



Ho Chi Minh City, August 23, 2017

Ref. 976/2017/CV-SSIHO

Re: Information disclosure on the Consolidated Financial Statements Quarter II, 2017 in English

**DISCLOSURE OF INFORMATION  
ON THE STATE SECURITIES COMMISSION'S PORTAL AND HOCHIMINH STOCK  
EXCHANGE'S PORTAL**

To:                   - The State Securities Commission  
                          - Hochiminh Stock Exchange  
                          - Hanoi Stock Exchange

Organization name:                   **SAIGON SECURITIES INC.**  
Security Symbol:                    SSI  
Address:                               72 Nguyen Hue, Ben Nghe Ward, District 1, HCMC  
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Spokesman:                           Nguyen Hong Nam  
Position:                              Deputy Chief Executive Officer

Information discloser type    24 hours    irregular    on demand    periodic

Content of information disclosure: The English version of the Consolidated Financial Statements Quarter II, 2017.

This information was posted on SSI website on August 23, 2017 at this link [www.ssi.com.vn](http://www.ssi.com.vn).

We hereby declare to be responsible for the accuracy and completeness of the above information.

Organization representative  
Party authorized to disclose information



**Nguyen Hong Nam**  
Deputy Chief Executive Officer

# **Saigon Securities Incorporation**

2<sup>nd</sup> Quarter of 2017 consolidated financial statements

30 June 2017

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
as at 30 June 2017

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>14,357,472,781,432</b>	<b>12,663,850,207,469</b>
<b>110</b>	<b>i. Financial assets</b>		<b>14,195,879,878,942</b>	<b>12,565,346,534,002</b>
111	1. Cash and cash equivalents	5	821,234,947,551	308,564,964,314
111.1	a. Cash		490,011,305,300	201,151,935,146
111.2	b. Cash equivalents		331,223,642,251	107,413,029,168
112	2. Financial assets at fair value through profit and loss (FVTPL)	7.1	1,575,551,810,500	1,549,046,274,503
113	3. Held-to-maturity (HTM) investments	7.3	5,643,546,269,914	5,243,743,725,184
114	4. Loans	7.4	4,195,715,448,277	3,779,178,042,796
115	5. Available-for-sale (AFS) financial assets	7.2	1,926,876,700,397	1,615,308,476,240
116	6. Provision for impairment of financial assets and mortgage assets	8	(17,490,575,075)	(28,431,004,933)
117	7. Receivables	9	6,054,484,970	53,619,347,570
117.1	7.1 Receivables from disposal of financial assets		5,884,631,970	53,486,347,570
117.2	7.2 Receivables and accruals from dividend and interest income		169,853,000	133,000,000
117.3	7.2.1 Receivables from due dividend and interest income		133,000,000	133,000,000
117.4	7.2.2 Accruals for undue dividend and interest income		36,853,000	-
118	8. Advances to suppliers	9	16,800,056,567	21,135,273,595
119	9. Receivables from services provided by the Company	9	34,387,316,500	36,101,403,942
122	10. Other receivables	9	8,978,504,377	3,002,523,445
129	11. Provision for impairment of receivables	9	(15,775,085,036)	(15,922,492,654)
<b>130</b>	<b>ii. Other current assets</b>	<b>10</b>	<b>161,592,902,490</b>	<b>98,503,673,467</b>
131	1. Advances		12,406,236,415	9,231,952,863
133	2. Short-term prepaid expenses		9,093,555,365	7,665,228,021
134	3. Short-term deposits, collaterals and pledges		853,595,960	893,430,260
137	4. Other current assets		139,239,514,750	80,713,062,323

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 June 2017

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>2,032,947,890,694</b>	<b>1,342,980,181,165</b>
<b>210</b>	<b>I. Long-term financial assets</b>		<b>1,426,012,625,248</b>	<b>750,343,966,349</b>
212	1. Long-term investments	11	1,426,012,625,248	750,343,966,349
212.1	1.1. HTM investments		674,119,979,652	41,007,379,429
212.3	1.2. Investment in associates		751,892,645,596	709,336,586,920
<b>220</b>	<b>II. Fixed assets</b>		<b>141,510,799,157</b>	<b>131,416,882,683</b>
221	1. Tangible fixed assets	12	22,106,995,174	12,569,448,484
222	1.1. Cost		102,419,026,979	89,953,237,422
223a	1.2. Accumulated depreciation		(80,312,031,805)	(77,383,788,938)
227	2. Intangible fixed assets	13	119,403,803,983	118,847,434,199
228	2.1. Cost		175,536,308,861	173,208,004,861
229a	2.2. Accumulated amortisation		(56,132,504,878)	(54,360,570,662)
<b>230</b>	<b>III. Investment properties</b>	<b>14</b>	<b>256,449,073,881</b>	<b>261,341,171,964</b>
231	1. Cost		313,999,150,590	314,275,801,824
232a	2. Accumulated depreciation		(57,550,076,709)	(52,934,629,860)
<b>240</b>	<b>IV. Construction in progress</b>	<b>15</b>	<b>50,688,190,132</b>	<b>46,777,509,012</b>
<b>250</b>	<b>V. Other long-term assets</b>		<b>158,287,202,276</b>	<b>153,100,651,157</b>
251	1. Long-term deposits, collaterals and pledges		19,121,693,466	19,105,729,716
252	2. Long-term prepaid expenses	16	35,811,442,662	25,895,763,102
253	3. Deferred income tax assets	17	68,354,066,148	88,099,158,339
254	4. Payment for Settlement Assistance Fund	18	20,000,000,000	20,000,000,000
255	5. Other long-term assets		15,000,000,000	-
<b>260</b>	<b>VI. Provision for impairment of long-term assets</b>		-	-
<b>270</b>	<b>TOTAL ASSETS</b>		<b>16,390,420,672,126</b>	<b>14,006,830,388,634</b>

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 June 2017

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
<b>300</b>	<b>C. LIABILITIES</b>		<b>7,586,827,279,080</b>	<b>6,100,018,520,642</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>6,720,979,510,945</b>	<b>5,841,951,456,398</b>
311	1. Short-term borrowings and financial leases	20	5,953,584,567,882	4,819,340,678,085
312	1.1. Short-term borrowings		5,953,584,567,882	4,819,340,678,085
316	2. Short-term bonds	21	-	376,000,000,000
318	3. Payables for securities trading activities	22	160,914,519,520	39,617,787,653
320	4. Short-term trade payables	23	4,089,800,052	9,261,510,278
321	5. Short-term advance to customers		4,954,599,832	4,141,733,170
322	6. Statutory obligation	24	73,636,975,091	73,816,803,238
323	7. Payables to employees		4,469,471,706	4,726,744,169
324	8. Employee benefits		11,828,552	168,596,552
325	9. Short-term accrued expenses	25	71,548,456,896	62,998,576,869
327	10. Short-term unearned revenue		43,105,455	244,986,666
329	11. Other short-term payables	26	259,820,641,899	300,115,900,807
331	12. Bonus and welfare fund		187,905,544,060	151,518,138,911
<b>340</b>	<b>II. Non-current liabilities</b>		<b>865,847,768,135</b>	<b>258,067,064,244</b>
346	1. Long-term bonds	21	799,486,666,663	199,651,666,665
351	2. Long-term unearned revenue	27	33,511,108,968	33,511,108,968
352	3. Long-term deposits received		-	230,577,141
356	4. Deferred income tax payable	17	32,849,992,504	24,673,711,470
<b>400</b>	<b>D. OWNERS' EQUITY</b>	<b>28</b>	<b>8,803,593,393,046</b>	<b>7,906,811,867,992</b>
<b>410</b>	<b>I. Owners' equity</b>		<b>8,803,593,393,046</b>	<b>7,906,811,867,992</b>
411	1. Share capital		4,927,806,917,200	4,927,409,917,200
411.1	1.1. Capital contribution		4,900,636,840,000	4,900,636,840,000
411.1a	a. Ordinary shares		4,900,636,840,000	4,900,636,840,000
411.2	1.2. Share premium		29,453,765,501	29,265,860,000
411.4	1.3. Other capital		-	-
411.5	1.4. Treasury shares		(2,283,688,301)	(2,492,782,800)
412	2. Difference from revaluation of assets at fair value	39	993,790,921,936	652,792,875,374
413	3. Foreign exchange rate differences		33,731,885,527	34,056,420,954
414	4. Charter capital supplementary reserve		355,412,398,796	311,560,605,893
415	5. Operational risk and financial reserve		270,904,804,112	227,053,011,209
417	6. Undistributed profit		2,144,123,297,870	1,674,837,853,150
417.1	6.1. Realized profit	28.1	2,104,006,058,620	1,727,170,255,230
417.2	6.2. Unrealized profit	28.1	40,117,239,250	(52,332,402,080)
418	7. Non-controlling interests		77,823,167,605	79,101,184,212
<b>420</b>	<b>II. Other sources and funds</b>		<b>-</b>	<b>-</b>
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>16,390,420,672,126</b>	<b>14,006,830,388,634</b>

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 June 2017

## OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	Ending balance	Opening balance
	<b>A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS</b>			
005	Foreign currencies			
	<i>USD</i>		5,228,619.39	5,028,241.29
	<i>EUR</i>		84,353.57	57,765.13
	<i>GBP</i>		40,381.74	-
006	Outstanding shares (number of shares)		489,845,250	489,825,250
007	Treasury shares (number of shares)		218,434	238,434
008	Financial assets listed/registered for trading at Vietnam Securities Depository of the Company (VND)		952,459,520,000	959,988,530,000
009	Non-traded financial assets deposited at Vietnam Securities Depository of the Company (VND)		10,489,450,000	10,552,040,000
010	Financial assets awaiting for arrival of the Company (VND)		150,006,400,000	4,660,000
012	Financial assets which have not been deposited at Vietnam Securities Depository of the Company (VND)		242,788,590,000	461,520,310,000
013	Entitled financial assets of the Company (VND)		35,250,000	2,430,000
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS</b>			
021	Financial assets listed/registered for trading at Vietnam Securities Depository of investors (VND)		30,745,145,030,000	26,872,935,050,000
021.1	<i>Unrestricted financial assets</i>		25,092,719,640,000	22,283,452,350,000
021.2	<i>Restricted financial assets</i>		1,168,861,450,000	682,966,010,000
021.3	<i>Mortgaged financial assets</i>		3,837,775,810,000	3,600,644,250,000
021.4	<i>Blocked financial assets</i>		30,502,590,000	15,664,600,000
021.5	<i>Financial assets awaiting for settlement</i>		615,285,540,000	290,207,840,000

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 June 2017

## OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS</b> (continued)			
022	Non-traded financial assets deposited at Vietnam Securities Depository ("VSD")		1,713,044,800,000	1,652,187,760,000
022.1	Unrestricted and non-traded financial assets deposited at VSD		1,558,337,480,000	1,447,750,000,000
022.2	Restricted and non-traded financial assets deposited at VSD		52,567,670,000	102,298,110,000
022.3	Mortgaged and non-traded financial assets deposited at VSD		102,139,650,000	102,139,650,000
023	Financial assets awaiting for arrival of investors		548,782,370,000	277,151,500,000
024b	Financial assets unregistered at VSD of investors		61,449,980,000	40,192,750,000
025	Entitled financial assets of investors		142,922,150,000	49,722,960,000
026	Investors' deposits		2,908,932,359,323	1,630,987,771,952
027	Investors' deposits for securities trading activities managed by the Company		2,885,789,316,948	1,616,354,145,533
028	Investors' synthesizing deposits for securities trading activities		7,498,303,391	5,034,657,285
030	Deposits of securities issuers		15,644,738,984	9,598,969,134
031	Payables to investors - investors' deposits for securities trading activities managed by the Company		2,885,789,316,948	1,616,354,145,533
031.1	- Payables to domestic investors for securities trading activities managed by the Company		2,781,423,102,017	1,509,185,425,722
031.2	- Payables to foreign investors for securities trading activities managed by the Company		104,366,214,931	107,168,719,811

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 June 2017

## OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS</b> (continued)			
032	Payables to securities issuers		15,091,797,160	8,894,522,160
034	Dividend, bond principal and interest payables		552,941,824	704,446,974



Ms. Nguyen Thi Hai Anh  
Prepared by



Ms. Hoang Thi Minh Thuy  
Chief Accountant




Mr. Nguyen Hong Nam  
Deputy Chief Executive Officer

Ho Chi Minh City, Vietnam

28 July 2017

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED INCOME STATEMENT (continued)  
for the three-month period ended 30 June 2017

Code	ITEMS	Notes	2 <sup>nd</sup> Quarter		Accumulated	
			Current year VND	Previous year (restated) VND	Current year VND	Previous year (restated) VND
	<b>I. OPERATING INCOME</b>					
01	1. Gain from financial assets at fair value through profit and loss (FVTPL)		198,770,244,727	250,399,052,189	340,350,618,337	358,096,115,145
01.1	a. Gain from disposal of financial assets at FVTPL	29.1	45,687,331,860	108,228,675,413	117,739,140,894	128,948,162,438
01.2	b. Gain from revaluation of financial assets at FVTPL	29.2	140,936,101,017	119,669,112,776	210,462,531,993	204,130,085,908
01.3	c. Dividend, interest income from financial assets at FVTPL	29.3	12,146,811,850	22,501,264,000	12,148,945,450	25,017,866,800
02	2. Gain from held-to-maturity (HTM) investments	29.3	102,922,269,194	81,327,835,558	198,979,264,209	149,889,406,981
03	3. Gain from loans and receivables	29.3	124,786,602,624	107,776,391,929	237,338,433,836	206,117,310,396
04	4. Gain from available-for-sale (AFS) financial assets	29.3	34,608,627,265	123,970,054,288	85,972,049,974	151,383,520,348
06	5. Revenue from brokerage services		185,669,998,685	91,023,320,847	300,520,254,660	171,533,204,799
07	6. Revenue from underwriting and issuance agency services		-	200,000,000	6,250,000,000	9,200,000,000
08	7. Revenue from securities investment advisory services		4,169,029,904	5,578,707,400	7,469,944,133	7,166,631,762
09	8. Revenue from securities custodian services		2,976,361,575	2,169,411,397	6,279,637,035	4,444,803,622
10	9. Revenue from financial advisory services		8,781,030,300	1,875,272,728	14,314,393,938	17,431,093,515
11	10. Revenue from other operating activities	31	31,949,131,744	(15,964,232,199)	42,345,238,221	13,520,681,581
<b>20</b>	<b>Total operating revenue</b>		<b>694,633,296,018</b>	<b>648,355,814,137</b>	<b>1,239,819,834,343</b>	<b>1,088,782,768,149</b>

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED INCOME STATEMENT (continued)  
for the three-month period ended 30 June 2017

Code	ITEMS	Notes	2 <sup>nd</sup> Quarter		Accumulated	
			Current year VND	Previous year (restated) VND	Current year VND	Previous year (restated) VND
	<b>II. OPERATING EXPENSES</b>					
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		66,376,396,090	86,122,482,213	128,942,643,407	144,726,750,535
21.1	1.1 Loss from disposal of financial assets at FVTPL	29.1	10,511,393,124	15,975,650,507	20,324,567,375	16,927,259,466
21.2	1.2 Loss from revaluation of financial assets at FVTPL	29.2	55,627,421,878	69,871,960,508	108,257,624,921	127,320,137,325
21.3	1.3 Transaction costs of acquisition of financial assets at FVTPL		237,581,088	274,871,197	360,451,111	479,353,744
23	2. Loss from revaluation of AFS financial assets arising from reclassification		-	76,201,778	1,468,084,331	76,201,778
24	3. Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	30	(6,360,843,652)	24,631,101,720	(83,822,497,186)	31,150,434,842
26	4. Expenses for proprietary trading activities		3,828,768,583	1,152,324,173	4,308,543,661	1,794,656,441
27	5. Expenses for brokerage services	32	136,773,688,829	77,463,334,236	218,956,659,174	138,009,779,704
28	6. Expenses for underwriting and issuance agency services	32	-	-	110,277,956	-
29	7. Expenses for securities investment advisory services	32	5,221,636,496	3,702,449,076	9,000,893,732	6,784,823,985
30	8. Expenses for securities custodian services	32	4,625,660,457	3,538,098,244	8,620,069,351	6,854,796,259
31	9. Expenses for financial advisory services	32	4,244,669,644	4,721,626,524	16,448,830,251	14,995,568,987
32	10. Other operating expenses	32, 33	16,919,102,665	16,504,183,066	32,113,656,763	29,027,043,101
<b>40</b>	<b>Total operating expenses</b>		<b>231,629,079,112</b>	<b>217,911,801,030</b>	<b>336,147,161,440</b>	<b>373,420,055,632</b>

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED INCOME STATEMENT (continued)  
for the three-month period ended 30 June 2017


Code	ITEMS	Notes	2 <sup>nd</sup> Quarter		Accumulated	
			Current year VND	Previous year (restated) VND	Current year VND	Previous year (restated) VND
	<b>III. FINANCE INCOME</b>					
41	1. Realized and unrealized gain from changes in foreign exchange rates		191,775,968	62,207,844	334,490,510	62,347,941
42	2. Dividend, interest income from demand deposits		9,395,786,028	5,511,712,028	23,837,059,130	10,442,082,613
43	3. Gain from disposal of investments in subsidiaries, associates and joint ventures		-	-	-	-
44	4. Other interest income (Share of profit in associates)	11	18,337,186,710	14,135,559,663	34,781,323,645	40,744,575,992
50	<b>Total finance income</b>	<b>34</b>	<b>27,924,748,706</b>	<b>19,709,479,535</b>	<b>58,952,873,285</b>	<b>51,249,006,546</b>
	<b>IV. FINANCE EXPENSES</b>					
51	1. Realized and unrealized loss from changes in foreign exchange rates		700,932,805	13,865,326	776,682,777	16,781,132
52	2. Borrowing costs		75,878,112,208	66,607,004,854	152,205,376,088	123,716,590,027
53	3. Loss from disposal of investments in subsidiaries, associates and joint ventures		-	-	-	-
60	<b>Total finance expenses</b>	<b>35</b>	<b>76,579,045,013</b>	<b>66,620,870,180</b>	<b>152,982,058,865</b>	<b>123,733,371,159</b>
61	<b>V. SELLING EXPENSES</b>		-	-	-	-
62	<b>VI. GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>36</b>	<b>44,344,910,313</b>	<b>39,348,258,492</b>	<b>75,974,427,049</b>	<b>67,849,303,090</b>
70	<b>VII. OPERATING PROFIT</b>		<b>370,005,010,286</b>	<b>344,184,363,971</b>	<b>733,669,060,274</b>	<b>575,029,044,814</b>

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED INCOME STATEMENT (continued)  
for the three-month period ended 30 June 2017


Code	ITEMS	Notes	2 <sup>nd</sup> Quarter		Accumulated	
			Current year VND	Previous year (restated) VND	Current year VND	Previous year (restated) VND
	<b>VIII. OTHER INCOME AND EXPENSES</b>					
71	Other income		918,225,093	418,592,130	1,395,367,786	992,166,510
72	Other expenses		3	14,698,661	105,892,213	62,609,430
<b>80</b>	<b>Total other operating profit</b>	<b>37</b>	<b>918,225,090</b>	<b>403,893,469</b>	<b>1,289,475,573</b>	<b>929,557,080</b>
<b>90</b>	<b>IX. PROFIT BEFORE TAX</b>		<b>370,923,235,376</b>	<b>344,588,257,440</b>	<b>734,958,535,847</b>	<b>575,958,601,894</b>
91	Realized profit		286,055,846,493	294,791,105,172	633,194,919,031	499,148,653,312
92	Unrealized profit		84,867,388,883	49,797,152,268	101,763,616,816	76,809,948,582
<b>100</b>	<b>X. CORPORATE INCOME TAX (CIT) EXPENSES</b>	<b>38</b>	<b>67,221,126,837</b>	<b>58,516,329,857</b>	<b>137,293,160,393</b>	<b>98,408,857,384</b>
100.1	Current CIT expense	38.1	46,264,030,928	63,506,039,135	109,371,787,168	92,484,035,777
100.2	Deferred CIT (income)/expense	38.2	20,957,095,909	(4,989,709,278)	27,921,373,225	5,924,821,607
<b>200</b>	<b>XI. PROFIT AFTER TAX</b>		<b>303,702,108,539</b>	<b>286,071,927,583</b>	<b>597,665,375,454</b>	<b>477,549,744,510</b>
201	Profit after tax attributable to the Parent Company's owners		304,323,984,153	286,555,021,887	598,943,392,060	478,361,532,492
202	Profit after tax attributable to reserves					
203	Profit after tax attributable to non-controlling interest		(621,875,614)	(483,094,304)	(1,278,016,606)	(811,787,982)

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED INCOME STATEMENT (continued)  
for the three-month period ended 30 June 2017

Code	ITEMS	Notes	2 <sup>nd</sup> Quarter		Accumulated	
			Current year VND	Previous year (restated) VND	Current year VND	Previous year (restated) VND
300	<b>XII. OTHER COMPREHENSIVE INCOME AFTER TAX</b>					
301	1. Gain from revaluation of AFS financial assets	39	95,861,188,606	82,090,236,237	340,998,046,562	2,967,257,196
400	<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		399,563,297,145	368,162,163,820	938,663,422,016	480,517,001,706
401	Other comprehensive income attributable to the Parent Company's owners					
402	Other comprehensive income attributable to non-controlling interest					
500	<b>XIII. NET INCOME APPROPRIATED TO ORDINARY SHAREHOLDERS</b>					
501	Earnings per share (VND/share)					

  
Ms. Nguyen Thi Hai Anh  
Prepared by  
Ho Chi Minh City, Vietnam  
28 July 2017

  
Ms. Hoang Thi Minh Thuy  
Chief Accountant

  
Mr. Nguyen Hong Nam  
Deputy Chief Executive Officer



2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED CASH FLOW STATEMENT  
for the six-month period ended 30 June 2017

Code	ITEMS	Notes	Accumulated	
			Current year VND	Previous year (restated) VND
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	1. Profit before tax		<b>734,958,535,847</b>	<b>575,958,601,894</b>
02	2. Adjustments for:		<b>(295,310,935,982)</b>	<b>(288,697,811,649)</b>
03	Depreciation and amortization expense		9,470,833,011	9,519,681,920
04	Provisions		(147,407,618)	1,365,606,139
05	(Gain)/Loss from changes in unrealised foreign exchange rate		441,290,256	-
06	Interest expenses		152,340,376,086	123,716,590,027
07	Gain from investment activities		(203,516,594,932)	(132,945,094,581)
08	Accrued interest income		(253,805,985,986)	(289,061,831,674)
09	Other adjustments		(93,446,799)	(1,292,763,480)
10	3. Increase in non-monetary expenses		<b>98,785,279,394</b>	<b>158,546,773,945</b>
11	Loss from revaluation of financial assets at FVTPL		108,257,624,921	127,320,137,325
13	Loss from impairment of loans		(10,940,429,858)	31,150,434,842
14	Loss from revaluation of AFS financial assets arising from reclassification		1,468,084,331	76,201,778
18	4. Decrease in non-monetary income		<b>(292,115,975,267)</b>	<b>(297,603,384,778)</b>
19	Gain from revaluation of financial assets at FVTPL		(210,462,531,993)	(204,130,085,908)
20	Gain from revaluation of AFS financial assets arising from reclassification		(81,653,443,274)	(93,473,298,870)
30	<b>Operating profit before changes in working capital</b>		<b>246,316,903,992</b>	<b>148,204,179,413</b>
31	Increase/ (decrease) in financial assets at FVTPL		155,884,730,499	124,117,854,953
32	Increase/ (decrease) in HTM investments		412,570,476,084	242,979,571,135
33	Increase/ (decrease) in loans		(416,537,405,481)	(749,663,429,875)
34	Increase/ (decrease) in AFS financial assets		29,440,322,404	174,058,050,408
35	(Increase)/ decrease in receivables from disposal of financial assets		47,601,715,600	(165,361,634,600)
37	(Increase)/decrease in receivables from services provided by the Company		1,721,501,103	298,168,510
39	(Increase)/ decrease in other receivables		(3,636,802,760)	583,002,036
40	Increase/ (decrease) in other assets		(76,700,735,981)	(6,421,306,533)
41	Increase/ (decrease) in payable expenses (excluding interest expenses)		7,620,364,486	(605,673,184)
42	Increase/ (decrease) prepaid expenses		(11,345,899,553)	(7,786,170,904)
43	Current income tax paid		(113,706,832,129)	(103,043,540,293)
44	Interest expenses paid		(151,276,922,762)	(149,573,750,749)
45	Increase/ (decrease) in trade payables		(5,170,958,304)	(4,077,581,400)
46	Increase/(decrease) in employees benefits		(156,768,000)	2,990,600
47	Increase/(decrease) in statutory obligations		4,153,500,893	(2,937,646,202)
48	Increase/ (decrease) in payables to employees		(257,272,462)	(353,390,909)
50	Increase/ (decrease) in other payables		81,333,511,412	(371,351,650,696)
51	Other receipts from operating activities		253,885,874,686	299,155,115,791
	- Interest received		253,769,132,986	285,399,684,791
	- Other receipts		116,741,700	13,755,431,000
52	Other payments for operating activities		(25,098,068,665)	(37,652,651,760)
60	<b>Net cash flows from/(used in) operating activities</b>		<b>436,641,235,063</b>	<b>(609,429,494,260)</b>

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF CASH FLOWS (continued)  
for the six-month period ended 30 June 2017

Code	ITEMS	Notes	Accumulated	
			Current year VND	Previous year (restated) VND
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
61	Purchase and construction of fixed assets, investment properties and other long-term assets		(16,821,385,371)	(5,245,907,885)
62	Proceeds from disposal and sale of fixed assets, investment properties and other long-term assets		-	-
63	Cash payments for investment in subsidiaries, associates, joint ventures and other investments		(3,127,000,000,000)	(2,168,505,600,000)
64	Cash receipt from capital withdrawal from subsidiaries, associates, joint ventures and other investments		1,690,100,000,000	1,175,100,000,000
65	Dividends from long-term investments received		171,802,563,750	100,134,583,094
<b>70</b>	<b>Net cash flow used in investing activities</b>		<b>(1,281,918,821,621)</b>	<b>(898,516,924,791)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
71	Cash receipt from issuance of shares, or capital contributed by shareholders		397,000,000	-
72	Repayment of capital contributed by shareholders, repurchase of issued shares		-	(240,955,500)
73	Drawdown of borrowings		20,517,213,503,712	17,173,827,872,147
73.2	- Other borrowings		20,517,213,503,712	17,173,827,872,147
74	Repayment of borrowings		(19,159,269,613,915)	(15,791,928,792,831)
74.3	- Other borrowings		(19,159,269,613,915)	(15,791,928,792,831)
76	Dividends, profit distributed to shareholders		(393,320,000)	(88,245,000)
<b>80</b>	<b>Net cash flow from financing activities</b>		<b>1,357,947,569,797</b>	<b>1,381,569,878,816</b>

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF CASH FLOWS (continued)  
for the six-month period ended 30 June 2017

Code	ITEMS	Notes	Accumulated	
			Current year VND	Previous year (restated) VND
90	NET DECREASE IN CASH DURING THE PERIOD		512,669,983,239	(126,376,540,235)
101	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	5	308,564,964,313	746,360,295,275
101.1	Cash		198,889,751,419	505,442,808,091
101.2	Cash equivalents		107,413,029,168	235,000,000,000
102	Foreign exchange rate differences		2,262,183,726	5,917,487,184
103	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	821,234,947,551	619,983,755,040
103.1	Cash		489,868,225,236	445,116,043,520
103.2	Cash equivalents		331,223,642,251	176,160,474,999
104	Foreign exchange rate differences		143,080,064	(1,292,763,479)

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF CASH FLOWS (continued)  
for the six-month period ended 30 June 2017

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

Code	ITEMS	Notes	Accumulated	
			Current year VND	Previous year VND
	<b>I. Cash flows from brokerage and trust activities of the customers</b>			
01	1. Cash receipts from disposal of brokerage securities of customers		65,773,271,649,464	36,495,057,265,655
02	2. Cash payments for acquisition of brokerage securities of customers		(65,128,053,795,539)	(39,980,782,754,487)
07	3. Cash receipts for settlement of securities transactions of customers		900,849,424,214	4,714,012,340,563
09	4. Cash payments for custodian fees of customers		(5,426,247,732)	(5,787,810,086)
12	5. Cash receipt from securities issuers		833,921,375,000	68,936,767,200
13	6. Cash payment to securities issuers		(1,096,617,818,036)	(868,933,959,211)
<b>20</b>	<b>Net increase in cash during the period</b>		<b>1,277,944,587,371</b>	<b>422,501,849,634</b>
<b>30</b>	<b>II. Cash and cash equivalents of customers at the beginning of the year</b>		<b>1,630,987,771,952</b>	<b>1,244,049,806,891</b>
31	Cash at banks at the beginning of the year:		1,630,987,771,952	1,244,049,806,891
32	- Investors' deposits managed by the Company for securities trading activities		1,616,354,145,533	1,239,463,316,338
33	- Investors' synthesizing deposits for securities trading activities		5,034,657,285	2,192,903,193
35	- Deposits of securities issuers		9,598,969,134	2,393,587,360

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF CASH FLOWS (continued)  
for the six-month period ended 30 June 2017

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

Code	ITEMS	Notes	Accumulated	
			Current year VND	Previous year VND
40	III. Cash and cash equivalents of the customers at the end of the period (40 = 20 + 30)		2,908,932,359,323	1,666,551,656,525
41	Cash at banks at the end of the period:		2,908,932,359,323	1,666,551,656,525
42	- Investors' deposits managed by the Company for securities trading activities		2,885,789,316,948	1,629,458,252,656
43	- Investors' synthesizing deposits for securities trading activities		7,498,303,391	10,471,222,400
45	- Deposits of securities issuers		15,644,738,984	26,622,181,469

  
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Ms. Hoang Thi Minh Thuy  
Chief Accountant

  
Mr. Nguyen Hong Nam  
Deputy Chief Executive Officer

Ho Chi Minh City, Vietnam

28 July 2017

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY  
for the six-month period ended 30 June 2017

ITEMS	Notes	Beginning balance (restated)		Increase/(decrease)				Ending balance	
		01/01/2016	01/01/2017	Previous year		Current year		30/06/2016	30/06/2017
		VND	VND	Increase	Decrease	Increase	Decrease	VND	VND
		1	2	3	4	5	6	7	8
<b>I. CHANGES IN OWNERS' EQUITY</b>									
1. Share capital		4,825,142,703,161	4,927,409,917,200	(240,955,500)	(4,002,070,842)	221,905,501	175,094,499	4,820,899,676,819	4,927,806,917,200
1.1. Ordinary share	28.2	4,800,636,840,000	4,900,636,840,000	-	-	-	-	4,800,636,840,000	4,900,636,840,000
1.2. Share premium		29,285,860,000	29,265,860,000	-	-	221,905,501	(34,000,000)	29,285,860,000	29,453,765,501
1.3. Other capital		(4,609,514,439)	-	-	(4,002,070,842)	-	-	(8,611,585,281)	-
1.4. Treasury share		(170,482,400)	(2,492,782,800)	(240,955,500)	-	-	209,094,499	(411,437,900)	(2,283,688,301)
2. Charter capital supplementary reserve		268,076,952,217	311,560,605,893	43,483,653,676	-	43,851,792,903	-	311,560,605,893	355,412,398,796
3. Operational risk and financial reserve		183,569,357,533	227,053,011,209	43,483,653,676	-	43,851,792,903	-	227,053,011,209	270,904,804,112
4. Difference from revaluation of financial assets at fair value		646,562,943,060	652,792,875,374	291,487,186,000	(288,519,928,806)	456,537,105,559	(115,539,058,997)	649,530,200,254	993,790,921,936
5. Foreign exchange rate differences		31,013,180,718	34,056,420,954	-	(4,398,051,068)	-	(324,535,427)	26,615,129,650	33,731,885,527
6. Undistributed profit		1,370,885,005,982	1,674,837,853,150	605,681,669,818	(277,812,744,539)	727,080,455,770	(257,795,011,050)	1,698,753,931,261	2,144,123,297,870
6.1. Realized profit	28.1	1,528,039,483,892	1,727,170,255,230	415,055,837,354	(150,492,607,214)	525,931,899,261	(149,096,095,871)	1,792,602,714,032	2,104,006,058,620
6.2. Unrealized profit	28.1	(157,154,477,910)	(52,332,402,080)	190,625,832,464	(127,320,137,325)	201,148,556,508	(108,698,915,179)	(93,848,782,772)	40,117,239,250
7. Non-controlling interest		81,140,362,365	79,101,184,212	-	(811,787,982)	-	(1,278,016,607)	80,328,574,383	77,823,167,605
<b>TOTAL</b>		<b>7,406,390,505,036</b>	<b>7,906,811,867,992</b>	<b>983,895,207,670</b>	<b>(575,544,583,237)</b>	<b>1,271,543,052,636</b>	<b>(374,761,527,582)</b>	<b>7,814,741,129,469</b>	<b>8,803,593,393,046</b>

2<sup>nd</sup> QUARTER OF 2017 CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (continued)  
for the six-month period ended 30 June 2017

Items	Notes	Beginning balance (restated)		Increase/(Decrease)				Ending balance	
		01/01/2016	01/01/2017	Previous year		Current year		30/06/2016	30/06/2017
				Increase	Decrease	Increase	Decrease		
		VND	VND	VND	VND	VND	VND	VND	VND
A	B	1	2	3	4	5	6	7	8
II. OTHER COMPREHENSIVE INCOME									
Gain/(loss) from revaluation of AFS financial assets	40	646,562,943,060	652,792,875,374	291,487,186,000	(288,519,928,806)	456,537,105,559	(115,539,058,997)	649,530,200,254	993,790,921,936
<b>TOTAL</b>		<b>646,562,943,060</b>	<b>652,792,875,374</b>	<b>291,487,186,000</b>	<b>(288,519,928,806)</b>	<b>456,537,105,559</b>	<b>(115,539,058,997)</b>	<b>649,530,200,254</b>	<b>993,790,921,936</b>



Ms. Nguyen Thi Hai Anh  
Prepared by



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Mr. Nguyen Hong Nam  
Deputy Chief Executive Officer

Ho Chi Minh City, Vietnam

28 July 2017

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

## 1. CORPORATE INFORMATION

Saigon Securities Incorporation (“the Company”) is a joint stock company established under the Corporate Law of Vietnam, Operating License No. 3041/GP-UB dated 27 December 1999 issued by Ho Chi Minh City People’s Committee and the first Business Registration No. 056679 dated 30 December 1999 issued by Ho Chi Minh City Department of Planning and Investment. The Company operates under Securities Trading License No. 03/GPHDKD issued by the State Securities Commission on 5 April 2000 and subsequent amended licenses.

The Company’s initial charter capital was VND 6,000,000,000. The charter capital has been supplemented from time to time in accordance with amended licenses. As at 30 June 2017, in accordance with the latest Amended License No. 02/GPDC-UBCK granted by the Chairman of State Securities Commission, which has been effective since 12 January 2017, the Company’s total charter capital was VND 4,900,636,840,000.

The Company’s primary activities are to provide brokerage service, securities trading, underwriting for securities issues, custodian service, finance and investment advisory service, margin lending services and derivative service. The Company’s Head Office is located at 72 Nguyen Hue Boulevard, District 1, Ho Chi Minh City, Vietnam. As at 30 June 2017, the Company has branches located in Ho Chi Minh City, Hanoi, Hai Phong, Vung Tau and Nha Trang, and transaction offices located in Ho Chi Minh City and Hanoi.

The number of the Company’s employees as at 30 June 2017 was 777 persons (31 December 2016: 720 persons).

### ***Company’s operation***

#### *Capital*

As at 30 June 2017, total charter capital of the Company is VND 4,900,636,840,000 owners’ equity including non-controlling interests is VND 8,803,593,393,046, total assets is VND 16,390,420,672,126.

#### *Investment objectives*

As the biggest listed securities company in Vietnam stock market, the Company’s principal activities are to provide brokerage service, securities trading, finance and investment advisory service, custodian service and underwriting for securities issues. The Company’s goals are to become a partner with clients, to focus all resource and initiatives to bring success to all stakeholders.

#### *Investment restrictions*

The Company is required to comply with Article 44 under Circular No. 210/2012/TT-BTC dated 30 November 2012 providing guidance on establishment and operation of securities companies, Circular No. 07/2016/TT-BTC dated 18 January 2016 amended some articles of Circular No. 210/2012/TT-BTC and other applicable regulations on investment restrictions. The current applicable practices on investment restrictions are as follows:

- ▶ Securities company is not allowed to purchase, contribute capital to invest in real-estate assets except for the purpose of use for head office, branches, and transaction offices directly serving professional business activities of the securities company.
- ▶ Securities company may invest in real-estate investment and fixed assets on the principle that the carrying value of the fixed assets and real-estate investment should not exceed fifty percent (50%) of the total value of assets of the securities company.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

- ▶ Securities company is not allowed to use more than seventy percent (70%) of its owners' equity to invest in corporate bonds. Securities company, licensed to engage in self-trading activity, is allowed to trade listed bonds in accordance with relevant regulation on trading Government bonds.
- ▶ Securities company must not by itself, or authorize another organization or individuals to: Invest in shares or contribute capital to companies that owned more than fifty percent (50%) of the charter capital of the securities company, except for purchasing of odd lots at the request of customers; Make joint investment with an affiliated person of five percent (5%) or more in the charter capital of another securities company; Invest more than twenty percent (20%) in the total currently circulating shares or fund certificates of a listing organization; Invest more than fifteen percent (15%) in the total currently circulating shares or fund certificates of an unlisted organization, this provision shall not apply to member fund certificates; Invest or contribute capital of more than ten percent (10%) in the total paid-up capital of a limited liability company or of a business project; Invest more than fifteen percent (15%) of its owners' equity in a single organization or of a business project; Invest more than seventy percent (70%) of its total equity in shares, capital contribution and a business project, specifically invest more than twenty percent (20%) of its total owners' equity in unlisted shares, capital contribution and a business project.
- ▶ Securities company is allowed to establish or purchase an asset management company as a subsidiary. In that case, securities company is not required to follow the above restrictions.

#### **Subsidiaries**

As at 30 June 2017, the Company had two (02) directly owned subsidiaries as follows:

<i>Company name</i>	<i>Established under</i>	<i>Business sector</i>	<i>Charter capital</i>	<i>% holding</i>
SSI Asset Management Company Ltd. (SSIAM)	Operating License No.19/UBCK- GP dated 03 August 2007	Investment fund management and investment portfolio management	VND30 billion	100%
SSI Investment Member Fund (SSI IMF)	Approval Letter of Member Fund Foundation No.130/TB-UBCK dated 27 July 2010	Investments in securities and other investible assets, including real estates	VND390 billion	80%

In addition, as at 30 June 2017, the Company had one (01) indirectly owned subsidiary named SSI International Corporation.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

### Associates

As at 30 June 2017, the Company had three (03) indirectly owned associates presented on the consolidated financial statements as follows:

<u>Name</u>	<u>Business establishment</u>	<u>Sector</u>	<u>Charter capital (VND)</u>
The Pan Group (PAN)	Business Registration No. 0301472704 dated 23 March 2016 issued by Ho Chi Minh City Department of Planning and Investment (13 <sup>th</sup> amended license). At the initial stage, the company operated under Business Registration No. 4103003790 dated 31 August 2005.  The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.	Cultivation, farming; Livestock services; Post-harvest services; Cultivation services activities; House cleaning services; Investment advisory services (except for financial advisory); Management advisory services (except for finance, economics and law); Market research services.	1,023,724,970,000
Vietnam Fumigation Joint Stock Company (VFG)	Vietnam Fumigation Joint Stock Company is transformed from a State - owned enterprise, so called Vietnam Fumigation Company under Ministry of Agriculture and Rural Development, in accordance with Decision No. 70/QD-TTG dated 3 May 2001 issued by Prime Minister of the Socialist Republic of Vietnam.  The company operates under the first Business Registration No. 0302327629 dated 31 December 2001 issued by Ho Chi Minh City Department of Planning and Investment and the 23 <sup>th</sup> amended license dated 11 September 2015.  The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.	Production, processing, carton boxes, packaging; plant protection products and fumigating materials; Rendering of fumigating services, eradication of harmful animals for agricultural and forestry products, and other materials; Trading of pesticide, plant protection materials, fumigation materials; Trading of materials and chemicals for agricultural production (except for toxic substances); Fertilizer wholesale; Handling, maintenance, sanitation in factories, warehouses, offices services; Anti - termite service; Anti-termite service for construction works; Renting office, warehouse; Goods inspection; Caring service for agricultural products; Wholesale corn and other grains.	237,701,890,000

## Saigon Securities Incorporation

B05-CTCK/HN

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

<i>Name</i>	<i>Business establishment</i>	<i>Sector</i>	<i>Charter capital (VND)</i>
Dong Nai Port Joint Stock Company	<p>The company was initially a State-owned enterprise, so called Dong Nai Port Company under Dong Nai Department of Transport, privatised under Decision No. 3004 dated 24 August 2015 issued by People's Committee of Dong Nai Province.</p> <p>The company operates under the first Business Registration No. 4703000301 dated 4 January 2006 and subsequent amended Business Registration No. 3600334112 dated 27 December 2009, 27 December 2010 and 19 March 2016 issued by Dong Nai Department of Planning and Investment.</p> <p>The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.</p>	Warehouses and wharf services; Loading and unloading, transportation of goods in and out of the port; Loading and unloading equipment and vehicles repairs services; Agents and maritime services; Fuel supply services; Building materials trading; Entertainment services for ship's crews; Infrastructure and real estate investment and business.	123,479,870,000

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

## **2. BASIS OF PRESENTATION**

### **2.1 *Applied accounting standards and system***

The consolidated financial statements of the Company are prepared and presented in accordance with Vietnamese Enterprise Accounting System, the accounting regulation and guidance applicable to securities companies as set out in Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular No. 334/2016/TT-BTC dated 27 December 2016 amending, supplementing and replacing Appendices No. 02 and No. 04 of Circular No. 210/2014/TT-BTC, Circular No. 146/2014/TT-BTC dated 6 October 2014 providing guidance on financial regime applicable to securities companies and asset management companies and other Vietnamese Accounting Standards promulgated by the Ministry of Finance as per:

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

### **2.2 *Basis of consolidation***

The consolidated financial statements comprise the financial statements of Saigon Securities Incorporation (the parent company) and its subsidiaries as at 30 June 2017.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the parent company obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the parent company and subsidiaries are prepared for the same reporting period using the consistent accounting policies.

All intra-company balances, incomes and expenses, and unrealized gains or losses resulting from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries which are not held by the Company, and are presented separately in the consolidated income statement and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

### **2.3 *Registered accounting documentation system***

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

### **2.4 *Fiscal year***

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

The Company also prepares its interim financial statements for the six-month period from 1 January to 30 June and its quarterly financial statements for the three-month periods ended 31 March, 30 June, 30 September and 31 December each year.

### **2.5 *Accounting currency***

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

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

### 3. STATEMENT ON COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEMS

Management confirms that the Company has complied with Vietnamese Accounting Standards and Vietnamese Enterprise Accounting Systems in preparing the consolidated financial statements.

Accordingly, the accompanying 2<sup>nd</sup> Quarter of 2017 consolidated income statement, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in owners' equity and notes to the 2<sup>nd</sup> Quarter of 2017 consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 Changes in accounting policies and disclosures

On 20 November 2015, the National Assembly of Vietnam passed the Law on Accounting No. 88/2015/QH13 ("the new Accounting Law"). The new Accounting Law extends its governing scope to electronic accounting documents and allows the application of fair value basis for some types of assets and liabilities whose value frequently varies in line with market fluctuation, provided that the fair value of these assets and liabilities can be reliably determined. The new Accounting Law takes effect from 1 January 2017. Whereby, The Company has restated the comparative figures of previous period (compliance with fair value to financial assets) in accordance with requirements of Circular 210 and Circular 334, in detail:

Code	Items on consolidated balance sheet	Reported	Restated
112	Financial assets at fair value through profit and loss (FVTPL)	1,425,667,503,090	1,549,046,274,503
115	Available-for-sale (AFS) financial assets	959,826,110,723	1,615,308,476,240
356	Deferred income tax payable	57,285,850	24,673,711,470
412	Difference from revaluation of assets at fair value	(2,689,490,143)	652,792,875,374
417.2	Undistributed profit (unrealized)	(151,094,747,873)	(52,332,402,080)

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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Code	Items on consolidated income statement	Reported		Restated	
		2 <sup>nd</sup> Quarter of 2016	Accumulated	2 <sup>nd</sup> Quarter of 2016	Accumulated
01.1	Gain from disposal of financial assets at FVTPL	170,094,540,475	208,648,677,779	108,228,675,413	128,948,162,438
01.2	Gain from revaluation of financial assets at FVTPL	63,308,535,040	74,707,287,689	119,669,112,776	204,130,085,908
04	Gain from available-for-sale (AFS) financial assets	48,331,795,697	57,910,221,478	123,970,054,288	151,383,520,348
21.1	Loss from disposal of financial assets at FVTPL	2,203,256,978	3,154,475,937	15,975,650,507	16,927,259,466
21.2	Loss from revaluation of financial assets at FVTPL	17,880,261,303	64,992,606,328	69,871,960,508	127,320,137,325
24	Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	25,996,707,859	32,516,040,981	24,631,101,720	31,150,434,842
27	Expenses for brokerage services	81,165,783,312	144,794,603,689	77,463,334,236	138,009,779,704
29	Expenses for securities investment advisory services	3,391,591,956	3,889,324,892	3,702,449,076	6,784,823,985
31	Expenses for financial advisory services	1,330,034,568	11,106,244,095	4,721,626,524	14,995,568,987
32	Other operating expenses	15,138,576,927	27,661,436,962	16,504,183,066	29,027,043,101
92	Profit before tax (Unrealized profit)	45,428,273,737	9,714,681,361	49,797,152,268	76,809,948,582
100.2	Deferred CIT (income)/expense	(5,842,184,984)	(7,579,431,837)	(4,989,709,278)	5,924,821,607
200	Profit after tax	282,555,524,758	423,958,730,733	286,071,927,583	477,549,744,510
201	Profit after tax attributable to the Parent Company's owners	283,038,619,062	424,770,518,715	286,555,021,887	478,361,532,492
301	Gain/ (Loss) from revaluation of AFS financial assets	304,983,000	107,600,288	82,090,236,237	2,967,257,196

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

Code	Items on consolidated cash flow statement	Reported	Restated
1	Profit before tax	508,863,334,673	575,958,601,894
2	Adjustments for	(288,010,721,353)	(288,697,811,649)
10	Increase in non-monetary expenses	96,219,242,948	158,546,773,945
11	Loss from revaluation of financial assets at FVTPL	64,992,606,328	127,320,137,325
18	Decrease in non-monetary income	(76,000,051,169)	(297,603,384,778)
19	Gain from revaluation of financial assets at FVTPL	(74,707,287,689)	(204,130,085,908)
20	Gain from revaluation of AFS financial assets arising from reclassification	-	(93,473,298,870)
30	Operating profit before changes in working capital	241,071,805,099	148,204,179,413
31	(Increase)/ decrease in financial assets at FVTPL	30,644,556,083	124,117,854,953
40	(Increase)/ decrease in other assets	(14,207,477,437)	(6,421,306,533)
42	Increase prepaid expenses		(7,786,170,904)

#### 4.2 Cash and cash equivalents

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

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

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

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

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

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

The decrease in difference arising from revaluation of FVTPL financial assets at fair value/market value in comparison with previous is recognized into the consolidated income statement under "Loss from revaluation of financial assets at FVTPL". The increase in

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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difference arising from revaluation at fair value/market value in comparison with previous is recognized into the consolidated income statement under "Gain from revaluation of financial assets at FVTPL".

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

#### **4.4 Held-to-maturity investments (HTM)**

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

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

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

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

The effective interest rate method is a method of calculating the cost allocation on interest income or interest expense in the period of a financial asset or a group of HTM investments.

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

HTM investments are subject to an assessment of impairment at the consolidated financial statements date. Provision is made for an HTM investment when there is any objective evidence that the investment is unrecoverable or there is uncertainty of recoverability, resulting from one or more events that have occurred after the initial recognition of the investment and that event has an impact on the estimated future cash flows of the investment that can be reliably estimated. Evidence of impairment may include a drop in the fair value/market value of the investment, indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. When there is any evidence of impairment, provision for an HTM investment is determined as the negative difference between its fair value and amortized cost at the assessment date. Any increase/decrease in the balance of provision is recognized in the income statement under "Provision expense for diminution in value and impairment of financial assets and doubtful receivables, and borrowing costs of loans".

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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#### 4.5 Loans

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

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

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

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

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

#### 4.6 Available-for-sale (AFS)

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

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

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

Any increase or decrease in the negative difference arising from the revaluation of AFS financial assets at fair value/market value in comparison with previous is recognized under "Gain/(loss) from revaluation of AFS financial assets" in "Other comprehensive income after tax" which is a part of the consolidated income statement.

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

- ▶ Where an equity instrument is classified as available-for-sale, evidence of impairment includes a significant or prolonged decline in the fair value of the investment below its original cost. 'Significant' is to be evaluated against the original cost of the asset and 'prolonged' indicates the period in which the fair value has been below its original cost. When any evidence of impairment exists, provision is determined as the difference between the AFS asset's cost and fair value at the assessment date.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

- ▶ Where a debt instrument is classified as available-for-sale, the assessment of impairment is conducted using the same criteria as those applied for HTM investments. When there is any evidence of impairment, provision for an AFS asset is determined as the negative difference between its fair value and amortized cost at the assessment date.

#### **4.7 Fair value/market value of financial assets**

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

- ▶ For securities listed on Hanoi Stock Exchange and Ho Chi Minh City Stock Exchange, their market prices are their closing prices on the trading day preceding the date of setting up the provision.
- ▶ For securities registered for trading on UPCOM, their market prices are their average closing prices on the trading day preceding the date of setting up the provision.
- ▶ For the delisted securities and suspended trading securities from the sixth day afterward, their prices are the book value at the latest financial report date.
- ▶ The market price for unlisted securities and securities unregistered for trading used as a basis for setting up the provision is the average of actual trading prices quoted by 3 securities companies conducting transactions at the latest date preceding the revaluation date.

For provision making purpose, fair value is the market price of the securities at the latest trading date which must be within one month to the date of provision making.

For securities which do not have reference price from the above sources, the impairment is determined based on the financial performance and the book value of securities issuers as at the assessment date.

#### **4.8 Derecognition of financial assets**

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

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

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

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

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

#### 4.9 **Reclassification of financial assets**

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

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

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

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

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

#### 4.10 **Investments in associates**

An associate is an entity in which the Company has significant influence but that is neither subsidiaries nor joint ventures. The Company generally deems they have significant influence if they have over 20% of the voting rights.

The Company's investments in associates are accounted for using the equity method of accounting.

Under the equity method, the investment is initially carried in the consolidated statement of financial position at cost. In term of the acquisition, the difference between cost of the investment and the determinable net asset fair value in correspondence with the Company's shares in associate at the acquisition date is defined as goodwill. Negative goodwill is recognized in "Other investment revenue (share of profits/ (loss) in associates)" of the consolidated income statement. Positive goodwill will be reflected in the value of investment in associate of the consolidated statement of position.

When determining the determinable fair value of net assets in associates, the Company applies principles and suppositions as follows:

- ▶ Fair value of cash and short term deposit, payables to suppliers and other short term liabilities approximates their carrying value due to their short term;
- ▶ Fair value of receivables is determined based on estimation of recoverability, therefore, the Company estimates fair value at the cost less provisions for receivables;
- ▶ Fair value of financial investments is determined at market prices;
- ▶ Fair value of fixed assets approximates their cost less accumulated depreciation
- ▶ Fair value of the qualification in the auditors' report in the audited financial statements of associates is determined as zero (0); and
- ▶ Fair value of other immaterial assets and debts is determined as their carrying value.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

After the initial recognition, the investment is adjusted to changes of the Company's share in associates' post-acquisition net assets. The consolidated income statement reflects the share of the post-acquisition results of operation of the associates. Changes in net asset value of associates, including changes arisen from revaluation of fixed assets and investments, foreign exchange differences and differences arisen from consolidation of associates are not reflected in the consolidated income statement, but recognized directly in "Undistributed profit" in the consolidated statement of financial position.

The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend receivable from associates is deducted from the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period as the Company, using the same accounting policies. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

#### 4.11 *Recognition of mortgaged financial assets*

During the period, the Company had mortgaged/pledged financial assets which are used as collaterals for financial obligations of the Company.

According to the terms and conditions of the mortgage/pledge contracts, during the valid period of the contracts, the Company is not allowed to sell, transfer or use the mortgaged/pledged assets under repurchase or swap contracts with any other third party.

In case the Company is unable to fulfil its obligations, the mortgagee/pledgee is allowed to use the mortgaged/pledged assets to settle the obligations of the Company after a period specified in the mortgage/pledge contracts, since the obligations due date.

The mortgaged/pledged assets are monitored in the Company's consolidated statement of financial position in accordance with accounting principles relevant to the assets' classification.

#### 4.12 *Receivables*

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

Receivables are subject to review for impairment based on their overdue status or estimated loss arising from undue debts of corporate debtors who have bankruptcy or are under liquidation; or of individual debtors who are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased. Increases or decreases to the provision balance are recorded as "Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans" in the consolidated income statement.

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

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

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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#### **4.13 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

#### **4.14 Intangible fixed assets**

Intangible assets are stated at cost less accumulated amortization.

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

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

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

#### **4.15 Depreciation and amortisation**

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

Buildings and architectures	6 years
Office machineries	3 years
Means of transportation	6 years
Office equipment	3 - 5 years
Software	3 years
Land use rights with indefinite life	not amortised
Other intangible fixed assets	2 years

#### **4.16 Investment properties**

Investment properties are stated at cost, inclusive of related transaction fees less accumulated depreciation.

Subsequent expenditure relating to an investment property that has already been recognized is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Company.

Depreciation and amortisation of the property is calculated on a straight-line basis over the estimated useful life of each asset. The depreciation period is 27.5 years.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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#### **4.17 Operating lease**

Whether an agreement is determined as a property lease agreement depends on the nature of the agreement at the beginning: whether the implementation of the agreement depends on the use of a certain asset and whether the agreement includes clauses on the use rights of the asset.

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

#### **4.18 Prepaid expenses**

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

The following types of expenses are recorded as prepaid expenses and are amortised over the period from one (1) year to three (3) years to the income statement:

- ▶ Office renovation expenses;
- ▶ Office rental expenses; and
- ▶ Office tools and consumables

#### **4.19 Repurchase agreements**

Securities sold under the agreements to be repurchased at a specified future date ("repos") are not derecognized from the statement of financial position. The corresponding cash received is recognized in the statement of financial position as a liability. The difference between the sale price and repurchase price is treated as interest expense and is accrued in the income statement over the life of the agreement using the straight-line method.

#### **4.20 Borrowings and bonds issuance**

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

#### **4.21 Payables and accrued expenses**

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

#### **4.22 Employee benefits**

##### **4.22.1 Post-employment benefits**

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

##### **4.22.2 Severance pay**

The severances pay to employee are recognized to the income statement at the time of the transaction affects.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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The severance pay will be used to perform payment to employee when terminating labour contract in accordance with the Labour Code.

#### 4.22.3 *Unemployment allowance*

According to prevailing regulations, the Company is required to pay the unemployment insurance at 1% of salary fund of employees who engage in the unemployment insurance program and to deduct 1% from each employer's basic salary to contribute to the Unemployment Insurance Fund.

#### 4.23 *Foreign currency transactions*

Transactions in currencies other than the Company's reporting currency of VND are recorded at the actual transaction exchange rates of commercial banks at transaction dates. At the end of the period, monetary balances denominated in foreign currencies are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly.
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred during the period and arisen from the revaluation of monetary accounts denominated in foreign currencies at the end of the period are taken to the consolidated income statement.

#### 4.24 *Treasury shares*

Equity instruments issued by the Company which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the income statement upon purchase, sale, issue or cancellation of the Company's own equity instruments.

#### 4.25 *Conversion of subsidiaries' financial statements into parent company's accounting currency*

Subsidiaries' financial statements which are prepared in the foreign currency that is different from the Parent Company's accounting currency are converted into the Parent Company's accounting currency for consolidation purpose. Actual transaction exchange rates used for converting subsidiaries' financial statements are determined as follows:

- ▶ For assets, the exchange rate used for translation is the banking buying rate at the reporting date;
- ▶ For liabilities, the exchange rate for translation is the banking selling rate at the reporting date.
- ▶ If the gap between the banking buying rate and banking selling rate does not exceed 0.2%, the Company is allowed to apply the average exchange rate.
- ▶ All items on the income statement and cash flow statement are converted using the actual exchange rate at the time of the transaction. Average exchange rate is allowed to be applied if it approximates the actual exchange rate at the time of the transaction (the difference is 2% or less). If the gap between the exchange rate at the beginning of the period and at the end of the period is higher than 20%, the Company shall apply the exchange rate at the end of the period.

Foreign exchange rate difference arising from the translation of subsidiary's financial statements is accumulatively reflected in "Foreign exchange rate difference" item of the Owners' Equity section of the consolidated financial statements.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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#### 4.26 *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of receipts or receivables less trade discount, concessions and sales return. The following specific recognition criteria must also be met before revenue is recognised:

##### *Revenue from brokerage services*

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

##### *Revenue from trading of securities*

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

##### *Other income*

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

##### *Interest income*

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

##### *Dividends*

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

##### *Properties leasing revenue*

Properties leasing revenue is recognized into operational result on a straight-line basis over the leasing contract life.

##### *Other revenues from rendering services*

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

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

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

**4.27 Borrowing costs**

Borrowing costs include accrued interest and other expenses which are directly attributable to the Company's borrowings and bonds issued.

**4.28 Cost of securities sold**

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

**4.29 Corporate income tax**

*Current income tax*

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

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

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

*Deferred income tax*

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

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

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

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

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

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

#### 4.30 *Owners' equity*

##### *Contributed capital from shareholders*

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

##### *Undistributed profit*

Undistributed profit comprises of realised and unrealised undistributed profit.

- ▶ Unrealised profit of the period is the difference between gain and loss arisen from revaluation of financial assets at FVTPL or other financial assets through profit and loss in the consolidated income statement and deferred corporate income tax payables arise from increase in revaluation of FVTPL financial assets.
- ▶ Realised profit during the period is the net difference between total revenue and income, and total expenses in the income statement of the Company, except for gain or loss arisen from revaluation of financial assets recognized in unrealised profit.

##### *Reserves*

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

	<u>Percentage of profit after tax</u>	<u>Maximum balance</u>
Charter Capital Supplementary Reserve	5%	10% of charter capital
Operational risk and finance Reserve	5%	10% of charter capital

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

#### 4.31 *Appropriation of net profits*

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

#### 4.32 *Nil balances*

Items or balances required by Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular 334/2016/TT-BTC dated 27 December 2016 and Circular No. 146/2014/TT-BTC dated 6 October 2014 issued by the Ministry of Finance that are not shown in these financial statements indicate nil balance.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

5. CASH AND CASH EQUIVALENTS

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
<b>Cash</b>	<b>490,011,305,300</b>	<b>201,151,935,146</b>
Cash on hand	119,749,677	286,126,343
Cash at banks for the operation of the Company	489,891,555,623	200,865,808,803
<b>Cash equivalents</b>	<b>331,223,642,251</b>	<b>107,413,029,168</b>
<b>Total</b>	<b>821,234,947,551</b>	<b>308,564,964,314</b>

6. VALUE AND VOLUME OF TRADING DURING THE PERIOD

	<i>Volume of trading during Q2/2017 (Unit)</i>	<i>Value of trading during Q2/2017 (VND)</i>
a. The Company	<b>55,833,389</b>	<b>5,848,091,802,900</b>
- Shares	5,293,389	205,756,362,900
- Bonds	50,540,000	5,642,335,440,000
- Other securities	-	-
b. Investors	<b>4,371,712,394</b>	<b>96,279,780,593,666</b>
- Shares	4,361,068,364	95,246,077,003,466
- Bonds	9,690,000	1,022,525,180,000
- Other securities	954,030	11,178,410,200
<b>Total</b>	<b>4,427,545,783</b>	<b>102,127,872,396,566</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 7. FINANCIAL ASSETS

### Concepts of financial assets

#### *Cost*

Cost of a financial asset is the amount of cash or cash equivalents paid, disbursed or payable of such financial asset at its initial recognition. The transaction costs incurred directly from the purchase of financial asset might be included in the cost of the financial asset or not depending on the category that the financial asset is classified in.

#### *Fair value/market value*

The fair value or market value of a financial asset is the price at which the financial asset would be traded voluntarily between knowledgeable parties on an arm's length basis.

The fair value/market value of securities is determined in Note 4.7.

#### *Amortised cost*

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

For presentation purpose, provision for diminution in value or irrecoverability of financial assets is recognised in "Provision for impairment of financial assets and mortgage assets" in the statement of financial position.

#### *Carrying amount*

Carrying amount of a financial asset is the amount at which the financial asset is recognized in the statement of financial position. Carrying amount of a financial asset might be recognised at the fair value or market value (for FVTPL and AFS financial assets) or at amortised cost (for HTM investments and loans).

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

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

	Ending balance			Beginning balance (restated)		
	Cost VND	Carrying value VND	Fair value VND	Cost VND	Carrying value VND	Fair value VND
<b>Listed shares (1)</b>	<b>1,248,421,681,595</b>	<b>1,332,696,783,010</b>	<b>1,332,696,783,010</b>	<b>1,192,233,668,924</b>	<b>1,182,661,089,550</b>	<b>1,182,661,089,550</b>
HPG	38,285,610,976	39,929,600,000	39,929,600,000	62,389,734,766	62,883,142,250	62,883,142,250
SSC	165,218,161,649	164,522,992,800	164,522,992,800	165,218,161,649	116,537,119,900	116,537,119,900
FPT	64,627,169	93,044,100	93,044,100	183,082,847,113	183,665,416,000	183,665,416,000
PVS	77,975,186,807	64,991,186,400	64,991,186,400	77,970,999,907	63,439,447,600	63,439,447,600
DBC	286,468,798,666	282,707,658,000	282,707,658,000	251,288,227,278	291,843,753,000	291,843,753,000
ELC	206,857,539,545	204,286,920,000	204,286,920,000	206,857,447,945	235,373,954,000	235,373,954,000
PET	45,061,559,034	37,233,691,250	37,233,691,250	45,060,789,684	31,305,912,700	31,305,912,700
LAS	37,733,932,906	43,066,828,700	43,066,828,700	41,063,264,511	43,837,664,000	43,837,664,000
VAF	66,339,779,235	50,683,889,600	50,683,889,600	67,766,775,917	45,253,072,700	45,253,072,700
PLX	237,990,089,298	335,120,511,000	335,120,511,000			
Other listed shares	86,426,396,309	110,060,461,160	110,060,461,160	91,535,420,154	108,521,607,400	108,521,607,400
<b>Unlisted shares</b>	<b>94,274,198,298</b>	<b>84,488,027,492</b>	<b>84,488,027,490</b>	<b>82,191,081,939</b>	<b>64,047,684,853</b>	<b>64,047,684,853</b>
Viglacera Dap Cau Sheet Glass JSC.	15,200,000,000	-	-	15,200,000,000	-	-
Sunway Investment JSC.	15,000,000,000	41,062,082,625	41,062,082,625	15,000,000,000	44,021,457,129	44,021,457,129
Descon Construction Corporation JSC.	17,456,571,492	9,337,620,500	9,337,620,500	17,456,571,492	9,337,620,500	9,337,620,500
Other unlisted shares	46,617,626,806	34,088,324,367	34,088,324,365	34,534,510,447	10,688,607,224	10,688,607,224
<b>bonds</b>	<b>158,367,000,000</b>	<b>158,367,000,000</b>	<b>158,367,000,000</b>	<b>302,337,500,100</b>	<b>302,337,500,100</b>	<b>302,337,500,100</b>
<b>Total</b>	<b>1,501,062,879,893</b>	<b>1,575,551,810,502</b>	<b>1,575,551,810,500</b>	<b>1,576,762,250,963</b>	<b>1,549,046,274,503</b>	<b>1,549,046,274,503</b>

(1) As at 30 June 2017, among the listed shares classified as financial assets at FVTPL, there are 11,400,000 shares with par value of VND 114,000,000,000 used as collaterals for bond issuance by the Company in phase 1 of 2016, and 2,781,088 shares with par value of VND 27,810,880,000 used as collaterals for short-term borrowings of the Company.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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### 7.2 Available-for-sale (AFS) financial assets

	Ending balance			Beginning balance (restated)		
	Cost VND	Carrying value VND	Fair value) VND	Cost VND	Carrying value VND	Fair value VND
<b>Listed shares (1)</b>	<b>761,815,551,169</b>	<b>1,718,634,373,100</b>	<b>1,718,634,373,100</b>	<b>814,610,060,866</b>	<b>1,450,302,936,240</b>	<b>1,450,302,936,240</b>
VSC	133,891,989,401	180,846,294,400	180,846,294,400	175,885,933,796	204,374,352,000	204,374,352,000
TMS	110,891,215,856	310,091,968,000	310,091,968,000	113,028,048,762	246,273,781,100	246,273,781,100
OPC	113,219,248,007	205,977,523,500	205,977,523,500	113,218,396,107	151,464,696,600	151,464,696,600
DHC	41,915,091,459	55,497,942,500	55,497,942,500	42,189,091,850	64,455,037,500	64,455,037,500
SGN	204,128,279,086	760,912,425,000	760,912,425,000	204,116,454,286	562,729,138,440	562,729,138,440
HAH	26,089,635,366	22,304,503,200	22,304,503,200	26,089,635,366	24,868,239,200	24,868,239,200
SGC	1,524,936,566	6,106,750,000	6,106,750,000	1,524,936,566	4,622,340,000	4,622,340,000
CTD	107,496,309,461	151,594,599,000	151,594,599,000	107,474,155,061	127,765,695,000	127,765,695,000
Other listed shares	22,658,845,967	25,302,367,500	25,302,367,500	31,083,409,072	63,749,656,400	63,749,656,400
<b>Unlisted shares</b>	<b>171,270,227,297</b>	<b>208,242,327,297</b>	<b>208,242,327,297</b>	<b>147,905,540,000</b>	<b>165,005,540,000</b>	<b>165,005,540,000</b>
Vietnam Engine and Agriculture Machinery Corporation JSC.	78,737,900,000	115,710,000,000	115,710,000,000	142,900,000,000	160,000,000,000	160,000,000,000
Pan Farm Join stock Company	53,408,921,300	53,408,921,300	53,408,921,300			
Other unlisted shares	39,123,405,997	39,123,405,997	39,123,405,997	5,005,540,000	5,005,540,000	5,005,540,000
<b>Total</b>	<b>933,085,778,466</b>	<b>1,926,876,700,397</b>	<b>1,926,876,700,397</b>	<b>962,515,600,866</b>	<b>1,615,308,476,240</b>	<b>1,615,308,476,240</b>

(1) As at 30 June 2017, among the listed shares classified as AFS financial assets, there are 7,489,600 shares with par value of VND 74,896,000,000 used as collaterals for bond issuance by the Company in phase 2 of 2017 and phase 1 of 2016, and 2,809,818 shares with par value of VND 28,098,180,000 used as collaterals for short-term borrowings of the Company.

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### 7.3 Held-to-maturity investments (HTM)

	<i>Ending Balance</i> VND	<i>Beginning balance</i> VND
Unlisted bonds	-	11,603,575,929
- TMS convertible bonds	-	11,603,575,929
Term deposits with original maturity of over 3 months to 1 year	5,643,546,269,914	5,232,140,149,255
<b>Total</b>	<b>5,643,546,269,914</b>	<b>5,243,743,725,184</b>

As at 30 June 2017, there are term deposits with original maturity of over 3 months to 1 year with balance of VND 2,148 billion that are used as collateral for bank overdraft, and VND 3,456 billion that are used as collaterals for short-term borrowings of the Company respectively.

### 7.4 Loans and receivables

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i> VND	<i>Fair value (3)</i> VND	<i>Cost</i> VND	<i>Fair value (3)</i> VND
Receivables from margin activities (1)	3,955,787,505,745	3,938,296,930,670	3,564,875,010,978	3,536,444,006,045
Advances to investors	228,476,653,252	228,476,653,252	214,303,031,818	214,303,031,818
Advances under securities brokerage contract (2)	11,451,289,280	11,451,289,280	-	-
<b>Total</b>	<b>4,195,715,448,277</b>	<b>4,178,224,873,202</b>	<b>3,779,178,042,796</b>	<b>3,750,747,037,863</b>

- (1) Securities under margin transaction are used as collaterals for the loans granted by the Company to investors. As at 30 June 2017 and 31 December 2016, the par value of those securities that are used as collaterals for margin trading was VND 5,046,278,000,000 and VND 5,207,197,455,000 respectively.
- (2) These relate to brokerage contracts for selling bonds held by customers; whereby the Company advances to customers for the period that bonds are awaiting to be sold..
- (3) The fair value of loans and receivables are measured at book value less provision for doubtful debt.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

**7.5 Change in market values of financial assets**

Financial assets	Ending balance				Beginning balance (restated)			
	Cost (VND)	Revaluation difference		Revaluated value (VND)	Cost (VND)	Revaluation difference		Revaluated value (VND)
		Increase (VND)	Decrease (VND)			Increase (VND)	Decrease (VND)	
<b>FVTPL</b>	<b>1,501,062,879,893</b>	<b>170,495,525,906</b>	<b>(96,006,595,299)</b>	<b>1,575,551,810,500</b>	<b>1,576,762,250,963</b>	<b>123,378,771,491</b>	<b>(151,094,747,873)</b>	<b>1,549,046,274,503</b>
Listed shares	1,248,421,681,595	136,877,688,124	(52,602,586,709)	1,332,696,783,010	1,192,233,668,924	91,209,567,974	(100,782,147,828)	1,182,661,089,550
Unlisted shares	94,274,198,298	33,617,837,782	(43,404,008,590)	84,488,027,490	82,191,081,939	32,169,203,517	(50,312,600,045)	64,047,684,853
Bonds	158,367,000,000	-	-	158,367,000,000	302,337,500,100	-	-	302,337,500,100
<b>AFS</b>	<b>933,085,778,466</b>	<b>997,576,111,318</b>	<b>(3,785,189,387)</b>	<b>1,926,876,700,397</b>	<b>962,515,600,866</b>	<b>655,482,365,517</b>	<b>(2,689,490,143)</b>	<b>1,615,308,476,240</b>
Listed shares	761,815,551,169	960,604,011,318	(3,785,189,387)	1,718,634,373,100	814,610,060,866	638,382,365,517	(2,689,490,143)	1,450,302,936,240
Unlisted shares	171,270,227,297	36,972,100,000	-	208,242,327,297	147,905,540,000	17,100,000,000	-	165,005,540,000
<b>Total</b>	<b>2,434,148,658,359</b>	<b>1,168,071,637,224</b>	<b>(99,791,784,686)</b>	<b>3,502,428,510,897</b>	<b>2,539,277,851,829</b>	<b>778,861,137,008</b>	<b>(153,784,238,016)</b>	<b>3,164,354,750,743</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

#### 8. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND MORTGAGE ASSETS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Loans	<u>(17,490,575,075)</u>	<u>(28,431,004,933)</u>

The provision is made for impairment of loans from margin activities.

#### 9. RECEIVABLES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
1. Receivables from disposal of investments	5,884,631,970	53,486,347,570
<i>In which: doubtful debts</i>	2,531,847,570	2,531,847,570
2. Receivables and accruals from dividend and interest income	169,853,000	133,000,000
<i>In which: doubtful debts</i>	133,000,000	133,000,000
3. Advances to suppliers	16,800,056,567	21,135,273,595
4. Receivables from services provided by the Company	34,387,316,500	36,101,403,942
<i>In which: doubtful debts</i>	13,005,317,036	12,971,609,076
5. Other receivables	8,978,504,377	3,002,523,445
<i>In which: doubtful debts</i>	388,517,477	388,517,477
6. Provision for impairment of receivables	<u>(15,775,085,036)</u>	<u>(15,922,492,654)</u>
<b>Total</b>	<b><u>50,445,277,378</u></b>	<b><u>97,936,055,898</u></b>

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as at 30 June 2017 and for the three-month period then ended

*Details of provision for impairment of receivables*

	<i>Ending balance of doubtful debts VND</i>	<i>Beginning balance of provision VND</i>	<i>Addition VND</i>	<i>Reversal VND</i>	<i>Ending balance of provision VND</i>	<i>Beginning balance of doubtful debts VND</i>
Provision for doubtful receivables from disposal of financial assets	2,531,847,570	2,531,847,570	-		2,531,847,570	2,531,847,570
- <i>Dang Van Sy</i>	2,531,847,570	2,531,847,570	-		2,531,847,570	2,531,847,570
Provision for doubtful dividend, interest income receivables	133,000,000	133,000,000	-		133,000,000	133,000,000
- <i>Dividend receivable from Pyramid New Technology Trade Corporation</i>	133,000,000	133,000,000	-		133,000,000	133,000,000
Doubtful receivables from services provided by the Company	13,005,317,036	12,869,127,607	119,498,819	266,906,437	12,721,719,989	12,971,609,076
- <i>Pyramid New Technology Trade Corporation – advisory fee</i>	525,000,000	525,000,000	-		525,000,000	525,000,000
- <i>Thai Hoa JSC.</i>	80,000,000	80,000,000	-		80,000,000	80,000,000
- <i>Eloge France Vietnam JV Pharmaceuticals Company</i>	80,000,000	80,000,000	-		80,000,000	80,000,000
- <i>Saigon Maritime JSC.</i>	270,000,000	270,000,000	-		270,000,000	270,000,000
- <i>VIGLACERA Dong Trieu JSC.</i>	-	101,000,000	-	101,000,000	-	101,000,000
- <i>Vietnam Electricity Construction Joint-stock Corporation</i>	150,000,000	150,000,000	-		150,000,000	150,000,000
- <i>Que Phong Hydropower JSC.</i>	142,994,095	42,898,229	28,598,819		71,497,048	142,994,095
- <i>KSA POLYMER Hanoi JSC</i>	100,000,000		30,000,000		30,000,000	
- <i>Deo Ca Investment JSC</i>	203,000,000		60,900,000		60,900,000	
- <i>Overdue receivables from margin activities – retail investors</i>	11,454,322,941	11,620,229,378	-	165,906,437	11,454,322,941	11,622,614,981
Other doubtful receivables	388,517,477	388,517,477	-		388,517,477	388,517,477
- <i>Proceeds from disposal of assets</i>	309,521,422	309,521,422	-		309,521,422	309,521,422
- <i>Other receivables</i>	78,996,055	78,996,055	-		78,996,055	78,996,055
<b>Total</b>	<b>16,058,682,083</b>	<b>15,922,492,654</b>	<b>119,498,819</b>	<b>266,906,437</b>	<b>15,775,085,036</b>	<b>16,024,974,123</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

10. OTHER SHORT-TERM ASSETS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Advances	12,406,236,415	9,231,952,863
Short-term prepaid expenses	9,093,555,365	7,665,228,021
- <i>Prepayment for office tools</i>	693,609,872	1,694,143,977
- <i>Prepayment for services</i>	8,399,945,493	5,971,084,044
Short-term deposits, collaterals and pledges	853,595,960	893,430,260
Other current assets	139,239,514,750	80,713,062,323
- <i>Investment of which pay-back receipt is in progress (*)</i>	139,239,514,750	80,305,580,600
- <i>Other</i>	-	407,481,723
<b>Total</b>	<b>161,592,902,490</b>	<b>98,503,673,467</b>

(\*) These represent short-term cost of investment relating to the contract between the Company and its customers for selling the shares of Hoang Anh Gia Lai International Agriculture JSC, previously known as Hoang Anh Gia Lai Rubber JSC. Accordingly, the customer will make payments to the Company in accordance with the payment schedule specified in the contract. The control of shares will be transferred to the buyer in line with the payment schedule. The underlying shares after transfer will be blocked and used as collateral assets for the contract. The value of investment awaiting for payback is determined as the difference between original costs of the investment sold, awaiting for payback and the provision for diminution in value of collaterals based on their market value at reporting date.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

#### 11. LONG-TERM INVESTMENTS

	<i>Voting right of the Company</i>	<i>Ownership rate of the Company</i>	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Held-to-maturity investments			674,119,979,652	41,007,379,429
- Term deposits with maturity of more than 1 year (1)			571,465,418,214	41,007,379,429
- Bonds held-to-maturity			102,654,561,438	
Investments in associates (2)			751,892,645,596	709,336,586,920
- Pan Group (PAN)	20.10%	20.02%	514,727,281,975	478,275,257,353
- Dong Nai Port JSC. (PDN)	20.01%	20.00%	76,148,007,630	74,703,544,923
- Vietnam Fumigation JSC. (VFG)	20.01%	20.00%	161,017,355,991	156,357,784,644
<b>Total</b>			<b>1,426,012,625,248</b>	<b>750,343,966,349</b>

(1) As at 30 June 2017, term deposits with balance of VND 470 billion and maturity of more than 1 year are used as collaterals for short-term borrowings and VND 100 billion and maturity of more than 1 year are used as collaterals for bank overdraft of the Company.

(2) As at 30 June 2017, among the investments in associates, 11,442,665 shares with par value of VND 114,426,650,000 are used as collaterals for bond issuance in phase 2 of 2017 and 8,179,271 shares with par value of VND 81,792,710,000 are used as collaterals for short-term borrowings of the Company.

Movements of investments in associates of the Company for the period ended 30 June 2017 and 30 June 2016 are as follows:

	<i>Six-month period ended 30 June 2017 VND</i>	<i>Six-month period ended 30 June 2016 VND</i>
Beginning balance	709,336,586,920	637,417,114,391
Purchase	-	8,405,600,000
Disposal of associates during the period	-	-
Adjustment made due to change in ownership rate of associates in their subsidiaries	19,438,148,531	(3,891,899,609)
Gain from associates recognized in the consolidated income statement during the period	34,781,323,645	40,744,575,991
- Goodwill amortisation	-	-
- Share of profit during the period	34,781,323,645	40,744,575,991
- Gain from disposal of associates	-	-
Dividend received	(11,663,413,500)	(11,263,674,700)
Other capital		(4,002,070,842)
<b>Ending balance</b>	<b>751,892,645,596</b>	<b>667,409,645,231</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

## 12. TANGIBLE FIXED ASSETS

	<i>Buildings and architectures VND</i>	<i>Office machineries VND</i>	<i>Means of transportation VND</i>	<i>Office equipment VND</i>	<i>Total VND</i>
<b>Cost</b>					
Beginning balance	2,609,391,520	71,546,030,857	14,504,261,403	1,293,553,642	89,953,237,422
Increase	-	10,942,795,557	1,634,344,000	-	12,577,139,557
<i>Purchases</i>	-	10,942,795,557	1,634,344,000	-	12,577,139,557
Decrease	-	(111,350,000)	-	-	(111,350,000)
<i>Disposals</i>	-	(111,350,000)	-	-	(111,350,000)
Closing balance	<b>2,609,391,520</b>	<b>82,377,476,414</b>	<b>16,138,605,403</b>	<b>1,293,553,642</b>	<b>102,419,026,979</b>
<b>Accumulated depreciation</b>					
Beginning balance	2,609,391,520	62,871,311,680	10,728,739,431	1,174,346,307	77,383,788,938
Increase	-	2,480,287,029	520,910,503	38,395,335	3,039,592,867
<i>Depreciation</i>	-	2,480,287,029	520,910,503	38,395,335	3,039,592,867
Decrease	-	(111,350,000)	-	-	(111,350,000)
<i>Disposals</i>	-	(111,350,000)	-	-	(111,350,000)
Closing balance	<b>2,609,391,520</b>	<b>65,240,248,709</b>	<b>11,249,649,934</b>	<b>1,212,741,642</b>	<b>80,312,031,805</b>
<b>Net book value</b>					
Beginning balance	-	8,674,719,177	3,775,521,972	119,207,335	12,569,448,484
Closing balance	-	17,137,227,705	4,888,955,469	80,812,000	22,106,995,174
<b>Total</b>	<b>-</b>	<b>17,137,227,705</b>	<b>4,888,955,469</b>	<b>80,812,000</b>	<b>22,106,995,174</b>

### Additional information on tangible fixed assets:

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Cost of tangible fixed asset which are fully depreciated but still in active use	65,846,408,377	64,947,047,965

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

### 13. INTANGIBLE FIXED ASSETS

	<i>Software VND</i>	<i>Land use rights VND</i>	<i>Other intangible fixed assets VND</i>	<i>Total VND</i>
<b>Cost</b>				
Beginning balance	56,887,231,019	109,671,558,000	6,649,215,842	173,208,004,861
Increase	2,328,304,000	-	-	2,328,304,000
<i>Purchases</i>	2,328,304,000	-	-	2,328,304,000
Decrease	-	-	-	-
Closing balance	<b>59,215,535,019</b>	<b>109,671,558,000</b>	<b>6,649,215,842</b>	<b>175,536,308,861</b>
<b>Accumulated amortisation</b>				
Beginning balance	50,188,404,092	-	4,172,166,570	54,360,570,662
Increase	1,296,065,608	-	475,868,608	1,771,934,216
<i>Amortisation</i>	1,296,065,608	-	475,868,608	1,771,934,216
Decrease	-	-	-	-
Closing balance	<b>51,484,469,700</b>	<b>-</b>	<b>4,648,035,178</b>	<b>56,132,504,878</b>
<b>Net book value</b>				
Beginning balance	6,698,826,927	109,671,558,000	2,477,049,272	118,847,434,199
Closing balance	<b>7,731,065,319</b>	<b>109,671,558,000</b>	<b>2,001,180,664</b>	<b>119,403,803,983</b>
<b>Total</b>	<b>7,731,065,319</b>	<b>109,671,558,000</b>	<b>2,001,180,664</b>	<b>119,403,803,983</b>

#### Additional information on intangible fixed assets:

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Land use rights used as collaterals for bond issuance	109,671,558,000	109,671,558,000
Cost of intangible fixed asset which are fully depreciated but still in active use	48,505,076,411	48,118,076,411
<b>Total</b>	<b>158,176,634,411</b>	<b>157,789,634,411</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

#### 14. INVESTMENT PROPERTIES

	<i>Buildings and lands</i> <u>VND</u>
<b>Cost</b>	
Beginning balance	314,275,801,824
Decrease	(276,651,234)
- <i>Exchange rate difference arising from conversion of subsidiary's financial statements</i>	<u>(276,651,234)</u>
Closing balance	<u><b>313,999,150,590</b></u>
<b>Accumulated amortisation</b>	
Beginning balance	52,934,629,860
Depreciation	4,659,305,928
Decrease	(43,859,079)
- <i>Exchange rate difference arising from conversion of subsidiary's financial statements</i>	<u>(43,859,079)</u>
Closing balance	<u><b>57,550,076,709</b></u>
<b>Net book value</b>	
Beginning balance	261,341,171,964
Closing balance	<u><b>256,449,073,881</b></u>
<b>Total</b>	<u><b>256,449,073,881</b></u>

Investment properties are six (06) buildings in the United States of America which were bought by SSI International Company for leasing purpose. As at 30 June 2017, the cost of those assets was recorded in USD and converted into VND in SSIIC financial statements using transfer exchange rate of commercial bank where the Company maintains bank account. Difference arising from the conversion is to be presented in the "Foreign exchange difference" item in Owners' equity. Rental revenue for period ended at 30 June 2017 amounted to VND 804,220,550.

#### 15. CONSTRUCTION IN PROGRESS

	<i>Ending balance</i> <u>VND</u>	<i>Beginning balance</i> <u>VND</u>
Software development	24,681,379,804	20,770,698,684
Other expenses (Office machineries)	<u>26,006,810,328</u>	<u>26,006,810,328</u>
<b>Total</b>	<u><b>50,688,190,132</b></u>	<u><b>46,777,509,012</b></u>

#### 16. LONG-TERM PREPAID EXPENSES

	<i>Ending balance</i> <u>VND</u>	<i>Beginning balance</i> <u>VND</u>
Other long-term prepaid expenses	<u>35,811,442,662</u>	<u>25,895,763,102</u>

Long-term prepaid expenses include cost of furniture, office equipment, repair and exterior decoration of the Company. These expenses are amortized to the income statement for the maximum period of 36 months.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

#### 17. DEFERRED INCOME TAX ASSETS AND PAYABLES

Deferred corporate income tax assets and deferred corporate income tax payables arise due to following temporary differences that are non-deductible in term of corporate income tax:

	<i>Ending balance</i> VND	<i>Beginning balance</i> <i>(restated)</i> VND
<b><i>Deferred income tax asset</i></b>		
Provision for unlisted share arising from temporary non-deductible taxable in the period	6,236,942,201	7,567,907,481
Provision for diminution in value of the temporary non-deductible taxable investment awaiting for payback	25,155,003,123	39,731,416,589
Provision for impairment of temporary non-deductible taxable loans	5,513,600,433	8,010,246,862
Temporary taxable income incurred in 2015	25,774,769,047	27,131,335,840
Unrealised revenue resulting from consolidated financial statement	5,658,251,567	5,658,251,567
Temporary taxable expenses incurred in 2016	15,499,776	-
<b>Total</b>	<b><u>68,354,066,148</u></b>	<b><u>88,099,158,339</u></b>
<b><i>Deferred income tax payable</i></b>		
Gain from revaluation of FVTPL financial assets	33,930,401,104	24,616,425,620
Deferred income tax payable from income of subsidiary	(1,080,408,600)	57,285,850
<b>Total</b>	<b><u>32,849,992,504</u></b>	<b><u>24,673,711,470</u></b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

#### 18. PAYMENT FOR SETTLEMENT ASSISTANCE FUND

Payment for settlement assistance fund represents the amounts deposited at Vietnam Securities Depository.

According to Decision No. 57/QĐ-VSD dated 28 May 2012 issued by the General Director of the Vietnam Securities Depository, Decision No. 87/2007/QĐ-BTC dated 22 October 2007 by the Minister of Finance regarding the issuance of regulations on registration, custody, clearing and settlement of securities, Circular No. 43/2010/TT-BTC dated 25 March 2010 amending and supplementing the regulations on registration, custody, clearing and settlement of securities, Decision No. 27/QĐ-VSD dated 13 March 2015 on the promulgation of regulations on management and use of the settlement assistance fund by the General Director of the Vietnam Securities Depository, the Company must deposit an initial amount of VND120 million at the Vietnam Securities Depository and pay an addition of 0.01% of the total amount of brokered securities in the previous year, but not over VND 2.5 billion per annum.

Details of the settlement assistance fund are as follows:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Initial payment	6,087,814,535	6,087,814,535
Addition	7,872,720,527	7,872,720,527
accrued interest	6,039,464,938	6,039,464,938
<b>Total</b>	<b>20,000,000,000</b>	<b>20,000,000,000</b>

#### 19. COLLATERALS AND PLEDGED ASSETS

As at the date of these consolidated financial statements, the following assets have been used as collaterals for borrowings:

<i>Assets</i>	<i>Ending balance</i> VND	<i>Beginning balance</i> VND	<i>Purposes</i>
<b>Short-term</b>			
- Financial assets at FVTPL (par value)	141,810,880,000	130,810,880,000	Collaterals for bond issuance and short-term borrowings
- AFS financial assets (par value)	102,994,180,000	98,494,180,000	Collaterals for bond issuance and short-term borrowings
- Term deposits with maturity of 3 months to 1 year	5,604,000,000,000	5,168,100,000,000	Collaterals for short-term borrowings and bank overdraft
<b>Long-term</b>			
- Term deposits with maturity of more than 1 year	570,000,000,000	41,000,000,000	Collaterals for short-term borrowings and bank overdraft
- Investments in associates (par value)	196,219,360,000	185,139,370,000	Collaterals for bond issuance and short-term borrowings
- Intangible fixed assets	109,671,558,000	109,671,558,000	Collaterals for bond issuance
<b>Total</b>	<b>6,724,695,978,000</b>	<b>5,733,215,988,000</b>	

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

20. SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES

	<i>Interest rate % per annum</i>	<i>Beginning balance VND</i>	<i>Addition during the year VND</i>	<i>Repayment during the year VND</i>	<i>Ending balance VND</i>
<b>Short-term borrowings</b>		<b>4,819,340,678,085</b>	<b>19,917,513,503,712</b>	<b>18,783,269,613,915</b>	<b>5,953,584,567,882</b>
Bank overdrafts	0.8 – 7.07	1,254,340,678,085	13,633,983,503,712	13,203,269,613,915	1,685,054,567,882
Short-term borrowings from banks	1.5 – 7	3,565,000,000,000	6,283,530,000,000	5,580,000,000,000	4,268,530,000,000
- JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank)		2,971,000,000,000	3,917,000,000,000	3,976,000,000,000	2,912,000,000,000
- Vietnam International Commercial JS Bank (VIB)		247,000,000,000	380,000,000,000	247,000,000,000	380,000,000,000
- Sinopac-Hongkong Bank (*)		-	136,530,000,000	-	136,530,000,000
- Vietnam Technological and Commercial Joint-stock Bank		-	330,000,000,000	140,000,000,000	190,000,000,000
- National citizen Joint-Stock Bank (NCB)		-	200,000,000,000	-	200,000,000,000
- Hochiminh city Development Joint Stock Commercial Bank (HDBank)		-	530,000,000,000	530,000,000,000	-
- Petrolimex Group Commercial JS Bank (PG Bank)		347,000,000,000	790,000,000,000	687,000,000,000	450,000,000,000
<b>Short-term finance lease liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>		<b>4,819,340,678,085</b>	<b>19,917,513,503,712</b>	<b>18,783,269,613,915</b>	<b>5,953,584,567,882</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

(\*) The borrowing from Sinopac- Hong Kong Bank No BFL/HK/161019/238 valued 6 millions USD with 2.97%, 3 months from 19/5/2017 to 18/8/2017 which was recorded at 22.755 VND/USD exchange rate. This borrowing was hedged by a currency forward contract to Vietcombank No 02/2017/KDNT-FWD/SSI at 6,045,072 USD. The different exchange rate between forward contract and the incurred borrowing date was amortized and recognized an unrealized loss from foreign exchange rate difference.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

## 21. BOND ISSUANCE

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
<b>Short-term bond issuance</b>	-	<b>376,000,000,000</b>
SSIBOND012015	-	76,000,000,000
SSIBOND022015	-	300,000,000,000
<b>Long-term bond issuance</b>	<b>799,486,666,663</b>	<b>199,651,666,665</b>
SSIBOND012016	200,000,000,000	200,000,000,000
SSIBOND012017	300,000,000,000	-
SSIBOND022017	300,000,000,000	-
Cost to issue SSIBOND012016 bonds	(238,333,337)	(348,333,335)
Cost to issue SSIBOND022017 bonds	(275,000,000)	-
<b>Total</b>	<b>799,486,666,663</b>	<b>575,651,666,665</b>

SSIBOND012015 are ordinary bonds, issued in phase 1 in January 2015 under Resolution No. 02/2014/NQ/DHDCD dated 22 December 2014 with quantity of 1000 bonds and par value of VND500 million per bond. These are unsecured bonds, with a 2 year-term and a commitment to repurchase on every 6-month basis. Its interest rate, which was 8.2% per annum in the first year, will be adjusted in the subsequent year. In July 2015, the Company repurchased 225 bonds with total par value of VND 112,500,000,000. In 2016, the Company repurchased 623 bonds with total par value of VND 311,500,000,000. In January 2017, SSIBOND012015 was matured.

SSIBOND022015 are the ordinary bonds, which were issued in phase 2 in April 2015 under Resolution No. 02/2014/NQ/DHDCD dated 22 December 2014 with quantity of 600 bonds and par value of VND500 million per bond. These bonds are collateralized using the Company's listed shares and land use rights in accordance with the bond contracts. These bonds are secured in 2 years which bear interest at rate which is the maximum of 1.5% and the average interest rate of 12 months savings deposit denominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam International Commercial Joint Stock Bank (Ly Thuong Kiet branch, Hanoi). In April 2017, SSIBOND022015 was matured.

SSIBOND012016 are ordinary bonds, which were issued in phase 1 in August 2016 under Resolution No. 03/2016/NQ/HDQT dated 28 July 2016 with quantity of 200 bonds and par value of VND 1 billion per bond. These bonds are collateralized using the Company's listed shares in accordance with the bond contracts. These bonds are secured in 2 years which bear interest at rate which is maximum of 1.2% per year and the average interest rate of 12 months savings deposit dominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam International Commercial Joint Stock Bank (Ly Thuong Kiet branch, Hanoi).

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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SSIBOND012017 are ordinary bonds, which were issued in phase 1 in January 2017 under Resolution No. 01/2017/NQ-HĐQT dated 16 January 2017 with quantity of 600 bonds and par value of VND 500 million per bond. These are unsecured bonds with interest rate for the first year (12 months from issuing date) is 8.5% per annum. For the subsequent year, the interest rate is defined equivalent to maximum of 2% per year and the average interest rate of 12 months or 364 days savings deposit dominated in VND ("reference interest") will be published at determined-interest date and by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam Bank for Agriculture and Rural Development (operation center). In case any of those 4 banks does not publish the reference rate, the reference rate will be the average interest rate of the others published at the determined-interest date.

SSIBOND022017 are ordinary bonds, which were issued in phase 2 in April 2017 under Resolution No. 05/2017/NQ-HĐQT dated 21 April 2017 with quantity of 600 bonds and par value of VND 500 million per bond. These bonds are collateralized using the Company's listed shares and real estate in accordance with the bond contracts. These bonds are secured in 2 years which bear interest at rate which is maximum of 1.2% per year and the average interest rate of 12 months savings deposit dominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch), Vietnam Bank for Agriculture and Rural Development (operation center branch), and Vietnam International Commercial JS Bank (Head office)

## 22. PAYABLES FOR SECURITIES TRADING ACTIVITIES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Payables to Stock Exchange (payables for purchases of financial assets)	160,914,519,520	39,617,787,653
<b>Total</b>	<b>160,914,519,520</b>	<b>39,617,787,653</b>

## 23. PAYABLES TO SUPPLIERS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
<b>Short-term</b>	<b>4,089,800,052</b>	<b>9,261,510,278</b>
Services fee payables	-	2,261,250,000
TTT Trading and Construction JSC.	2,418,020,814	2,418,020,814
Other payables	1,671,779,238	4,582,239,464
<b>Long-term</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4,089,800,052</b>	<b>9,261,510,278</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

#### 24. TAXATION AND STATUTORY OBLIGATIONS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Value added tax	285,457,528	5,482,965,448
Corporate income tax	47,146,362,881	51,481,407,842
Personal income tax	22,250,197,941	14,280,175,092
Other taxes (foreign contractors withholding tax)	3,954,956,741	2,572,254,856
<b>Total</b>	<b>73,636,975,091</b>	<b>73,816,803,238</b>

#### 25. ACCRUED EXPENSES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
<b>Short-term</b>	<b>71,548,456,896</b>	<b>62,998,576,869</b>
Accrued payable to Stock Exchange and Vietnam Securities Depository	12,836,492,567	6,468,105,688
Interest payable for bonds issued by the Company	28,193,465,755	28,295,676,827
Interest payable for borrowings	6,699,227,316	5,667,044,384
Accrued expenses on securities brokerage contracts	425,416,667	981,350,992
Accrued services fee	895,000,000	630,000,000
Commission payable to counter parties	3,361,898,743	2,212,907,642
Accrued a part of 13 <sup>th</sup> month salary	8,254,378,000	
Others	10,882,577,848	18,743,491,336
<b>Long-term</b>	-	-
<b>Total</b>	<b>71,548,456,896</b>	<b>62,998,576,869</b>

#### 26. OTHER SHORT-TERM PAYABLES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Deposits from customers under securities purchase contracts (*)	250,000,000,000	262,800,421,276
Dividend, bond coupon payables	5,797,361,240	6,192,199,774
<i>Dividend payables to the Company's shareholders</i>	5,097,240,750	5,490,560,750
<i>Coupon payables for bonds issued by the Company</i>	700,120,490	701,639,024
Payables to customers relating for the proceeds from purchase/sale of securities	1,913,015,893	28,354,700,000
Other payables	2,110,264,766	2,768,579,757
<b>Total</b>	<b>259,820,641,899</b>	<b>300,115,900,807</b>

(\*) Deposits from customers under securities purchase contracts represent cash deposits of customers related to securities brokerage and securities purchase contracts. The Company has commitment to use these deposits for purchasing securities as requested by customers.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

## 27. LONG-TERM UNREALISED REVENUE

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Unrealized revenue from:		
Disposal of an associate (BBC)	8,144,100,724	8,144,100,724
Disposal of an associate (SSC)	19,186,831,881	19,186,831,881
Disposal of an associate (LAF)	1,688,248,597	1,688,248,597
Disposal of other associate	4,491,927,766	4,491,927,766
<b>Total</b>	<b><u>33,511,108,968</u></b>	<b><u>33,511,108,968</u></b>

Unrealised profit is recorded when the Company sells shares to an associate. The above figures are presented in correspondence to the Company's ownership rate in the associates which purchased those shares.

## 28. OWNERS' EQUITY

### 28.1 *Undistributed profit*

	<i>Ending balance</i> VND	<i>Beginning balance</i> <i>(restated)</i> VND
Realized profit (Undistributed)	2,104,006,058,620	1,727,170,255,230
Unrealized profit	40,117,239,250	(52,332,402,080)
Unrealized profit <i>and</i> Deferred tax on FVTPL <i>financial assets revaluation</i>	40,558,529,506	(52,332,402,080)
<i>Difference in exchange rate of currency forward contract</i>	<i>(441,290,256)</i>	-
<b>Total</b>	<b><u>2,144,123,297,870</u></b>	<b><u>1,674,837,853,150</u></b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

### 28.2 Changes in owners' equity

	Share capital VND	Share premium VND	Treasury shares VND	Other capital VND	Difference from revaluation of assets at fair value VND	Foreign exchange rate differences VND	Charter capital supplementary reserve VND	Operational and financial reserve VND	Undistributed profit VND	Non-controlling interests VND	Total VND
Beginning balance (restated)	4,900,636,840,000	29,265,860,000	(2,492,782,800)	-	652,792,875,374	34,056,420,954	311,560,605,893	227,053,011,209	1,674,837,853,150	79,101,184,212	7,906,811,867,992
Profit after tax	-	-	-	-	-	-	-	-	598,943,392,060	-	598,943,392,060
Cost to issue share	-	(34,000,000)	-	-	-	-	-	-	-	-	(34,000,000)
Revaluation of AFS financial assets	-	-	-	-	340,998,046,562	-	-	-	-	-	340,998,046,562
Treasury shares	-	221,905,501	209,094,499	-	-	-	-	-	-	-	431,000,000
Foreign exchange rate differences arising from conversion of subsidiary's financial statements	-	-	-	-	-	(324,535,427)	-	-	-	-	(324,535,427)
Charter capital supplementary reserve	-	-	-	-	-	-	43,851,792,903	-	(43,851,792,903)	-	-
Operational and financial reserve	-	-	-	-	-	-	-	43,851,792,903	(43,851,792,903)	-	-
Bonus, welfare and charity funds	-	-	-	-	-	-	-	-	(61,392,510,065)	-	(61,392,510,065)
Difference arising from associates' changes of investment portion in their subsidiaries	-	-	-	-	-	-	-	-	19,438,148,531	-	19,438,148,531
Non-controlling interest	-	-	-	-	-	-	-	-	-	(1,278,016,607)	(1,278,016,607)
<b>Ending balance</b>	<b>4,900,636,840,000</b>	<b>29,453,765,501</b>	<b>(2,283,688,301)</b>	<b>-</b>	<b>993,790,921,936</b>	<b>33,731,885,527</b>	<b>355,412,398,796</b>	<b>270,904,804,112</b>	<b>2,144,123,297,870</b>	<b>77,823,167,605</b>	<b>8,803,593,393,046</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

**28.3 Shares**

	<i>Ending balance</i> <i>(shares)</i>	<i>Beginning balance</i> <i>(shares)</i>
<b>Authorized shares</b>	<b>490,063,684</b>	<b>490,063,684</b>
<b>Issued shares</b>	<b>490,063,684</b>	<b>490,063,684</b>
Shares issued and fully paid	490,063,684	490,063,684
- Ordinary shares	490,063,684	490,063,684
- Preference shares	-	-
<b>Treasury shares</b>	<b>(218,434)</b>	<b>(238,434)</b>
Treasury shares held by the Company	(218,434)	(238,434)
- Ordinary shares	(218,434)	(238,434)
- Preference shares	-	-
<b>Outstanding shares</b>	<b>489,845,250</b>	<b>489,825,250</b>
- Ordinary shares	489,845,250	489,825,250
- Preference shares	-	-

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

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

### 29.1. Gain/(loss) from disposal of financial assets at FVTPL

No	Financial assets	Quantity Unit	Selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Gain from disposal in Q2/2017 VND	Gain from disposal in Q2/2016 (restated) VND
<b>I</b>	<b>Gain from disposal</b>						
<b>1</b>	<b>Listed shares</b>	<b>2,974,332</b>		<b>131,480,844,409</b>	<b>115,546,855,423</b>	<b>15,933,988,986</b>	<b>92,781,400,780</b>
	FPT	1,017,190	48,819	49,658,700,500	44,616,687,861	5,042,012,639	-
	HPG	630,010	28,955	18,242,039,000	17,986,967,442	255,071,558	5,550,396,082
	ABC	28,100	50,952	1,431,750,000	913,250,000	518,500,000	-
	VSC	566,090	63,072	35,704,570,186	32,663,189,184	3,041,381,002	-
	DBC						85,284,329,226
	Other listed shares	732,942		26,443,784,723	19,366,760,936	7,077,023,787	1,946,675,473
<b>2</b>	<b>Unlisted shares</b>	<b>6,299</b>		<b>7,873,750,000</b>	<b>6,654,826,400</b>	<b>1,218,923,600</b>	<b>-</b>
	Viet Tin JSC	6,299	1,250,000	7,873,750,000	6,654,826,400	1,218,923,600	-
<b>3</b>	<b>Listed bonds</b>	<b>20,020,000</b>		<b>2,233,509,200,000</b>	<b>2,222,256,479,726</b>	<b>11,252,720,274</b>	<b>15,447,274,633</b>
	TP_TD1621455	2,000,000	104,331	208,662,000,000	207,404,000,000	1,258,000,000	-
	TP_VDB111018	1,350,000	123,205	166,326,750,000	165,138,750,000	1,188,000,000	-
	TP_VDB110024	3,000,000	117,072	351,216,000,000	349,755,123,288	1,460,876,712	-
	TP_TP4A0206	1,900,000	115,551	219,546,900,000	217,973,700,000	1,573,200,000	-
	TP_TD1724415	2,000,000	100,582	201,164,000,000	196,596,000,000	4,568,000,000	-
	Other listed bonds	9,770,000		1,086,593,550,000	1,085,388,906,438	1,204,643,562	15,447,274,633
<b>4</b>	<b>Unlisted bonds</b>	<b>300</b>	<b>1,065,397,330</b>	<b>319,619,199,100</b>	<b>302,337,500,100</b>	<b>17,281,699,000</b>	<b>-</b>
	TP_BHS BOND 2016	300	1,065,397,330	319,619,199,100	302,337,500,100	17,281,699,000	-
	<b>Total</b>	<b>23,000,931</b>		<b>2,692,482,993,509</b>	<b>2,646,795,661,649</b>	<b>45,687,331,860</b>	<b>108,228,675,413</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

**29.1. Gain/(loss) from disposal of financial assets at FVTPL** (continued)

No	Financial assets	Quantity Unit	Selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Loss from disposal in Q2/2017 VND	Loss from disposal in Q2/2016 (restated) VND
<b>II</b>	<b>Loss from disposal</b>						
<b>1</b>	<b>Listed shares</b>	<b>156,650</b>		<b>6,397,164,000</b>	<b>6,740,290,000</b>	<b>(343,126,000)</b>	<b>(13,911,090,426)</b>
	VSC	106,650	56,701	6,047,164,000	6,164,370,000	(117,206,000)	
	Other listed shares	50,000	-	350,000,000	575,920,000	(225,920,000)	(13,911,090,426)
<b>2</b>	<b>Unlisted shares</b>	<b>2,500,000</b>	<b>20,996</b>	<b>52,488,900,000</b>	<b>62,488,900,000</b>	<b>(10,000,000,000)</b>	<b>-</b>
<b>3</b>	<b>Bonds</b>	<b>4,500,000</b>		<b>473,703,000,000</b>	<b>474,171,267,124</b>	<b>(168,267,124)</b>	<b>(2,064,560,082)</b>
	TP_TD1518357	2,000,000	103,952	207,904,000,000	208,056,000,000	(152,000,000)	(1,194,000,000)
	Other bonds	2,500,000		265,799,000,000	266,115,267,124	(16,267,124)	(870,560,082)
	<b>Total</b>	<b>7,156,650</b>		<b>532,589,064,000</b>	<b>543,400,457,124</b>	<b>(10,511,393,124)</b>	<b>(15,975,650,508)</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

**29.2. Gain/ (loss) from revaluation of financial assets**

No.	Financial assets	Cost VND	Carrying value VND	Revaluation difference at the end of the period (2) VND	Revaluation difference at the beginning of the period(1) (restated) VND	Gain/(loss) recorded in Q2/2017(2) –(1) VND	Increase VND	Decrease VND
I	<b>FVTPL</b>	1,501,062,879,893	1,575,551,810,502	74,488,930,609	(10,819,748,529)	85,308,679,138	140,936,101,017	(55,627,421,878)
1	Listed shares	1,248,421,681,595	1,332,696,783,010	84,275,101,415	6,447,034,358	77,828,067,057	131,331,265,350	(53,503,198,294)
	PVS	77,975,186,807	64,991,186,400	(12,984,000,407)	(9,889,495,007)	(3,094,505,400)	-	(3,094,505,400)
	ELC	206,857,539,545	204,286,920,000	(2,570,619,545)	2,758,604,455	(5,329,224,000)	816,030,000	(6,145,254,000)
	SSC	165,218,161,649	164,522,992,800	(695,168,849)	4,073,613,551	(4,768,782,400)	-	(4,768,782,400)
	DBC	286,468,798,666	282,707,658,000	(3,761,140,666)	28,960,793,522	(32,721,934,188)	1,114,925,812	(33,836,860,000)
	VAF	66,339,779,235	50,683,889,600	(15,655,889,635)	(18,511,320,035)	2,855,430,400	2,855,430,400	-
	LAS	37,733,932,906	43,066,828,700	5,332,895,794	3,111,558,289	2,221,337,505	2,221,337,505	-
	PLX	237,990,089,298	335,120,511,000	97,130,421,702	-	97,130,421,702	97,130,421,702	-
	HPG	38,285,610,976	39,929,600,000	1,643,989,024	1,263,311,691	380,677,333	380,677,333	-
	ABC	40,926,000,000	64,567,800,000	23,641,800,000	2,479,700,000	21,162,100,000	21,238,100,000	(76,000,000)
	Other shares	90,626,582,513	82,819,396,510	(7,807,186,003)	(7,799,732,107)	(7,453,896)	5,574,342,598	(5,581,796,494)
2	Unlisted shares	94,274,198,298	84,488,027,492	(9,786,170,806)	(17,266,782,887)	7,480,612,081	9,604,835,666	(2,124,223,585)
	DCC	17,456,571,492	9,337,620,500	(8,118,950,992)	(8,118,950,992)	-	-	-
	Other shares	76,817,626,806	75,150,406,992	(1,667,219,814)	(9,147,831,895)	7,480,612,081	9,604,835,666	(2,124,223,585)
3	Bonds	158,367,000,000	158,367,000,000	-	-	-	-	-
II	<b>AFS</b>	<b>933,085,778,466</b>	<b>1,926,876,700,397</b>	<b>993,790,921,931</b>	<b>897,929,733,325</b>	<b>95,861,188,606</b>	<b>154,366,914,591</b>	<b>(58,505,725,985)</b>
1	Listed shares	761,815,551,169	1,718,634,373,100	956,818,821,931	812,142,633,325	144,676,188,606	154,366,914,591	(9,690,725,985)
	VSC	133,891,989,401	180,846,294,400	46,954,304,999	34,537,333,843	12,416,971,156	15,452,078,300	(3,035,107,144)
	TMS	110,891,215,856	310,091,968,000	199,200,752,144	154,323,807,765	44,876,944,379	45,544,757,800	(667,813,421)
	OPC	113,219,248,007	205,977,523,500	92,758,275,493	46,423,091,493	46,335,184,000	46,335,184,000	-
	SGN	204,128,279,086	760,912,425,000	556,784,145,914	516,565,453,714	40,218,692,200	40,218,692,200	-
	Other shares	199,684,818,820	260,806,162,200	61,121,343,380	60,292,946,509	828,396,871	6,816,202,291	(5,987,805,420)
2	Unlisted shares	171,270,227,297	208,242,327,297	36,972,100,000	85,787,100,000	(48,815,000,000)	-	(48,815,000,000)
	VEAM	78,737,900,000	115,710,000,000	36,972,100,000	85,787,100,000	(48,815,000,000)	-	(48,815,000,000)
	Other shares	92,532,327,297	92,532,327,297	-	-	-	-	-
	<b>Total</b>	<b>2,434,148,658,359</b>	<b>3,502,428,510,899</b>	<b>1,068,279,852,540</b>	<b>887,109,984,796</b>	<b>181,169,867,744</b>	<b>295,303,015,607</b>	<b>(114,133,147,863)</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**29.3. Dividend, interest income from financial assets at FVTPL, HTM investments, loans and receivables, AFS financial assets**

	Q2/2017 VND	Q2/2016 (restated) VND
From financial assets at FVTPL	12,146,811,850	22,501,264,000
From HTM financial assets	102,922,269,194	81,327,835,558
From loans and receivables	124,786,602,624	107,776,391,929
From AFS financial assets	34,608,627,265	123,970,054,288
<i>Dividend, interest arising from AFS financial assets</i>	<i>4,130,706,700</i>	<i>48,331,795,697</i>
Gain from revaluation of AFS financial assets arising from reclassification	30,477,920,565	75,638,258,591
VSC	3,035,107,144	
TMS	667,813,421	73,265,109,019
VEAM	26,775,000,000	-
Others	-	2,373,149,572
<b>Total</b>	<b>274,464,310,933</b>	<b>335,575,545,775</b>

**30. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND DOUBTFUL DEBTS**

	Q2/2017 VND	Q2/2016 (restated) VND
(Reversal)/Provision for impairment of loans	(3,422,346,524)	24,631,101,720
(Reversal)/Provision for impairment of assets used as collaterals for the investment awaiting for payback (Note 10)	(2,938,497,128)	-
<b>Total</b>	<b>(6,360,843,652)</b>	<b>24,631,101,720</b>

**31. OTHER OPERATING REVENUE**

	Q2/2017 VND	Q2/2016 VND
Revenue from leasing assets	365,119,034	1,507,202,799
Revenue from other financial services	785,778,306	162,050,160
Revenue from fund management	7,034,581,569	1,798,306,670
Revenue from trusted portfolio management	2,288,172,906	476,771,261
Revenue from interest on investment awaiting for payback due to late payment	20,730,967,134	(20,530,774,071)
Other revenues	744,512,795	622,210,982
<b>Total</b>	<b>31,949,131,744</b>	<b>(15,964,232,199)</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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### 32. EXPENSES FOR OPERATING ACTIVITIES

	Q2/2017 VND	Q2/2016 (restated) VND
Expenses for securities brokerage activities (payables to Stock Exchanges, payroll, employees and others)	136,773,688,829	77,463,334,236
Expenses for securities underwriting activities and securities issuance agency services	-	-
Expenses for financial advisory activities	4,244,669,644	4,721,626,524
Expenses for securities investment advisory activities	5,221,636,496	3,702,449,076
Expenses for securities custodian activities	4,625,660,457	3,538,098,244
Other operating expenses (Note 33)	16,919,102,665	16,504,183,066
<b>Total</b>	<b>167,784,758,091</b>	<b>105,929,691,146</b>

#### EXPENSES FOR OPERATING ACTIVITIES DETAIL IN ITEM

	Q2/2017 VND	Q2/2016 (restated) VND
Brokerage expenses (trading expense to Stock Exchange mainly)	50,732,715,454	22,872,165,043
Expenses for securities custodian activities	4,625,660,457	3,538,098,244
Salary expenses and other	61,620,183,006	37,423,025,674
Statutory social security, health insurance, union fee and unemployment insurance expenses	3,068,702,250	2,532,504,500
Office supplies expenses	255,456,632	134,920,574
Instruments and tools expenses	1,102,819,635	983,273,349
Depreciation of fixed assets and Investment properties	3,880,915,784	3,059,851,861
Expenses of provision	112,377,798	1,365,606,139
Outsourced services	26,698,903,227	20,384,928,494
Capital expenses	7,981,027,826	7,602,384,650
Expenses of shared profit on portfolio management activities	2,887,676,751	562,300,251
Other expenses	4,818,319,271	5,470,632,367
<b>Total</b>	<b>167,784,758,091</b>	<b>105,929,691,146</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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### 33. OTHER OPERATING EXPENSES

	Q2/2017 VND	Q2/2016 (restated) VND
Expenses for funds management activities	2,260,224,519	1,669,818,039
Expense for trusted portfolios management activities	177,835,792	60,457,130
Expense for securities investment advisory services	4,269,336,307	2,461,160,293
Expenses for securities repurchase agreements	-	527,482,587
Expenses for deposits of investors for securities brokerage activities	4,954,339,142	5,533,516,326
Office rental expense	3,969,256,898	4,037,354,151
Provision for doubtful debts	112,377,798	1,365,606,139
- <i>Provision for receivables from services provided by the Company</i>	<i>112,377,798</i>	<i>1,365,606,139</i>
Other expenses	1,175,732,209	848,788,401
<b>Total</b>	<b>16,919,102,665</b>	<b>16,504,183,066</b>

### 34. FINANCE INCOME

	Q2/2017 VND	Q2/2016 VND
Foreign exchange rate differences	191,775,968	62,207,844
Interest income from demand deposits	9,395,786,028	5,511,712,028
Share of profit in associates	18,337,186,710	14,135,559,663
<b>Total</b>	<b>27,924,748,706</b>	<b>19,709,479,535</b>

### 35. FINANCE EXPENSES

	Q2/2017 VND	Q2/2016 VND
Unrealized loss from foreign exchange rate difference	441,290,256	-
Realized loss from foreign exchange rate difference	259,642,549	13,865,326
Interest expenses on bonds issued	13,978,761,632	12,177,297,211
Interest expenses on short-term borrowings	61,899,350,576	54,429,707,643
<b>Total</b>	<b>76,579,045,013</b>	<b>66,620,870,180</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

**36. GENERAL AND ADMINISTRATIVE EXPENSES**

	Q2/2017 VND	Q2/2016 (restated) VND
Exposure on payroll and bonus	21,309,481,742	17,593,392,271
Social security, health insurance, union fee and unemployment insurance	1,039,350,000	948,359,439
Office supplies	435,162,375	220,937,613
Tools	309,111,291	349,193,530
Depreciation expenses	1,071,616,404	1,330,105,607
External service expenses	17,378,234,643	15,772,701,909
Other expenses	2,801,953,858	3,133,568,123
<b>Total</b>	<b>44,344,910,313</b>	<b>39,348,258,492</b>

**37. OTHER INCOME AND EXPENSES**

	Q2/2017 VND	Q2/2016 VND
<b>Other incomes</b>	<b>918,225,093</b>	<b>418,592,130</b>
<b>Other expenses</b>	<b>(3)</b>	<b>(14,698,661)</b>
<b>Total</b>	<b>918,225,090</b>	<b>403,893,469</b>

**38. CORPORATE INCOME TAX**

**38.1 Corporate income tax ("CIT")**

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

The current tax payable is based on taxable profit for the year. The taxable profit of the Company for the year differs from the profit as reported in the comprehensive income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the reporting date. The Company is subject to CIT rate of 20% over taxable income in accordance to Circular 78/2014/TT-BTC with validity from 02 August 2014.

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

The estimated current corporate income tax is represented in the table below:

	Six-month period ended 30 June 2017 VND	Six-month period ended 30 June 2016 (restated) VND
<b>Profit before tax</b>	<b>734,958,535,847</b>	<b>575,958,601,894</b>
Adjustments to increase/(decrease) accounting profit:		
Adjustments to increase accounting profit:		
- Provision for diminution in value of unlisted shares at the end of period	31,184,711,000	44,104,760,020
- Provision for impairment of investment awaiting for payback at the end of period	125,775,015,617	49,994,489,716
- Reversal of provision for securities for six months	54,002,026,227	9,780,751,051
- Loss from revaluation of FVTPL financial assets	108,257,624,921	127,320,137,325
- Provision for impairment of loans and receivables at the end of period	27,568,002,163	31,150,434,842
Adjustments to decrease accounting profit:		
- Income from tax exempted activities – dividends	(14,630,242,000)	(44,992,437,000)
- Reversal of provision expenses for unlisted shares at the beginning of the year	(37,839,537,400)	(40,956,993,400)
- Reversal of provision for investment awaiting for payback at the beginning of the year	(198,657,082,945)	(49,994,489,716)
- Reversal of provision for impairment of loans and receivables from previous period	(40,051,234,311)	-
- Gain from revaluation of FVTPL financial assets	(210,226,612,261)	(204,130,085,908)
- Revenue from investment awaiting for payback calculated tax in 2015	(6,782,833,960)	
- Temporary difference taxable previous year		(553,825,937)
- Profit before tax from subsidiaries	(43,083,297,198)	(26,579,380,819)
- Gain from investments in associates	(34,781,323,645)	(40,744,575,992)
<b>Estimated current taxable income</b>	<b>495,693,752,055</b>	<b>430,357,386,077</b>
Corporate income tax rate	20%	20%
<b>Estimated CIT expenses</b>	<b>99,138,750,411</b>	<b>86,071,477,215</b>
<b>Estimated CIT expenses in subsidiaries</b>	<b>10,004,050,671</b>	<b>6,231,241,289</b>
CIT payable at the beginning of the year	51,481,407,842	75,215,403,673
CIT adjustment in accordance with tax finalization	37,959,054	181,317,272
CIT adjustment in accordance with tax inspection	191,027,032	
CIT paid in the period	(113,706,832,129)	(103,043,540,293)
<b>CIT payable at the end of the period</b>	<b>47,146,362,881</b>	<b>64,655,899,156</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

### 38.2 Deferred corporate income tax

Movement of deferred CIT assets during the period is as follows:

	Six-month period ended 30 June 2017 VND	Six-month period ended 30 June 2016 (restated) VND
<b>Deferred income tax assets</b>		
<b>Beginning balance</b>	<b>88,099,158,339</b>	<b>50,979,884,031</b>
Provision for diminution in value of unlisted shares	(1,330,965,280)	629,553,323
Provision for impairment of investment awaiting for payback	(14,576,413,466)	
Temporary taxable income in 2015 from investment awaiting for payback incurred	(1,356,566,792)	
Temporary taxable difference in previous year	15,499,776	-
Provision for impairment of non-deductible taxable loans in the period	(2,496,646,430)	6,230,086,968
<b>Ending balance</b>	<b>68,354,066,148</b>	<b>57,839,524,322</b>
<b>Payable income tax deferred</b>		
<b>Beginning balance</b>	<b>24,673,711,470</b>	<b>8,859,594,297</b>
Gain from revaluation of FVTPL financial assets	9,313,975,485	13,504,253,444
Temporary non-taxable income from subsidiary	(1,137,694,451)	(719,791,545)
<b>Ending balance</b>	<b>32,849,992,504</b>	<b>21,644,056,196</b>

Deferred tax (income)/expense are charged to the income statement for the period ended 30 June 2017 and 30 June 2016 as follows:

	Six-month period ended 30 June 2017 VND	Six-month period ended 30 June 2016 (restated) VND
<b>Deferred income tax (income)/expense</b>		
Provision for diminution in value of unlisted shares	1,330,965,280	(629,553,323)
Provision for impairment of investment awaiting for payback	14,576,413,466	-
Provision for impairment of loans and receivables	2,496,646,430	(6,230,086,968)
Temporary non-taxable income from subsidiary	(1,137,694,450)	(719,791,545)
Deferred income tax from revenue for investment awaiting for payback calculated tax in 2015	1,356,566,792	-
Gain from revaluation of FVTPL financial assets	9,313,975,484	13,504,253,444
Deferred CIT income arising from temporary taxable difference of which tax has been paid in previous year	(15,499,776)	-
<b>Deferred tax (income)/expense</b>	<b>27,921,373,225</b>	<b>5,924,821,608</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

**39. ACCUMULATED OTHER COMPREHENSIVE INCOME**

<i>Item</i>	<i>Beginning balance (restated)</i>	<i>Movement during the period</i>	<i>Changes in owners' equity recorded in income statement</i>	<i>Ending balance</i>
Gain/(loss) from revaluation of AFS finance assets	652,792,875,374	421,183,405,505	(80,185,358,943)	993,790,921,936

**40. ADDITIONAL INFORMATION FOR STATEMENT OF CHANGES IN OWNERS' EQUITY**

Incomes and expenses, gains or losses which are recorded directly to owners' equity:

	Six-month period ended 30 June 2017 VND	Six-month period ended 30 June 2016 (restated) VND
Income recorded directly to owners' equity	360,436,195,093	2,967,257,196
- Gain from revaluation of AFS financial assets and reclassification as selling	340,998,046,562	2,967,257,196
- Gain from associate' changes of investment portion in its subsidiaries	19,438,148,531	
Expense recorded directly to owners' equity	-	(3,891,899,608)
- Loss arising from changes in number of outstanding shares of associates	-	-
- Loss arising from associates' changes of investment portion in its subsidiaries	-	(3,891,899,608)
<b>Total</b>	<b>360,436,195,093</b>	<b>(924,642,412)</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

#### 41. OTHER INFORMATION

##### 41.1 *Transactions with related parties*

List of related parties and relationships with the Company is as follows:

<u>Related parties</u>	<u>Relationships</u>
NDH Invest Ltd. and its subsidiaries	SSI's Chairman is the owner of NDH Invest Ltd.
Daiwa Securities Group Inc.	Strategic shareholder
The PAN Group JSC. and its subsidiaries	Chairman of SSI is also the Chairman of the PAN Group, Associate
Vietnam Fumigation JSC	Associate
Dong Nai Port JSC	Associate
Saigon Dan Linh Real Estate Co., Ltd	Deputy CEO of SSI is also the Chairman of Saigon Dan Linh Real Estate Co.
Nguyen Saigon Co., Ltd	The Chairman of Nguyen Saigon Co., is the brother of SSI's Chairman

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

Significant balances and transactions with related parties as at 30 June 2017 and for the period then ended are as follows:

<i>Parties</i>	<i>Transaction</i>	<i>Receivables/(Payables)</i>			<i>Ending VND</i>	<i>Revenues/ (Expenses) VND</i>
		<i>Beginning VND</i>	<i>Increases VND</i>	<i>Decrease VND</i>		
The PAN Group JSC and its subsidiaries	Advance for selling securities, securities transaction fee and custodian fee	-	47,273,372	(47,273,372)	-	47,273,372
	Consultant fee	-	6,000,000,000	-	6,000,000,000	6,000,000,000
	Buying securities	-	(53,408,921,300)	53,408,921,300	-	-
	Storage fee and service fee	-	(256,676,431)	256,676,431	-	(256,676,431)
	Deposit for storage fee	28,214,030	-	(28,214,030)	-	-
	Deposit for securities brokerage services	-	(743,073,407,970)	743,073,407,970	-	-
	Interest payable for securities brokerage deposit	-	(4,230,965,073)	4,230,965,073	-	(4,230,965,073)
	Expense for commodity purchase	-	(4,426,701,935)	4,275,549,935	(151,152,000)	(4,426,701,935)
	Trading securities payables on behalf	-	(4,759,238,443)	4,759,238,443	-	-
	Capital contribution under the equity method	473,200,866,796	28,154,592,461	-	501,355,459,256	8,716,443,930
NDH invest Company Ltd. and its subsidiaries	Advance for selling securities, securities transaction fee and service fee	-	153,952,800	(153,952,800)	-	153,952,800
	Portfolio management fee	4,171,283	22,527,699	(17,520,774)	9,178,208	22,527,699
	Selling securities	-	369,809,000,000	(369,809,000,000)	-	(340,267,124)
	Buying securities	-	(369,955,000,000)	369,955,000,000	-	-
	Advisory fee	-	171,030,000	(171,030,000)	-	155,481,818
	Consulting service expense	-	(474,375,000)	240,900,000	(233,475,000)	(474,375,000)
DAIWA SECURITIES GROUP INC	Fund management fee	4,586,642,260	863,654,869	(4,037,537)	5,446,259,592	863,654,869
Saigon Dan Linh Real Estate Co., Ltd	Advance for selling securities, securities transaction fee and custodian fee	-	40,203,208	(40,203,208)	-	40,203,208
Vietnam Fumigation JSC	Capital contribution under the equity method	158,186,689,875	4,936,709,380	(5,487,786,000)	157,635,613,255	4,936,709,380
Dong Nai Port JSC	Capital contribution under the equity method	75,169,350,730	4,684,033,400	(3,705,376,500)	76,148,007,630	4,684,033,400

# Saigon Securities Incorporation

B05-CTCK/HN

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

<i>Parties</i>	<i>Transaction</i>	<i>Receivables/(Payables)</i>			<i>Ending VND</i>	<i>Revenues/ (Expenses) VND</i>
		<i>Beginning VND</i>	<i>Increases VND</i>	<i>Decrease VND</i>		
Nguyen Saigon Co., Ltd	Advance for selling securities, securities transaction fee and custodian fee	-	145,443,873	(145,443,873)	-	145,443,073
	Receivable from margin trading	-	9,287,632,010	(9,287,632,010)	-	4,944,918
Other parties	Purchase of bonds issued by SSI	(60,000,000,000)	-	-	(60,000,000,000)	-
	Payables for bond interest issued by SSI	(1,005,833,333)	(1,289,166,667)	-	(2,295,000,000)	(1,289,166,667)

Total remuneration of members of the Board of Directors and the Board of Management:

	<i>Q2/2017 VND</i>	<i>Q2/2016 VND</i>
Salary and bonus	2,568,400,000	2,475,423,000
Other benefits	-	-
<b>Total</b>	<b>2,568,400,000</b>	<b>2,475,423,000</b>

2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

#### 41.2 Segment information

##### Segment information by business lines

	<i>Brokerage and customer services VND</i>	<i>Proprietary trading VND</i>	<i>Treasury VND</i>	<i>Portfolio Management VND</i>	<i>Investment banking and others VND</i>	<i>Total VND</i>
<b>Q2/ 2017</b>						
1. Direct income	315,908,769,037	275,101,587,274	110,264,948,575	12,319,389,538	8,963,350,300	722,558,044,724
2. Direct expenses	149,878,766,903	79,655,361,002	68,663,721,704	1,676,849,155	8,333,425,361	308,208,124,125
3. Depreciation and allocated expenses	25,187,477,429	6,188,302,644	3,474,134,818	2,062,767,548	6,514,002,783	43,426,685,223
<b>Profit before tax</b>	<b>140,842,524,705</b>	<b>189,257,923,627</b>	<b>38,127,092,053</b>	<b>8,579,772,835</b>	<b>(5,884,077,844)</b>	<b>370,923,235,376</b>
<b>Ending balance</b>						
1. Direct segment assets	4,213,542,909,688	4,773,042,653,936	6,546,235,330,379	36,097,005,843	10,785,521,421	15,579,703,421,267
2. Allocated segment assets	153,991,308,274	37,834,071,429	21,240,180,452	12,611,357,143	39,825,338,347	265,502,255,644
3. Unallocated assets						545,214,995,215
<b>Total assets</b>	<b>4,367,534,217,962</b>	<b>4,810,876,725,365</b>	<b>6,567,475,510,830</b>	<b>48,708,362,986</b>	<b>50,610,859,767</b>	<b>16,390,420,672,126</b>
1. Direct segment liabilities	412,632,686,518	635,446,269,989	6,211,850,622,611	4,552,979,179	5,507,611,548	7,269,990,169,845
2. Allocated segment liabilities	116,371,908,944	28,591,374,180	16,051,297,785	9,530,458,060	30,096,183,348	200,641,222,318
3. Unallocated liabilities						116,195,886,917
<b>Total liabilities</b>	<b>529,004,595,463</b>	<b>664,037,644,169</b>	<b>6,227,901,920,396</b>	<b>14,083,437,239</b>	<b>35,603,794,896</b>	<b>7,586,827,279,080</b>

##### Segment information by geographic area

Company's activities are mainly in the territory of Vietnam.

The Company has a wholly-owned US subsidiary, SSI International Incorporated ("SSIIC"), which operates in the US real estate business. However, SSIIC's total revenue, expenses and total assets are very low compared to its total revenue, expense and total assets (about 2% to 4%). As a result, the Company does not present segmental reports by geographical area in the notes to the consolidated financial statements

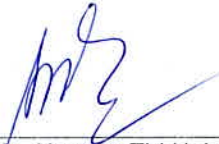
2<sup>nd</sup> QUARTER OF 2017 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2017 and for the three-month period then ended

**42. KEY OPERATIONAL FACTORS WHICH IMPACTED THE CONSOLIDATED FINANCIAL STATEMENTS**

The Company's 2<sup>nd</sup> Quarter of 2017 consolidated accounting profit after tax is VND 303,702,108,539, making an increase of 6% (equivalent to VND 17,630,180,956) in comparison with 2<sup>nd</sup> Quarter of 2016. Such increase mainly resulted from gain from held-to-maturity (HTM) investments of VND 21,594,433,636 of 2<sup>nd</sup> Quarter of 2017 in comparison with 2<sup>nd</sup> Quarter of 2016.

**43. EVENT AFTER THE REPORTING DATE**

There has been no matter or circumstance that has arisen since the reporting date which is required to be disclosed in the 2<sup>nd</sup> Quarter of 2017 consolidated financial statements.



Ms. Nguyen Thi Hai Anh  
Prepared by



Ms. Hoang Thi Minh Thuy  
Chief Accountant



Mr. Nguyen Hong Nam  
Deputy Chief Executive  
Officer

Ho Chi Minh City, Vietnam

28 July 2017