds (i)</i>	12,544,746,138	41,858,845,260
Profit distribution to shareholders in accordance with Charter of the Company and Resolution of General Shareholders' Meeting (ii)	104,092,915,000	216,429,761,000
Tax payables on profit distribution to shareholders	1,419,641,275	2,801,562,950
<b>Total distribution to shareholders</b>	<b>102,673,273,725</b>	<b>213,628,198,050</b>

- (i) Appropriate for 2018 business bonus fund according to the Decision of the Chairwoman of the Board of Directors No. 93-4/2019/QD-VNDS dated 01 March 2019;
- (ii) Dividend payment in cash at the rate 5%/share according to the Resolution No. 185/2019/NQ-DHDCD of the 2019 Annual General Meeting of Shareholders dated 18 April 2019.

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30. GAINS/LOSSES FROM SALES OF FINANCIAL ASSETS

*Gains from sales of financial assets at FVTPL*

No.	Investment portfolio	Number of securities sold / Position	Total sale proceeds / Closing position	Average cost of securities sold up to last transaction date	Gains from sales of securities for current period	Gains from sales of securities for prior period
			VND	VND	VND	VND
1	Listed shares	2,609,741	115,086,453,800	107,631,551,567	7,454,902,233	76,998,585,460
2	Unlisted shares	1,517,490	60,344,799,000	52,134,273,660	8,210,525,340	7,941,541,644
3	Listed bonds	51,087,000	5,423,592,996,000	5,408,822,190,000	14,770,806,000	5,351,998,911
4	Unlisted bonds and Certificate of Deposit	57,980,257	46,527,959,464,764	46,468,671,763,917	59,287,700,847	50,383,990,461
5	Index future contracts	-	11,549,400,000	-	11,549,400,000	-
					<b>101,273,334,420</b>	<b>140,676,116,476</b>

*Losses from sales of financial assets at FVTPL*

No.	Investment portfolio	Number of securities sold / Position	Total sale proceeds / Closing position	Average cost of securities sold up to last transaction date	Gains from sales of securities for current period	Gains from sales of securities for prior period
			VND	VND	VND	VND
1	Listed shares	6,659,347	202,781,476,094	215,849,206,510	13,067,730,416	72,279,721,026
2	Listed fund certificates	101,180	1,495,440,400	1,506,671,380	11,230,980	-
3	Unlisted shares	1,522,388	18,790,997,408	24,374,664,312	5,583,666,904	606,600,000
4	Listed bonds	34,000,000	3,527,537,000,000	3,533,648,000,000	6,111,000,000	906,560,000
5	Unlisted bonds and Certificate of Deposit	5,433,975	2,103,705,662,981	2,113,406,787,290	9,701,124,309	53,169,231,102
6	Index future contracts	-	(2,205,140,000)	-	2,205,140,000	-
7	Listed covered warrants	8,000	183,200,000	193,100,000	9,900,000	-
					<b>36,689,792,609</b>	<b>126,962,112,128</b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued)

31. GAINS FROM REVALUATION OF FINANCIAL ASSETS

	Listed shares	Listed fund certificates	Unlisted shares	Unlisted fund certificates	Total
	VND	VND	VND	VND	VND
Cost	698,316,429,937	2,409,765,649	514,322,236,973	50,500,000,000	1,265,548,432,559
Market value or Fair value	654,584,513,100	2,681,000,000	367,534,499,390	49,125,450,000	1,073,925,462,490
Revaluation gain at the end of the period	(43,731,916,837)	271,234,351	(146,787,737,583)	(1,374,550,000)	(191,622,970,069)
Revaluation gain at the beginning of the period	8,728,902,856	210,720,171	(132,138,417,795)	(2,275,600,000)	(125,474,394,768)
<b>Adjustment for difference in the current period</b>	<b>(52,460,819,693)</b>	<b>60,514,180</b>	<b>(14,649,319,788)</b>	<b>901,050,000</b>	<b>(66,148,575,301)</b>
<i>In which:</i>					
- Gains from revaluation of financial assets at FVTPL	7,013,203,237	35,000,000	(4,392,087,752)	-	2,656,115,485
- (Reversal of) allowance for impairment of financial assets at FVTPL	(59,474,022,930)	25,514,180	(10,257,232,036)	901,050,000	(68,804,690,786)

32. DIVIDENDS AND INTEREST INCOME FROM FINANCIAL ASSETS, RECEIVABLES AND LOANS

	Current period	Prior period
	VND	VND
<b>From financial assets at FVTPL</b>	<b>16,930,735,325</b>	<b>26,050,161,575</b>
Dividend received	16,930,735,325	26,050,161,575
<b>From held-to-maturity financial assets</b>	<b>180,282,236,656</b>	<b>115,805,862,297</b>
Interest income from term deposits at banks	180,282,236,656	115,805,862,297
<b>From loans and receivables</b>	<b>191,284,050,586</b>	<b>239,486,033,817</b>
Interest income from margin loans	183,824,109,323	227,052,048,310
Interest income from advances to customers for the proceeds of selling securities	7,459,941,263	12,433,985,507
<b>From available-for-sale financial assets</b>	<b>14,765,628,775</b>	<b>1,598,700,000</b>
Interest income from bonds	14,765,628,775	1,598,700,000
	<b>403,262,651,342</b>	<b>382,940,757,689</b>

33. SECURITIES BUSINESS ACTIVITIES INCOME

	Current period	Prior period
	VND	VND
Revenue from securities brokerage	168,574,167,691	304,332,783,781
- Revenue from listed securities and derivatives brokerage	168,343,675,701	304,206,693,654
- Other revenue from brokerage	230,491,990	126,090,127
Revenue from underwriting and issuance agency services	7,978,836,848	2,731,615,285
Revenue from securities investment advisory services	15,550,545,454	1,343,072,229
Revenue from securities custody services	6,707,100,763	4,985,473,923
Other operating revenue	2,209,271,395	1,991,718,288
	<b>201,019,922,151</b>	<b>315,384,663,506</b>

34. FINANCIAL INCOME

	Current period	Prior period
	VND	VND
Interest income from demand deposits	2,942,331,392	3,934,962,750
	<b>2,942,331,392</b>	<b>3,934,962,750</b>

35. FINANCIAL EXPENSES

	Current period	Prior period
	VND	VND
Interest expense from bank loans and bonds issued	201,351,529,997	121,413,140,980
Interest expense from customers' deposits	2,787,984,309	2,772,394,660
	<b>204,139,514,306</b>	<b>124,185,535,640</b>

36. GENERAL AND ADMINISTRATION EXPENSES

	Current period	Prior period
	VND	VND
Salary and related expenses	104,433,769,097	83,044,065,617
Stationery expenses	391,289,412	393,013,602
Tools and supplies expenses	2,496,205,377	1,713,394,202
Depreciation and amortisation of fixed assets	10,735,288,198	9,578,809,746
Taxes and fees	111,409,180	74,288,000
Out-sourced services	32,800,760,880	30,799,624,160
	<b>150,968,722,144</b>	<b>125,603,195,327</b>

37. CORPORATE INCOME TAX

	Current period	Prior period
	VND	VND
<b>Accounting profit before tax</b>	<b>157,377,804,344</b>	<b>291,171,017,450</b>
<b>Adjustments for taxable income</b>		
Less: Tax exempt income	3,413,109,092	52,282,537,662
- Dividend	16,930,735,325	26,050,161,575
- Gains/(losses) from revaluation of financial assets at FVTPL	(14,601,147,133)	26,232,376,087
- Gains/(losses) from revaluation of covered warrants	1,083,520,900	-
Add: Non-deductible expenses	4,117,824,044	(1,407,113,565)
<b>Taxable income</b>	<b>158,082,519,296</b>	<b>237,481,366,223</b>
Tax rate	20%	20%
Current income tax expense	31,616,503,859	47,496,273,244
<b>Current income tax expense</b>	<b>31,616,503,859</b>	<b>47,496,273,244</b>
<b>Temporary taxable differences</b>	<b>(13,517,626,233)</b>	<b>26,232,376,087</b>
- Gains from revaluation of financial assets at FVTPL	(14,601,147,133)	26,232,376,087
- Gains/(losses) from revaluation of covered warrants	1,083,520,900	-
Tax rate	20%	20%
Deferred income tax (income)/expense arising from temporary taxable differences	(2,703,525,246)	5,246,475,217
<b>Deferred income tax expense</b>	<b>(2,703,525,246)</b>	<b>5,246,475,217</b>

38. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

List of related parties with significant transactions and balances for the period:

<u>Related parties</u>	<u>Relationship</u>
Member of Board of Directors, Board of Management and Supervisory Board	Significant influence
Post and Telecommunication Joint Stock Insurance Corporation (PTI)	Chairman of Board of Directors of the Company is a member of Board of Directors of the related party
Vietnam National Apiculture Joint Stock Company	Chairman of Board of Directors of the Company is Chairman of Board of Directors of the related party
H&H Investment Management Company Limited	Chairman of Board of Directors of the Company is Chairman of Members' Council of the related party
I.P.A Investments Group Joint Stock Company	A member of Board of Directors of the Company is Chairman of Board of Directors of the related party
IPA Finance Company Limited.	A member of Board of Directors of the Company is Chairman of Board of Directors, big shareholder
Tra Vinh Rural Electricity Joint Stock Company	A member of Board of Directors of the Company is a member of Board of Directors of the related party
Bac Ha Energy Joint Stock Company	A member of Board of Directors of the Company is Chairman of Board of Directors of the related party
Asian Pearl Joint Stock Company	A member of Board of Directors of the Company is Chairman of Board of Directors of the related party
ANVIE Real Estate Company Limited	A member of Board of Directors of the Company is Chairman of Members' Council of the related party
HOMEFOOD Joint Stock Company	A member of Board of Directors of the Company is Chairman of Board of Directors of the related party
HOMEDIRECT Joint Stock Company	A member of Board of Directors of the Company is Chairman of Board of Directors of the related party
IPA Cuu Long Trading and Investment Joint Stock Company	A member of Board of Directors of the Company is Chairman of Board of Directors of the related party
Printing Mechanical Joint Stock Company	A member of Board of Directors of the Company is Chairman of Board of Directors of the related party
I.P.A Securities Investment Fund Management Limited Company	Subsidiary
Hoi An Tourist Service Joint Stock Company	A member of Board of Directors of the Company is a member of Board of Directors of the related party
IVND Limited Company	Subsidiary

During the period, the Company entered into the following significant transactions with its related parties:

	Current period	Prior period
	VND	VND
<b>Board of Directors, Board of Management and Supervisory Board</b>		
Remunerations and bonus	2,573,000,000	12,150,000,000
<b>I.P.A Investments Group Joint Stock Company</b>		
Office rental and office management fees	9,005,999,639	4,724,456,409
Shares transfer		-
<b>I.P.A Securities Investment Fund Management Limited Company</b>		
Capital contribution	50,000,000,000	-
Investment portfolio management fees	2,623,478,474	2,143,858,737
Revenues from fees	219,449,708	323,419,911
Interest paid on customer demand deposits	11,053,251	4,696,190
<b>HOMEDIRECT Joint Stock Company</b>		
Bonds issuance fee received	-	2,900,000,000
Other revenue	-	6,999,439
Interest paid on customer demand deposits	204,759	13,479,801
Other expenses	-	120,000,000
<b>IPA Finance Co., Ltd.</b>		
Revenues from fees	14,040,061	14,106,832
Interest paid on customer demand deposits	165,620	1,470,485
Dividend received from VNDirect	28,094,177,000	56,188,354,000
<b>Post and Telecommunication Joint Stock Insurance Corporation (PTI)</b>		
Revenues from fees	490,031,277	928,383,207
Interest paid on customer demand deposits	12,868,784	14,968,481
<b>Bac Ha Energy Joint Stock Company</b>		
Interest paid on customer demand deposits	802,571	736,741
<b>Asian Pearl Joint Stock Company</b>		
Interest paid on customer demand deposits	49,997	192,484
<b>ANVIE Real Estate Company Limited</b>		
Interest paid on customer demand deposits	21,261	94,391
Revenues from fees	10,501	264,060
<b>HOMEFOOD Joint Stock Company</b>		
Interest paid on customer demand deposits	781	857
Other expenses	-	18,039,481
<b>Printing Mechanical Joint Stock Company</b>		
Interest paid on customer demand deposits	762,962	328,849
Revenues from fees	51,606	1,655,030
<b>IVND Limited Company</b>		
Interest paid on customer demand deposits	12,051,772	-
<b>Ms. Pham Minh Huong</b>		
Remuneration of Board of Directors	42,000,000	42,000,000
Interest paid on customer demand deposits	-	790,592
Revenues from fees	15,041,416	150,457,647
Dividend received from VNDirect	3,046,868,025	1,343,736,050
<b>Mr. Vu Hien</b>		
Remuneration of Board of Directors	42,000,000	42,000,000
Interest paid on customer demand deposits	558,903	1,398,628
Revenues from fees	2,462,353	3,967,896
Dividend received from VNDirect	85,500	171,000

Significant related party balances as at the balance sheet date were as follows:

	Closing balance VND	Opening balance VND
<b>I.P.A Securities Investment Fund Management Limited Company</b>		
Contributed capital	100,000,000,000	50,000,000,000
Securities trading account	2,606,433,767	20,008,134,364
Interest receivables from deposits	-	4,305,556
Entrusted investment portfolios - cost	502,085,026,383	433,803,247,043
<b>HOMEDIRECT Joint Stock Company</b>		
Equity investment	7,500,000,000	7,500,000,000
Securities trading account	49,847,887	130,916,841
<b>IPA Finance Co., Ltd.</b>		
Receipt of equity investment	561,883,540,000	561,883,540,000
Securities trading account	2,878,311,860	23,580,113
<b>Post and Telecommunication Joint Stock Insurance Corporation (PTI)</b>		
Investment in shares	132,160,550,000	132,160,550,000
Securities trading account	3,757,670,608	4,917,741,997
<b>Hoi An Tourist Service Joint Stock Company (HOT)</b>		
Investment in shares	-	9,644,810,000
<b>Bac Ha Energy Joint Stock Company</b>		
Securities trading account	508,587,073	12,144,691,908
<b>Asian Pearl Joint Stock Company</b>		
Securities trading account	26,842,705	322,843
<b>ANVIE Real Estate Company Limited</b>		
Securities trading account	17,913,008	14,041,599
<b>HOMEFOOD Joint Stock Company</b>		
Securities trading account	525,016	524,235
<b>Printing Mechanical Joint Stock Company</b>		
Deposit for land rental	500,000,000	500,000,000
Securities trading account	532,595,453	508,731,597
<b>IVND Limited Company</b>		
Securities trading account	18,612,051,772	-
<b>Ms. Pham Minh Huong</b>		
Owning shares of the Company (par value in VND)	64,144,590,000	64,144,590,000
Securities trading account	974,230,824	355,986,415
<b>Mr. Vu Hien</b>		
Owning shares of the Company (par value in VND)	1,800,000	1,800,000
Securities trading account	184,518,683	620,055,766
Owning bonds of the Company	-	6,293,800,000

39. **SUBSEQUENT EVENTS**

On 02 July 2019, the Company received Decision No. 49352 / QD-CT-TKT8 dated 25 June 2019 from Hanoi Tax directorate on administrative penalties for tax violations. The total amount of tax arrested by the Company is 956,355,525 VND, of which value added tax is VND 518,597,402 and corporate income tax is 437,758,123 VND. The Company was administratively punished the amount of VND 206,271,105 and the late payment amount of VND 168,839,711.

40. COMPARATIVE FIGURES

A number of figures from previous periods are reclassified to conform with the current period's figures, as follows:

Section	Item	Code	Reported amount	Restated
			VND	VND
Interim cash flow statement	Interest expenses	06	-	124,185,535,640
	(Decrease)/Increase in accrued expenses (excluding loan interest expense)	41	125,918,286,620	1,732,750,980

Ms. Nguyen Thi Tuyen  
Preparer

Ms. Nguyen Thi Ha Ninh  
Chief Accountant



Ms. Phạm Minh Hương  
Chief Executive Officer

Hanoi, S.R. Vietnam  
14 August 2019

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