

Pinetree Securities Corporation

Interim financial statements

For the six-month period ended 30 June 2024



Pinetree Securities Corporation

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Pinetree Securities Corporation

GENERAL INFORMATION

THE COMPANY

Pinetree Securities Corporation (“the Company”), initially HFT Securities Corporation, is a joint stock company established under Vietnam Law on Enterprises, Securities Trading License No. 10/GPHDKD issued by the State Securities Commission for the first time on 18 February 2003 with an initial charter capital at VND 6,000,000,000. The Company’s charter capital was approved to increase to VND 970,000,000,000 in accordance with the latest amended License No. 127/GPDC-UBCK dated 27 December 2021 granted by the State Securities Commission.

As on 30 June 2024, the total charter capital of the Company was VND 970,000,000,000 (as at 31 December 2023: VND 970,000,000,000).

The Company’s head office is located on Floor 20th, ROX Tower, 54A Nguyen Chi Thanh Street, Lang Thuong Ward, Dong Da District, Hanoi.

The Company’s current principal activities are:

- ▶ Brokerage services;
- ▶ Underwriting for securities issuance;
- ▶ Financial and investment advisory services;
- ▶ Proprietary trading;
- ▶ Securities depository;
- ▶ Derivatives trading; and
- ▶ Other services in accordance with law and regulations applicable to securities companies.

BOARD OF DIRECTORS

Members of the Board of Directors during the period and at the date of this report are:

Mr. Noh Eun Woo	Chairman	Appointed on 22 October 2021
Mr. Lee Jun Hyuck	Member	Appointed on 15 May 2019
Mr. Nguyen Huy Duong	Member	Appointed on 15 May 2019

BOARD OF SUPERVISION

Members of the Board of Supervision during the period and at the date of this report are:

Mr. Nguyen Thach Hoan	Head of the Board	Appointed on 05 May 2023
Mr. Lee Jun Hyeob	Member	Appointed on 15 May 2019
Mr. Kim Ji Yoon	Member	Appointed on 15 May 2019

MANAGEMENT AND CHIEF ACCOUNTANT

Member of the Management and the Chief Accountant during the period and at the date of this report are:

Mr. Lee Jun Hyuck	General Director	Reappointed on 25 August 2023
Ms. Dinh Thi Lan Phuong	Chief Accountant	Reappointed on 03 October 2022

Pinetree Securities Corporation

GENERAL INFORMATION (continued)

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr. Lee Jun Hyuck – General Director.

AUDITORS

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



Pinetree Securities Corporation

REPORT OF MANAGEMENT

Management of Pinetree Securities Corporation (“the Company”) is pleased to present its report and the Company’s interim financial statements for the six-month period ended 30 June 2024.

MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE INTERIM FINANCIAL STATEMENTS

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

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

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

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

STATEMENT BY MANAGEMENT

The Company’s Management does hereby states that, in its opinion, the accompanying interim financial statements give a true and fair view of the interim financial position of the Company as on 30 June 2024, the interim results of its operations, its interim cash flows and its interim changes in equity for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and the statutory requirements relevant to preparation and presentation of interim financial statements.

On behalf of Management:



Mr. Lee Jun Hyuck
General Director

Hanoi, Vietnam

08 August 2024

Reference: 12581961/E-68476086/LR

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

**To: The Shareholders of
Pinetree Securities Corporation**

We have reviewed the accompanying interim financial statements of Pinetree Securities Corporation (“the Company”) as prepared on 08 August 2024 and set out on pages 6 to 48, which comprise the interim statement of financial position as at 30 June 2024, the interim income statement, the interim cash flow statement and the interim statement of changes in equity for the six-month period then ended and the notes thereto.

Management’s responsibility

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

Auditor’s responsibility

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

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view, in all material respects, of the interim financial position of the Company as on 30 June 2024, and of the interim results of its operations, its interim cash flows and its interim changes in equity for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and the statutory requirements relevant to the preparation and presentation of the interim financial statements.

Other matter

The interim financial statements of the Company for the six-month period ended 30 June 2023 were reviewed by another audit firm which expressed an unmodified conclusion on those interim financial statements on 11 August 2023. In addition, the financial statements of the Company as at 31 December 2023 were audited by this auditor who issued unqualified opinion on those financial statements on 18 March 2024.

Ernst & Young Vietnam Limited



Dang Phương Ha
Deputy General Director
Audit Practising Registration
Certificate No. 2400-2023-004-1

Hanoi, Vietnam

08 August 2024

STATEMENT OF INTERIM FINANCIAL POSITION
as on 30 June 2024

Code	ITEMS	Notes	30/06/2024 VND	31/12/2023 VND
100	A. CURRENT ASSETS		3,445,997,868,301	2,482,204,280,419
110	I. Financial assets		3,438,432,659,647	2,473,207,986,604
111	1. Cash and cash equivalents	5	173,124,984,233	147,556,781,512
111.1	1.1 Cash		173,124,984,233	147,556,781,512
112	2. Financial assets at fair value through profit or loss ("FVTPL")	7.1	301,774,498,497	233,748,812,904
113	3. Held-to-maturity ("HTM") investments	7.2	785,000,000,000	509,000,000,000
114	4. Loans	7.3	2,156,034,092,339	1,549,752,165,427
117	5. Receivables	8	21,225,649,522	31,533,243,724
117.1	5.1 Receivables from disposals of financial assets		265,046,004	40,813,200
117.2	5.2 Receivables and accruals from dividend and interest income		20,960,603,518	31,492,430,524
117.4	5.2.1 Undue accrued dividend and interest		20,960,603,518	31,492,430,524
118	6. Advances to suppliers	9	465,477,000	674,855,000
119	7. Receivables from services provided by the Company	10	155,501,553	128,333,712
122	8. Other receivables	11	675,326,086	836,663,908
129	9. Provision for impairment of receivables		(22,869,583)	(22,869,583)
130	II. Other current assets		7,565,208,654	8,996,293,815
133	1. Short-term prepaid expenses	13	5,743,551,038	7,280,403,123
134	2. Short-term deposits, collaterals and pledges	12	103,095,250	103,095,250
135	3. Deductible value added tax		1,718,562,366	1,612,795,442
200	B. NON-CURRENT ASSETS		59,966,427,065	63,469,072,658
220	I. Fixed assets		42,377,182,968	48,126,528,061
221	1. Tangible fixed assets	14	7,715,626,378	9,374,767,454
222	1.1 Cost		23,486,590,853	23,301,181,453
223a	1.2 Accumulated depreciation		(15,770,964,475)	(13,926,413,999)
227	2. Intangible assets	15	34,661,556,590	38,751,760,607
228	2.1 Cost		69,371,915,511	68,476,367,401
229a	2.2 Accumulated amortization		(34,710,358,921)	(29,724,606,794)
240	II. Construction in progress	16	1,022,995,406	399,000,000
250	III. Other non-current assets		16,566,248,691	14,943,544,597
251	1. Long-term deposits, collaterals and pledges	17	1,316,486,840	1,248,486,840
252	2. Long-term prepaid expenses	18	1,370,913,432	1,766,219,797
254	3. Payments to Settlement Assistance Fund	19	13,878,848,419	11,928,837,960
270	TOTAL ASSETS		3,505,964,295,366	2,545,673,353,077

STATEMENT OF INTERIM FINANCIAL POSITION (continued)
as on 30 June 2024

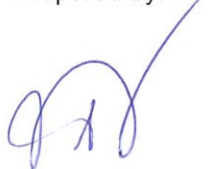
Code	ITEMS	Notes	30/06/2024 VND	31/12/2023 VND
300	C. LIABILITIES		1,986,137,555,973	1,045,519,749,906
310	I. Current liabilities		1,986,137,555,973	1,045,519,749,906
311	1. Short-term borrowings and financial leases	20	1,917,100,000,000	1,032,000,000,000
312	1.1 Short-term borrowings		1,917,100,000,000	1,032,000,000,000
318	2. Payables for securities trading activities	21	3,903,148,220	2,798,673,161
320	3. Short-term trade payables	22	51,690,857,500	272,890,238
322	4. Statutory obligations	23	9,722,434,645	6,765,892,354
323	5. Payables to employees		189,943,385	-
325	6. Short-term accrued expenses	24	2,901,383,253	2,668,088,174
329	7. Other short-term payables		629,788,970	1,014,205,979
400	D. OWNERS' EQUITY		1,519,826,739,393	1,500,153,603,171
410	I. Owners' equity	25	1,519,826,739,393	1,500,153,603,171
411	1. Share capital		1,480,000,000,000	1,480,000,000,000
411.1	1.1 Contributed capital		970,000,000,000	970,000,000,000
411.1a	1.1.1 Ordinary shares		970,000,000,000	970,000,000,000
411.2	1.2 Share premium		510,000,000,000	510,000,000,000
415	2. Operational risk and financial reserve		1,321,976,000	1,321,976,000
417	3. Undistributed profit		38,504,763,393	18,831,627,171
417.1	3.1 Realized profit	25.3	38,504,435,988	18,831,299,766
417.2	3.2 Unrealized profit		327,405	327,405
440	TOTAL LIABILITIES AND OWNERS' EQUITY		3,505,964,295,366	2,545,673,353,077

STATEMENT OF INTERIM FINANCIAL POSITION (continued)
as on 30 June 2024

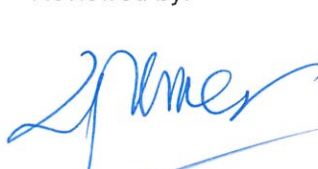
INTERIM OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	30/06/2024 VND	31/12/2023 VND
A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS				
006	Outstanding shares (number of shares)	25.4	97,000,000	97,000,000
008	Financial assets listed/registered for trading at the Vietnam Securities Depository and Clearing Corporation ("VSDC") of the Company	26.1	147,800,810,000	98,783,810,000
B. ASSETS AND PAYABLES UNDER AGREEMENTS WITH INVESTORS				
021	Financial assets listed/registered for trading at the VSDC of investors	26.2	6,005,515,778,000	5,844,562,649,000
021.1	<i>Unrestricted financial assets</i>		5,767,447,635,000	5,549,790,635,000
021.2	<i>Restricted financial assets</i>		5,557,800,000	5,603,800,000
021.4	<i>Blocked financial assets</i>		5,000,000	5,000,000
021.5	<i>Financial assets awaiting settlement</i>		232,505,343,000	289,163,214,000
026	Investors' deposits	26.3	1,198,638,930,019	802,712,745,095
027	Investors' deposits for securities trading activities managed by the Company	26.3	1,198,638,930,019	802,712,745,095
031	Payables to investors for deposits for securities trading activities managed by the Company	26.4	1,198,634,042,769	802,017,576,095
031.1	<i>Payables to domestic investors for deposits for securities trading activities managed by the Company</i>		1,186,242,793,988	789,798,723,735
031.2	<i>Payables to foreign investors for deposits for securities trading activities managed by the Company</i>		12,391,248,781	12,218,852,360
035	Dividends, bond principal and interest payables		4,887,250	695,169,000

Prepared by:


Ms. Tran Thi Minh Hien
Accountant

Reviewed by:


Ms. Dinh Thi Lan Phuong
Chief Accountant

Approved by:


Mr. Lee Jun Hyuck
General Director

Hanoi, Vietnam

08 August 2024

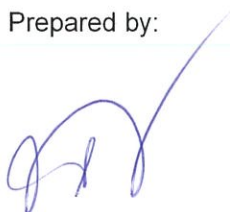
INTERIM INCOME STATEMENT
for the six-month period ended 30 June 2024

Code	ITEMS	Notes	For the six-month period ended 30 June 2024 VND	For the six-month period ended 30 June 2023 VND
	I. OPERATING INCOME			
01	1. Gain from financial assets at fair value through profit or loss ("FVTPL")		11,329,047,324	28,282,787,435
01.1	1.1 Gain from disposals of financial assets at FVTPL	27.1	5,365,062,917	23,309,889,125
01.3	1.3 Dividend, interest income from financial assets at FVTPL	27.2	5,963,984,407	4,972,898,310
02	2. Gain from held-to-maturity ("HTM") investments	27.2	17,580,630,127	20,248,154,789
03	3. Gain from loans and receivables	27.2	92,176,279,604	55,863,327,717
06	4. Revenue from brokerage services		23,531,108,147	12,748,135,735
09	5. Revenue from securities depository services		1,311,881,947	1,071,631,761
11	6. Revenue from other activities		94,563,888	99,481,828
20	Total operating income		146,023,511,037	118,313,519,265
	II. OPERATING EXPENSES			
21	1. Loss from financial assets at FVTPL		1,815,170,375	5,567,252,574
21.1	1.1 Loss from disposals of financial assets at FVTPL	27.1	1,628,196,327	5,567,235,524
21.2	1.2 Loss from revaluation of financial assets at FVTPL		-	17,050
21.3	1.3 Transaction costs for acquisition of financial assets at FVTPL		186,974,048	-
26	2. Expenses for proprietary trading activities		210,395,797	14,824,328
27	3. Expenses for brokerage services	28	51,005,524,776	38,005,321,231
30	4. Expenses for securities depository services		1,520,995,500	1,095,428,237
32	5. Expenses for other activities		3,846,311	4,567,464
40	Total operating expenses		54,555,932,759	44,687,393,834
	III. FINANCIAL INCOME			
42	1. Dividends and interest income from demand deposits	29	1,951,039,679	1,574,443,575
50	Total financial income		1,951,039,679	1,574,443,575
	IV. FINANCIAL EXPENSES			
52	1. Interest expenses from borrowings		27,918,694,229	26,609,019,741
55	2. Other financial expenses		3,533,754,429	9,456,070,065
60	Total financial expenses	30	31,452,448,658	36,065,089,806
62	V. GENERAL & ADMINISTRATIVE EXPENSES	31	37,375,177,609	31,019,088,277

INTERIM INCOME STATEMENT (continued)
for the six-month period ended 30 June 2024

Code	ITEMS	Notes	For the six-month period ended 30 June 2024 VND	For the six-month period ended 30 June 2023 VND
70	VI. OPERATING PROFIT		24,590,991,690	8,116,390,923
	VII. OTHER INCOME AND EXPENSES			
71	1. Other income		403,838	150,000
80	Total other operating gain		403,838	150,000
90	VIII. PROFIT BEFORE TAX		24,591,395,528	8,116,540,923
91	1. Realized profit		24,591,395,528	8,116,557,973
92	2. Unrealized loss		-	(17,050)
100	IX. CORPORATE INCOME TAX ("CIT") EXPENSES		4,918,259,306	1,623,311,595
100.1	1. Current CIT expenses	32	4,918,259,306	1,623,311,595
200	X. PROFIT AFTER TAX		19,673,136,222	6,493,229,328
501	Profit per share	33	203	67

Prepared by:



Ms. Tran Thi Minh Hien
Accountant

Reviewed by:



Ms. Dinh Thi Lan Phuong
Chief Accountant

Approved by:



Mr. Lee Jun Hyuck
General Director

Hanoi, Vietnam

08 August 2024

INTERIM CASH FLOW STATEMENT
for the six-month period ended 30 June 2024

Code	ITEMS	Notes	For the six-month period ended 30 June 2024 VND	For the six-month period ended 30 June 2023 VND
	I. CASH FLOW FROM OPERATING ACTIVITIES			
01	1. Profit before tax		24,591,395,528	8,116,540,923
02	2. Adjusted for		(35,806,379,463)	(11,196,428,409)
03	Depreciation and amortization		6,830,302,603	6,680,052,768
06	Interest expenses from borrowings	30	27,918,694,229	26,609,019,741
07	Loss from investing activities		1,582,714,750	1,120,249,075
08	Accrued interests		(72,138,091,045)	(45,605,749,993)
10	3. Increase in non-monetary expenses		-	17,050
11	Loss from revaluation of financial assets at FVTPL		-	17,050
30	4. Operating (loss)/income before changes in working capital		(848,562,900,107)	307,090,090,409
31	(Increase)/Decrease in financial assets at FVTPL		(68,025,685,593)	473,622,178,402
32	(Increase)/Decrease in HTM investments		(276,000,000,000)	400,000,000,000
33	Increase in loans		(606,281,926,912)	(567,572,561,773)
35	(Increase)/decrease in receivables from disposals of financial assets		(224,232,804)	28,599,310
36	Decrease in receivables and accruals from dividend and interest income		82,669,918,051	50,210,951,420
37	Increase in receivables from services provided by the Company		(27,167,841)	(55,945,533)
39	Decrease in other receivables		161,337,822	491,029,822
40	Increase in other assets		(2,055,777,383)	(2,265,014,664)
41	Decrease in accrued expenses (excluding interest expenses)		(4,136,003,921)	(13,738,616,212)
42	Decrease/(Increase) in prepaid expenses		1,932,158,450	(719,604,388)
43	CIT paid		(3,409,522,979)	(389,385,106)
44	Interest paid		(27,083,149,658)	(30,709,656,980)
45	Increase/(Decrease) in trade payables		51,627,345,262	(1,156,325,830)
47	Increase/(Decrease) in tax and payables to the State (excluding CIT paid)		1,447,805,964	(623,998,306)
48	Increase/(Decrease) in payables to employees		189,943,385	(49,179,650)
50	Increase in other payables		720,058,050	17,619,897
51	Other receipt from operating activities		10,000,000	-
52	Other payments for operating activities		(78,000,000)	-
60	Net cash flows from/(used in) operating activities		(859,777,884,042)	304,010,219,973

INTERIM CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2024

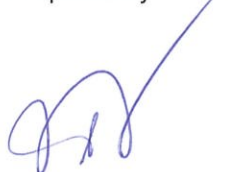
Code	ITEMS	Notes	For the six-month period ended 30 June 2024 VND	For the six-month period ended 30 June 2023 VND
	II. CASH FLOW FROM INVESTING ACTIVITIES			
61	1. Payments for purchase and construction of fixed assets, investment properties and other long-term assets		(1,704,952,916)	(2,218,420,000)
65	2. Interest from loans, dividends from long-term investments received		1,951,039,679	1,574,443,575
70	Net cash flows from/(used in) investing activities		246,086,763	(643,976,425)
	III. CASH FLOW FROM FINANCING ACTIVITIES			
73	1. Proceeds from borrowings		6,397,403,000,000	3,444,998,650,089
73.2	1.1. Borrowings from others		6,397,403,000,000	3,444,998,650,089
74	2. Repayment of borrowings		(5,512,303,000,000)	(3,807,398,650,089)
80	Net cash flows from/(used in) financing activities		885,100,000,000	(362,400,000,000)
90	NET CASH FLOW DURING THE PERIOD		25,568,202,721	(59,033,756,452)
101	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		147,556,781,512	69,031,549,737
101.1	Cash		147,556,781,512	69,031,549,737
103	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		173,124,984,233	9,997,793,285
103.1	Cash		173,124,984,233	9,997,793,285

INTERIM CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2024

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF CUSTOMERS

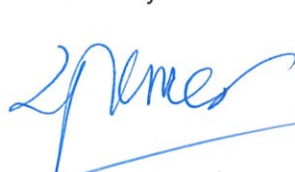
Code	ITEMS	Notes	For the six-month period ended 30 June 2024 VND	For the six-month period ended 30 June 2023 VND
	I. Cash flows from brokerage and trust activities of customers			
01	1. Cash receipts from disposal of brokerage securities of customers		38,398,282,410,410	20,618,227,428,328
02	2. Cash payments for purchase of brokerage securities of customers		(38,974,970,336,937)	(21,301,308,039,694)
07	3. Cash receipts for settlement of securities transactions of customers		51,120,530,379,868	26,547,842,809,241
08	4. Cash payment for settlement of securities transactions of customers		(50,147,225,986,667)	(25,681,074,635,560)
14	5. Cash receipts from securities issuers		168,650,882,586	57,885,347,770
15	6. Cash payments for securities issuers		(169,341,164,336)	(57,824,564,570)
20	Net increase in cash during the period		395,926,184,924	183,748,345,515
30	II. Cash and cash equivalents of customers at the beginning of the period		802,712,745,095	549,188,401,467
31	Cash at banks at the beginning of the period		802,712,745,095	549,188,401,467
32	- Investors' deposits managed by the Company for securities trading activities		802,712,745,095	549,188,401,467
40	III. Cash and cash equivalents of customers at the end of the period		1,198,638,930,019	732,936,746,982
41	Cash at banks at the end of the period		1,198,638,930,019	732,936,746,982
42	- Investors' deposits managed by the Company for securities trading activities		1,198,638,930,019	732,936,746,982

Prepared by:



Ms. Tran Thi Minh Hien
Accountant

Reviewed by:



Ms. Dinh Thi Lan Phuong
Chief Accountant

Approved by:



Mr. Lee Jun Hyuck
General Director

Hanoi, Vietnam

08 August 2024

Pinetree Securities Corporation

B04a-CTCK

INTERIM STATEMENT OF CHANGES IN EQUITY
for the six-month period ended 30 June 2024

ITEMS	Opening balance		Increase/Decrease				Closing balance	
	01/01/2023	01/01/2024	Prior period		Current period		30/06/2023	30/06/2024
	VND	VND	Increase VND	Decrease VND	Increase VND	Decrease VND	VND	VND
I. CHANGES IN OWNERS' EQUITY	1,477,820,504,397	1,500,153,603,171	6,493,246,378	17,050	19,673,136,222	-	1,484,313,733,725	1,519,826,739,393
1. Share capital	1,480,000,000,000	1,480,000,000,000	-	-	-	-	1,480,000,000,000	1,480,000,000,000
1.1. Contributed capital	970,000,000,000	970,000,000,000	-	-	-	-	970,000,000,000	970,000,000,000
1.2. Share premium	510,000,000,000	510,000,000,000	-	-	-	-	510,000,000,000	510,000,000,000
3. Operational risk and financial reserve	1,321,976,000	1,321,976,000	-	-	-	-	1,321,976,000	1,321,976,000
4. Undistributed (loss)/profit	(3,501,471,603)	18,831,627,171	6,493,246,378	17,050	19,673,136,222	-	2,991,757,725	38,504,763,393
4.1 Realized (loss)/profit	(3,501,816,058)	18,831,299,766	6,493,246,378	-	19,673,136,222	-	2,991,430,320	38,504,435,988
4.2 Unrealized profit	344,455	327,405	-	17,050	-	-	327,405	327,405
TOTAL	1,477,820,504,397	1,500,153,603,171	6,493,246,378	17,050	19,673,136,222	-	1,484,313,733,725	1,519,826,739,393

Prepared by:



Ms. Tran Thi Minh Hien
Accountant

Hanoi, Vietnam

08 August 2024

Reviewed by:



Ms. Dinh Thi Lan Phuong
Chief Accountant

Mr. Lee Jun Hyuck
General Director



NOTES TO THE INTERIM FINANCIAL STATEMENTS
as on 30 June 2024 and for the six-month period then ended

1. CORPORATE INFORMATION

Pinetree Securities Corporation (“the Company”), initially HFT Securities Corporation, is a joint stock company established under Vietnam’s Law on Enterprises, Securities Trading License No. 10/GPHDKD issued by the State Securities Commission for the first time on 18 February 2003 with initial charter capital at VND 6,000,000,000. The Company’s charter capital was approved to increase to VND 970,000,000,000 in accordance with the latest amended License No. 127/GPDC-UBCK dated 27 December 2021 granted by the State Securities Commission.

The Company’s principal activities are to provide brokerage services, securities underwriting, financial and investment advisory services, proprietary trading, securities depository, derivatives trading and other services in accordance with law and regulations applicable to securities companies.

The Company’s head office is located on Floor 20th, ROX Tower, 54A Nguyen Chi Thanh Street, Lang Thuong Ward, Dong Da District, Hanoi.

The total number of employees of the Company as at 30 June 2024 was 118 persons (as at 31 December 2023: 108 persons).

Operations of the Company

Charter capital

As at 30 June 2024, total charter capital of the Company was VND 970,000,000,000 (as at 31 December 2023: VND 970,000,000,000).

Investment objectives

The Company is a securities company with current principal activities comprising of brokerage services; financial and investment advisory services; proprietary trading; securities depository services; derivatives trading and other services in accordance with legal regulations applicable to securities companies. The Company’s objective is to become one of the leading securities companies in the market, contributing to the development of the Vietnamese stock market and bringing core benefits to customers, investors and shareholders of the Company.

Investment restrictions

The Company complies with Article 28 of Circular No. 121/2020/TT-BTC dated 31 December 2020 prescribing the operation of securities companies and other applicable regulations on investment restrictions. The current applicable practices on investment restrictions are as follows:

- ▶ A securities company is not allowed to purchase, contribute capital to invest in properties except for the use of head office, branches, and transaction offices directly serving operating activities of the securities company;
- ▶ A securities company may purchase, contribute capital to invest in properties and fixed assets on the principle that the carrying value of fixed assets and investment properties should not exceed fifty percent (50%) of the total assets of the securities company;
- ▶ A securities company is not allowed to use more than seventy percent (70%) of its owners’ equity to invest in corporate bonds. A securities company, licensed to engage in propriety trading, is allowed to repurchase listed bonds in accordance with relevant regulations on securities repurchase agreement;

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

1. CORPORATE INFORMATION (continued)

Operations of the Company (continued)

Investment restrictions (continued)

- ▶ A securities company must not by itself or authorize other organizations or individuals to:
 - Invest in shares or contribute capital to companies that own more than fifty percent (50%) of the charter capital of the securities company, except for purchasing odd shares per request of customers;
 - Make joint investments with a related party in five percent (5%) or more of the charter capital of another securities company;
 - Invest more than twenty percent (20%) in the total circulating shares or fund certificates of a listed entity;
 - Invest more than fifteen percent (15%) in the total circulating shares or fund certificates of a non-listed entity, this provision shall not apply to member fund, exchange-traded fund and open-ended fund certificates;
 - Invest or contribute capital in more than ten percent (10%) of the total contributed capital of a limited liability company or a business project;
 - Invest or contribute capital more than fifteen percent (15%) of its owners' equity in an entity or a business project;
 - Invest more than seventy percent (70%) of its owners' equity in shares, capital contribution and business projects, specifically invest more than twenty percent (20%) of its owners' equity in non-listed shares, capital contribution and business projects.

2. BASIS OF PREPARATION

2.1 *Applied accounting standards and systems*

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

2. BASIS OF PREPARATION (continued)

2.2 *Applied accounting documentation system*

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

2.3 *Fiscal period*

The Company's fiscal year applicable for the preparation of its financial statements starts on 01 January and ends on 31 December.

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

2.4 *Accounting currency*

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

2.5 *Basis of assumptions and uses of accounting estimates*

The preparation of the financial statements requires the Company's Management to make estimates and assumptions that affect the reported amount of assets, liabilities and the disclosure of contingent liabilities. These estimates and assumptions also affect the income, expenses and the resultant provisions. Such estimates are necessarily based on assumptions involving varying degrees of subjectivity and uncertainty and actual results may differ resulting in future changes in such provision.

3. STATEMENT OF COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEMS

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 *Changes in accounting policies and disclosures*

The accounting policies adopted by the Company in preparation of the interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2023 and the interim financial statements for the six-month period ended 30 June 2023.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks of the securities company, deposits for clearing and settlement of securities trading and short-term, highly liquid investments with original terms 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 on the interim off-balance sheet.

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

Financial assets at FVTPL 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 derivatives that are financial guarantee contracts or effective hedging instruments).
- b) Upon initial recognition, the classification of a financial asset into financial asset at FVTPL is deemed reasonable if it meets one of the following criteria:
 - ▶ The classification eliminates or significantly reduces the inconsistent treatments that would otherwise arise from measuring or recognizing the asset on a different basis;
 - ▶ The financial asset is part of a group of financial assets which are managed, and their performance is evaluated on a fair value basis, in accordance with the Company's risk management or investment strategy.

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

Increase in the difference arising from revaluation of financial assets at FVTPL in comparison with the prior period is recognized into the interim income statement under "*Gain from revaluation of financial assets at FVTPL*". Decrease in the difference arising from revaluation of financial assets at FVTPL in comparison with the prior period is recognized into the interim income statement under "*Loss from revaluation of financial assets at FVTPL*".

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 Loans

Loans are non-derivative financial assets with fixed or identifiable payments and are non-listed in the market, with the exceptions of:

- a) The items that the Company intends to sell immediately or in a near future which are classified as assets held for trading, and those which, upon initial recognition, are classified as financial assets at fair value through profit or loss by the Company;
- b) The items classified as available-for-sale upon initial recognition by the Company; or
- c) The items whose holders cannot recover the majority of initial investment value not due to the impairment of credit quality and which are classified as available-for-sale.

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

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

Loans are subject to impairment assessment at the interim balance sheet date. Provision is made based on its estimated loss which is determined by the difference between the market value of securities used as collaterals for such loans and the loan outstanding balance. Any increase/decrease in the balance of provision is recorded in "*Provision expenses for diminution in value and impairment of financial assets, doubtful debts, and interest expenses from borrowings*" in the interim income statement.

Margin lending

Margin lending is the activity in which the Company lends money to investors to buy securities on the margin trading accounts opened at the Company and, at the same time, the investors are responsible for depositing a part or the whole of permitted securities in the margin trading accounts to secure such loans. Margin loans are initially recognized at cost. After initial recognition, margin loans continue to be recorded at cost and periodically assessed for impairment (if any).

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 *Held-to-maturity ("HTM") investments*

Held-to-maturity ("HTM") investments are non-derivative financial assets with fixed or identifiable payments and fixed maturity that the Company intends and is able to hold to maturity, except for:

- a) The financial assets classified as financial assets at fair value through profit or loss upon initial recognition by the Company;
- b) The financial assets classified as available-for-sale;
- c) The financial assets satisfying the definition of loans and receivables.

HTM investments are initially recognized at cost (purchase value plus (+) transaction costs which are directly attributable to the investments such as brokerage fee, trading fee, agent fee, issuance agent fee and bank charge). After initial recognition, held-to-maturity investments are subsequently measured at amortized cost using the effective interest rate method.

4.6 *Fair value/market value of financial assets*

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

- ▶ For securities listed on Hanoi Stock Exchange and Ho Chi Minh City Stock Exchange, market prices are closing prices on the last trading date preceding the revaluation date;
- ▶ For securities non-listed on the stock market but registered for trading on UPCoM, market prices are determined as the average of the reference prices in the last 30 consecutive trading days before the time of making financial statements published by the Stock Exchange;
- ▶ For trading securities on UPCoM market that have not been traded within 30 days before the time of preparing the financial statements, the provisioning rate for each securities investment package shall be determined in accordance with regulations on the level of deductions for other investments;
- ▶ For listed securities which are canceled or suspended from trading or suspended from trading from the sixth trading day onwards, the actual securities price is the book value at the date of the latest statement of financial position;
- ▶ For non-listed securities and securities non-registered for trading on unlisted public company market ("UPCoM"), actual market prices are average of actual trading prices quoted by three (03) securities companies conducting transactions at the last trading date before the revaluation date.

For securities which do not have reference prices from the above sources, the fair value is determined at cost plus accrued interest (if any) or based on the internal valuation method of the Company.

For the purposes of determining taxable income, the tax base of the Company's financial assets is measured at cost less provision for diminution. Accordingly, the market value of securities for the purpose of provisioning is determined in accordance with Circular No. 48/2019/TT- BTC dated 8 August 2019 ("Circular No. 48") promulgated by the Ministry of Finance and Circular No. 24/2022/TT-BTC ("Circular No. 24") dated 7 April 2022 amending and supplementing a number of articles of Circular No. 48.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 *Derecognition of financial assets*

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

- ▶ The Company no longer has the rights to receive cash flows from the asset; or
- ▶ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a transfer arrangement; and either:
 - The Company has transferred substantially the risks and rewards of the asset; or
 - The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a transfer 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 still recognized as the Company's asset. In that case, the Company also recognizes a corresponding liability. The transferred asset and the corresponding liability are measured on a basis that reflects the rights and obligations that the Company has retained.

In the case that the recognized liability is in the form of guarantee, the transferred assets will be recognized at the smaller value between the initial carrying value of the assets and the maximum obligation incurred by the Company.

4.8 *Reclassification of financial assets*

Reclassification when selling financial assets other than FVTPL

When selling financial assets other than FVTPL, securities companies are required to reclassify those financial assets to financial assets at FVTPL. Differences arising from revaluation of available for sales ("AFS") financial assets which are recognized under "*Gain/(Loss) from revaluation of assets at fair value*" will be recognized to the corresponding revenue or expenses at the date of reclassification of AFS financial assets.

Reclassification due to changes in purpose or ability to hold

Securities companies are able to reclassify financial assets to appropriate categories upon changes in purpose or ability to hold, accordingly:

- ▶ Non-derivative financial assets at FVTPL or financial assets that are not required to classify as financial assets at FVTPL at initial recognition can be classified as loans and other receivables in certain circumstances 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;
- ▶ If certain investments should no longer be classified as HTM investments due to changes in purpose or ability to hold, they are required to be reclassified into available-for-sale financial assets and measured at fair value. The difference arising from revaluation between carrying value and fair value are recognized as "*Gain/(loss) from revaluation of assets at fair value*" in owners' equity.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.9 *Recognition of mortgaged financial assets*

During the period, the Company had mortgaged/pledged financial assets 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 agreements or swap contracts with any other third party.

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

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

4.10 *Receivables*

Receivables are initially recognized at cost and are continuously presented at cost in subsequent periods.

Provision for receivables is determined based on the overdue status of debts or expected loss of current debts in case the debts are undue yet the organization has fallen into bankruptcy, is under dissolution process or has absconded; or individual who is being prosecuted, detained, on trial or under sentence or is suffering from fatal diseases (with medical certificate) or has deceased or the debts requested for sentence yet are unenforceable due to individual escaping or the debts sued for debt collection yet are under suspension. Provision expenses incurred are recorded in "Other operating expenses" in the interim income statement in the period.

Provision rates for overdue receivables are prescribed in Circular No. 48/2019/TT-BTC dated 8 August 2019 by the Ministry of Finance as follows:

<u>Overdue period</u>	<u>Provision rate</u>
From over six (06) months to less than one (01) year	30%
From one (01) year to less than two (02) years	50%
From two (02) years to less than three (03) years	70%
From over three (03) years	100%

Management also makes assessment on estimated losses of undue receivables based on qualitative factors and makes provision thereto.

4.11 *Fixed assets*

Fixed assets are stated at cost less accumulated depreciation or amortization.

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

Costs related to additions, improvements and renewals are capitalized while expenditures for maintenance and repairs (if any) are charged to the interim income statement when incurred.

When fixed assets are sold or liquidated, any gains or losses resulting from their disposal (the difference between the net proceeds from the sale of assets and the remaining value of the assets) are recorded to the interim income statement.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Depreciation and amortization

Depreciation of tangible and amortization of intangible assets are computed on a straight-line basis over the estimated useful lives of these assets as follows:

Machines and equipment	03 – 07 years
Office equipment	03 – 05 years
Other tangible assets	05 years
Computer software	03 – 07 years
Other intangible assets	07 years

4.13 Leases

Whether an agreement is determined as a 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 terms on the rights of use of the asset.

When the Company is the lessee

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

4.14 Prepaid expenses

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

The following expenses are recorded as long-term prepaid expenses and are amortized for the period of one (01) year to three (03) years to the interim income statement:

- ▶ Maintenance expenses, software expenses;
- ▶ Office tools expenses and other prepaid expenses.

4.15 Borrowings

Borrowings of the Company are recorded and stated at cost at the end of the accounting period.

4.16 Payables and accrued expenses

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

4.17 Employees' benefits

4.17.1 Retirement benefits

Retirement benefits are paid to retired employees of the Company by the Social Insurance Agency which belongs to the Ministry of Labour, Invalids and Social Affairs. The Company is required to pay social insurance premium to the Social Insurance Agency at the rate of 17.5% of an employee's basic salary on a monthly basis. Other than that, the Company has no further obligations.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.17 *Employees' benefits* (continued)

4.17.2 *Voluntary resignation benefits*

Under Article 46 of the Vietnam Labor Code No. 45/2019/QH14 taking effect on 1 January 2021 and the Decree No. 145/2020/ND-CP of Government regulating and guiding the implementation of articles of the Vietnam Labor Code regarding working conditions and labor relations, the Company has the responsibility to pay allowance equivalent to half of their monthly salary for each year of employment for voluntarily resigned employees who fully meet the requirements in accordance with the regulations. Working time to calculate the severance allowance is the total time the employee has worked for the Company minus the time that the employee has participated in unemployment insurance in accordance with the regulations on unemployment insurance and the working time during which the employer has paid severance allowance and job-loss allowance. The average monthly salary used in this calculation is the average monthly salary of the last six-month period up to the resignation.

4.17.3 *Unemployment allowance*

According to Article 57 of the Law on Employment No. 38/2013/QH13 effective from 01 January 2015 and Decree No. 28/2015/ND-CP dated 12 March 2015 of the Government providing guidelines for the Law on Employment in term of unemployment insurance, the Company is required to contribute to the unemployment insurance at the rate of 1% of salary and wage fund of unemployment insurance joiners and deduct 1% of monthly salary and wage of each employee to contribute to the unemployment insurance. According to Decision No. 28/2021/QĐ-TTg of the Prime Minister, from 01 October 2021, the Company is entitled to reduce the unemployment insurance contributions rate of 1% mentioned above to 0% within 12 months.

4.18 *Foreign currency transactions*

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

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

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

4.19 *Revenue recognition*

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.19 *Revenue recognition* (continued)

Revenue from brokerage services

Where the contract outcome can be reliably measured, revenue is recognized with reference to the stage of completion. Where the contract outcome cannot be reliably measured, revenue is recognized only to the extent that the incurred expenses would be recoverable.

Income from proprietary trading

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

Other incomes

Other incomes are income from irregular activities other than operating activities, including: income from disposals and sales of fixed assets; fines paid by customers for contract breaches; collection of insurance compensation; recoveries from bad debts previously written off; liabilities recognized as an increase in income as their owners no longer exist; collection of reduced and reimbursed tax; and other receipts recognizable as other income as stipulated by VAS 14 – Revenue and other incomes.

Interest income

Interest income is recognized on an accrual basis (including the effective yield on the asset) unless there is an uncertainty in the collectability.

Dividend

Dividends are recognized when the Company's right to receive payment is established. Stock dividends are not recognized as an increase in income of the Company, only the number of shares is updated.

Revenue from other services provided

When there is a certainty in determining contract performance, income would be recognized based on percentage of contract completion.

When a certainty in determining contract performance is unavailable, income would be recognized to the extent of recoverable amount of expenses incurred.

4.20 *Interest expenses*

Interest expenses include accrued interests from borrowings and other expenses arising directly from borrowings by the Company. Interest expenses are recognized on an accrual basis.

4.21 *Method of calculation for costs of securities in proprietary trading*

Costs of securities in proprietary trading are determined using weighted average cost at the end of the transaction date method.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.22 Corporate income tax

Current income tax

Current tax assets and liabilities for the current and prior period are measured at the amount expected to be paid to/or recovered from the tax authorities using the tax rates and tax laws effective at the interim balance sheet date.

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

Current tax assets and liabilities are offset when there is a legally enforceable right for the Company to offset 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 on temporary differences at the interim balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except for deferred tax liability arising 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 levied on deductible temporary differences, deductible amounts carried over to subsequent periods of taxable losses, and unutilized tax advantages when it is likely that earnings are generated in foreseeable future to use deductible temporary differences, taxable losses and tax advantages, except for deferred tax asset arising 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.

The carrying amount of deferred tax assets is reviewed at the interim balance sheet date and reduced to the extent that sufficient taxable profits will be available to allow all or part of the asset to be used. Unrecognized deferred tax assets are reassessed at the interim balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates expected to apply in the period when the asset is realized, or the liability is settled based on tax rates and tax laws effective at the interim balance sheet date. Deferred income tax is charged or credited to the interim income statement, except when it relates to items recognized directly to equity, in this case, the deferred income tax is also directly recorded in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to offset deferred tax assets against deferred tax liabilities relating to income tax levied by the same tax authority on either the same taxable entity or when the Company intends to settle its deferred tax assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.23 Owners' equity

Contributed capital

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

Undistributed profit

Undistributed profit comprises realized profit and unrealized profit.

Unrealized profit of the period is the difference between gain and loss arising from revaluation of financial assets at FVTPL or other financial assets in the interim income statement under the Company's financial assets and deferred tax income/expenses in the period.

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

Profit distribution

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

4.24 Related parties

Parties are considered to be related to the Company if a party has the ability, either directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and other parties are under common control or under common significant influence. Related parties can be enterprises or individuals, including close family members of individuals who are related parties.

4.25 Nil balance

Items or balances required by Circular No. 210/2014/TT-BTC dated 30 December 2014 and Circular No. 334/2016/TT-BTC dated 27 December 2016 of the Minister of Finance that are not included in these interim financial statements indicate nil balance.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

5. CASH AND CASH EQUIVALENTS

	30/06/2024 VND	31/12/2023 VND
Cash at bank for operations of the Company	173,124,984,233	147,556,781,512
Total	173,124,984,233	147,556,781,512

6. TRADING VALUE AND VOLUME DURING THE PERIOD

	Trading volume unit	Trading value VND
The Company	38,078,636	6,041,814,676,709
Bonds	38,075,334	5,335,169,185,309
Other securities	3,302	706,645,491,400
Investors	4,033,971,821	77,759,898,972,521
Shares	3,575,512,472	77,135,185,774,870
Bonds	1,021,210	109,881,306,221
Other securities	457,438,139	514,831,891,430
Total	4,072,050,457	83,801,713,649,230

7. FINANCIAL ASSETS

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

	30/06/2024		31/12/2023	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Shares	10,980,695	11,308,100	10,980,695	11,308,100
Bonds	301,763,190,397	301,763,190,397	131,090,928,804	131,090,928,804
Valuable papers	-	-	102,646,576,000	102,646,576,000
Total	301,774,171,092	301,774,498,497	233,748,485,499	233,748,812,904

7.2 Held-to-maturity ("HTM") investments

	30/06/2024 VND	31/12/2023 VND
Over 3-month term deposits (*)	435,000,000,000	309,000,000,000
Over 3-month certificates of deposit (**)	250,000,000,000	200,000,000,000
Bonds (***)	100,000,000,000	-
Total	785,000,000,000	509,000,000,000

(*) As at 30 June 2024, these were term deposits with terms ranging from 182 to 185 days, bearing interest at rates varying from 3.00% to 4.80% p.a. (As at 31 December 2023: from 5.20% p.a. to 7.80% p.a.).

(**) As at 30 June 2024, these were certificates of deposit with terms ranging from 182 to 368 days, bearing interest at rates varying from 4.20% to 6.50% p.a. (As at 31 December 2023: 6.70% p.a.).

(***) These were bonds with the maturity term of 7 years, with the current interest rate at 5.78% p.a.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

7. FINANCIAL ASSETS (continued)

7.3 Loans

	30/06/2024		31/12/2023	
	Cost VND	Fair value (**) VND	Cost VND	Fair value (**) VND
Margin lending (*)	1,862,123,403,766	1,862,123,403,766	1,277,041,328,646	1,277,041,328,646
Advance lending	293,910,688,573	293,910,688,573	272,710,836,781	272,710,836,781
Total	2,156,034,092,339	2,156,034,092,339	1,549,752,165,427	1,549,752,165,427

(*) Securities under margin activities are used as collaterals for the margin loans granted by the Company to investors. The par value and market value of securities used as collaterals for margin lending are as follows:

	30/06/2024		31/12/2023	
	Face value VND	Market value VND	Face value VND	Market value VND
Securities used as collaterals	1,682,321,160,000	3,954,640,534,490	1,345,128,510,000	3,028,594,266,890

(**) The fair value of loans is measured at cost less provision for doubtful debts.

7.4 Changes in fair value of financial assets

Changes in fair value of financial assets as at 30 June 2024 are as follows:

Financial assets	Cost VND	Revaluation difference		Revaluation value VND
		Increase VND	Decrease VND	
FVTPL				
Shares	10,980,695	1,715,600	(1,388,195)	11,308,100
Bonds	301,763,190,397	-	-	301,763,190,397
Valuable papers	-	-	-	-
Total	301,774,171,092	1,715,600	(1,388,195)	301,774,498,497

Changes in fair value of financial assets as at 31 December 2023 are as follows:

Financial assets	Cost VND	Revaluation difference		Revaluation value VND
		Increase VND	Decrease VND	
FVTPL				
Shares	10,980,695	1,715,600	(1,388,195)	11,308,100
Bonds	131,090,928,804	-	-	131,090,928,804
Valuable papers	102,646,576,000	-	-	102,646,576,000
Total	233,748,485,499	1,715,600	(1,388,195)	233,748,812,904

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

8. RECEIVABLES

	30/06/2024 VND	31/12/2023 VND
Receivables from disposals of financial assets	265,046,004	40,813,200
Receivables from sales of listed bonds	265,046,004	40,813,200
Receivables and accruals from dividend and interest income	20,960,603,518	31,492,430,524
Accrued interest from term deposits, certificates of deposit	5,655,835,616	17,758,383,569
Accrued interest from unlisted bonds	807,616,438	-
Accrued interest from margin lending	14,303,856,916	13,551,493,487
Accrued interest from advance lending	193,294,548	182,553,468
Total	<u>21,225,649,522</u>	<u>31,533,243,724</u>

9. ADVANCES TO SUPPLIERS

	30/06/2024 VND	31/12/2023 VND
OOS Software Joint Stock Company	300,000,000	300,000,000
Clever Group Corporation	83,160,000	9,261,000
Hai Han Intellectual Property Company Limited	66,847,000	133,694,000
Intech Operation And Maintenance Services Joint Stock Company	15,470,000	-
Other advances to suppliers	-	231,900,000
Total	<u>465,477,000</u>	<u>674,855,000</u>

10. RECEIVABLES FROM SERVICES PROVIDED BY THE COMPANY

	30/06/2024 VND	31/12/2023 VND
Receivables from securities brokerage activities	155,501,553	128,333,712
Total	<u>155,501,553</u>	<u>128,333,712</u>

11. OTHER RECEIVABLES

	30/06/2024 VND	31/12/2023 VND
Others	675,326,086	836,663,908
<i>In which:</i>		
- Irrecoverable debts	45,739,166	45,739,166
Total	<u>675,326,086</u>	<u>836,663,908</u>

12. SHORT-TERM DEPOSITS, COLLATERALS AND PLEDGES

	30/06/2024 VND	31/12/2023 VND
Deposit for expats' rentals	103,095,250	103,095,250
Total	<u>103,095,250</u>	<u>103,095,250</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

13. SHORT-TERM PREPAID EXPENSES

	30/06/2024 VND	31/12/2023 VND
Brand marketing and recruitment expenses	-	30,639,358
Data purchasing and internet expenses	2,250,033,808	2,785,450,104
Other prepaid expenses	3,493,517,230	4,464,313,661
Total	5,743,551,038	7,280,403,123

14. TANGIBLE FIXED ASSETS

	<i>Machines and equipment</i> VND	<i>Office equipment</i> VND	<i>Other tangible fixed assets</i> VND	<i>Total</i> VND
Cost				
Opening balance	20,525,892,109	2,675,717,344	99,572,000	23,301,181,453
Additions	-	185,409,400	-	185,409,400
Closing balance	<u>20,525,892,109</u>	<u>2,861,126,744</u>	<u>99,572,000</u>	<u>23,486,590,853</u>
<i>In which:</i>				
- <i>Fully depreciated tangible fixed assets in use</i>	910,342,309	750,755,344	-	1,661,097,653
Accumulated depreciation				
Opening balance	12,161,581,630	1,680,196,186	84,636,183	13,926,413,999
Depreciation for the period	<u>1,530,541,656</u>	<u>304,051,622</u>	<u>9,957,198</u>	<u>1,844,550,476</u>
Closing balance	<u>13,692,123,286</u>	<u>1,984,247,808</u>	<u>94,593,381</u>	<u>15,770,964,475</u>
Net book value				
Opening balance	<u>8,364,310,479</u>	<u>995,521,158</u>	<u>14,935,817</u>	<u>9,374,767,454</u>
Closing balance	<u>6,833,768,823</u>	<u>876,878,936</u>	<u>4,978,619</u>	<u>7,715,626,378</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

15. INTANGIBLE ASSETS

	<i>Computer software VND</i>	<i>Brands, trademarks VND</i>	<i>Total VND</i>
Cost			
Opening balance	68,476,367,401	-	68,476,367,401
Additions	798,000,000	97,548,110	895,548,110
Closing balance	<u>69,274,367,401</u>	<u>97,548,110</u>	<u>69,371,915,511</u>
<i>Include:</i>			
- Fully amortized intangible assets in use	1,633,400,000	-	1,633,400,000
Accumulated amortization			
Opening balance	29,724,606,794	-	29,724,606,794
Amortization for the period	4,981,893,655	3,858,472	4,985,752,127
Closing balance	<u>34,706,500,449</u>	<u>3,858,472</u>	<u>34,710,358,921</u>
Net book value			
Opening balance	38,751,760,607	-	38,751,760,607
Closing balance	<u>34,567,866,952</u>	<u>93,689,638</u>	<u>34,661,556,590</u>

16. CONSTRUCTION IN PROGRESS

	<i>30/06/2024 VND</i>	<i>31/12/2023 VND</i>
Purchases of fixed assets	-	399,000,000
Software development	1,022,995,406	-
Total	<u>1,022,995,406</u>	<u>399,000,000</u>

17. LONG-TERM DEPOSITS, COLLATERALS AND PLEDGES

	<i>30/06/2024 VND</i>	<i>31/12/2023 VND</i>
Office rental deposits	1,167,074,340	1,167,074,340
Other deposits	149,412,500	81,412,500
Total	<u>1,316,486,840</u>	<u>1,248,486,840</u>

18. LONG-TERM PREPAID EXPENSES

	<i>30/06/2024 VND</i>	<i>31/12/2023 VND</i>
Tools and equipment	782,769,526	904,674,303
Software expenses	114,546,911	125,801,718
Other prepaid expenses	473,596,995	735,743,776
Total	<u>1,370,913,432</u>	<u>1,766,219,797</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

19. PAYMENTS TO SETTLEMENT ASSISTANCE FUND

Payments to Settlement Assistance Fund represent the amount deposited at the Vietnam Securities Depository and Clearing Corporation ("VSDC").

According to Circular No. 119/2020/TT-BTC dated 31 December 2020 by the Minister of Finance providing regulations on the registration, depository, clearing and settlement of securities in the Vietnamese securities market, Decision No. 45/QD-VSD dated 22 May 2014 on the promulgation of regulations on the management and use of the Settlement Assistance Fund by the General Director of the VSDC, the Company is required to deposit an initial amount of VND 120 million at the VSDC and pay an addition of 0.01% of the total amount of brokered securities in the prior year, but not over VND 2.5 billion p.a. The maximum contribution of each depository member being a securities company engaging in proprietary trading and brokerage services to the Settlement Assistance Fund is VND 20 billion.

Details of the payments to Settlement Assistance Fund are as follows:

	30/06/2024	31/12/2023
	<u>VND</u>	<u>VND</u>
Initial balance	120,000,000	120,000,000
Additions	13,758,848,419	11,258,848,419
Distributed interest	-	549,989,541
Total	<u>13,878,848,419</u>	<u>11,928,837,960</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

20. SHORT-TERM BORROWINGS

Short-term borrowings from credit institutions	31/12/2023	Drawdown during the period	Payments during the period	30/06/2024
	VND	VND	VND	VND
Joint Stock Commercial Bank for Investment and Development of Vietnam – Ha Thanh Branch	147,000,000,000	1,985,332,000,000	(1,815,332,000,000)	317,000,000,000
Nonghyup Bank – Hanoi Branch	-	250,000,000,000	-	250,000,000,000
Lotte Finance Vietnam Co., Ltd	-	200,000,000,000	-	200,000,000,000
Other credit institutions	885,000,000,000	3,962,071,000,000	(3,696,971,000,000)	1,150,100,000,000
Total	1,032,000,000,000	6,397,403,000,000	(5,512,303,000,000)	1,917,100,000,000

Short-term borrowings as of 30 June 2024 comprise of:

- ▶ An overdraft from a domestic credit institution with interest rate at 4.3% p.a.
- ▶ Other short-term borrowings from domestic credit institutions with interest rates ranging from 2.70% p.a. to 7.25% p.a.

These borrowings are for the purpose of supplementing working capital for the Company.

As at the end of the period, short-term borrowings are secured by the Company's financial assets, whose fair value are:

	30/06/2024	31/12/2023
	VND	VND
Certificates of deposit	250,000,000,000	200,000,000,000
Term deposits	435,000,000,000	309,000,000,000
Total	685,000,000,000	509,000,000,000

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

21. PAYABLES FOR SECURITIES TRADING ACTIVITIES

	30/06/2024 VND	31/12/2023 VND
Payables to the Stock Exchanges	3,655,036,355	2,557,935,500
Payables to the VSDC	248,111,865	240,737,661
Total	3,903,148,220	2,798,673,161

22. SHORT-TERM TRADE PAYABLES

	30/06/2024 VND	31/12/2023 VND
Yulchon Limited Liabilities Law Firm	24,840,000	24,840,000
CMC Telecommunication Infrastructure Corporation	17,050,000	17,050,000
FPT International Telecom Company Limited – Hanoi Branch	11,467,500	11,467,500
Other trade payables	51,637,500,000	219,532,738
Total	51,690,857,500	272,890,238

23. STATUTORY OBLIGATIONS

	30/06/2024 VND	31/12/2023 VND
Corporate income tax ("CIT")	2,430,503,231	921,766,904
Personal income tax ("PIT")	7,291,931,414	5,844,125,450
Total	9,722,434,645	6,765,892,354

Movements of taxation and statutory obligations during the period:

Unit: VND

	Opening balance	Movements in the period		Closing balance
		Increases	Decreases	
CIT	921,766,904	4,918,259,306	(3,409,522,979)	2,430,503,231
PIT	5,844,125,450	46,312,641,580	(44,864,835,616)	7,291,931,414
Foreign contractor tax	-	352,703,594	(352,703,594)	-
Other taxes	-	12,456,384	(12,456,384)	-
Total	6,765,892,354	51,596,060,864	(48,639,518,573)	9,722,434,645

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

24. SHORT-TERM ACCRUED EXPENSES

	30/06/2024	31/12/2023
	<u>VND</u>	<u>VND</u>
Accrued interest expenses for borrowings	2,589,364,644	1,753,820,073
Other accrued expenses	312,018,609	914,268,101
Total	<u>2,901,383,253</u>	<u>2,668,088,174</u>

25. OWNERS' EQUITY

25.1 Details of owners' equity

	30/06/2024		31/12/2023	
	<u>VND</u>	<u>%</u>	<u>VND</u>	<u>%</u>
Hanwha Investment and Securities Co., Ltd	969,929,000,000	99.99	969,929,000,000	99.99
Others	71,000,000	0.01	71,000,000	0.01
Total	<u>970,000,000,000</u>	<u>100.00</u>	<u>970,000,000,000</u>	<u>100.00</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

25. OWNERS' EQUITY (continued)

25.2 Changes in owners' equity

	Contributed capital VND	Share premium VND	Operational risk and financial reserve VND	Undistributed profit/ (loss) VND	Total VND
As on 1 January 2023	970,000,000,000	510,000,000,000	1,321,976,000	(3,501,471,603)	1,477,820,504,397
Net profit for the year	-	-	-	22,333,098,774	22,333,098,774
As on 31 December 2023	970,000,000,000	510,000,000,000	1,321,976,000	18,831,627,171	1,500,153,603,171
Net profit for the period	-	-	-	19,673,136,222	19,673,136,222
As on 30 June 2024	970,000,000,000	510,000,000,000	1,321,976,000	38,504,763,393	1,519,826,739,393

25.3 Changes in distribution to shareholders

	30/06/2024 VND	31/12/2023 VND
Realized gain/(loss) undistributed at the beginning of the period	18,831,299,766	(3,501,816,058)
Realized gain for current period	19,673,136,222	22,333,115,824
Realized profit undistributed at the end of the period	38,504,435,988	18,831,299,766

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

25. OWNERS' EQUITY (continued)

25.4 Shares

	30/06/2024		31/12/2023	
	Number of shares	VND	Number of shares	VND
Registered shares	97,000,000	970,000,000,000	97,000,000	970,000,000,000
Issued shares	97,000,000	970,000,000,000	97,000,000	970,000,000,000
- Ordinary shares	97,000,000	970,000,000,000	97,000,000	970,000,000,000
Circulating shares	97,000,000	970,000,000,000	97,000,000	970,000,000,000
- Ordinary shares	97,000,000	970,000,000,000	97,000,000	970,000,000,000

26. DISCLOSURES OF INTERIM OFF-BALANCE SHEET ITEMS

26.1 Financial assets listed/registered for trading at the Vietnam Securities Depository and Clearing Corporation ("VSDC") of the Company

	30/06/2024 VND	31/12/2023 VND
Unrestricted financial assets	147,800,810,000	98,783,810,000
Total	147,800,810,000	98,783,810,000

26.2 Financial assets listed/registered for trading at the VSDC of investors

	30/06/2024 VND	31/12/2023 VND
Unrestricted financial assets	5,767,447,635,000	5,549,790,635,000
Restricted financial assets	5,557,800,000	5,603,800,000
Blocked financial assets	5,000,000	5,000,000
Financial assets awaiting settlement	232,505,343,000	289,163,214,000
Total	6,005,515,778,000	5,844,562,649,000

26.3 Investors' deposits

	30/06/2024 VND	31/12/2023 VND
Investors' deposits for securities trading activities managed by the Company	1,198,638,930,019	802,712,745,095
- Domestic investors' deposits for securities trading activities managed by the Company	1,197,712,733,941	802,473,467,960
- Foreign investors' deposits for securities trading activities managed by the Company	926,196,078	239,277,135
Total	1,198,638,930,019	802,712,745,095

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

26. DISCLOSURES OF INTERIM OFF-BALANCE SHEET ITEMS (continued)

26.4 Payables to investors

	30/06/2024 VND	31/12/2023 VND
Payables to investors for deposits for securities trading activities managed by the Company	1,198,634,042,769	802,017,576,095
- Payables to domestic investors for deposits for securities trading activities managed by the Company	1,186,242,793,988	789,798,723,735
- Payables to foreign investors for deposits for securities trading activities managed by the Company	12,391,248,781	12,218,852,360
Total	<u>1,198,634,042,769</u>	<u>802,017,576,095</u>

26.5 Investors' payables for services of securities companies

	30/06/2024 VND	31/12/2023 VND
Payables for margin lending activities	1,876,427,260,682	1,290,592,822,133
Principal payables for margin lending activities	1,862,123,403,766	1,277,041,328,646
- Domestic investors	1,862,123,403,766	1,277,041,328,646
Interest payables for margin lending activities	14,303,856,916	13,551,493,487
- Domestic investors	14,303,856,916	13,551,493,487
Payables for advance lending activities	294,103,983,121	272,893,390,249
Principal payables for advance lending activities	293,910,688,573	272,710,836,781
- Domestic investors	293,910,688,573	272,710,836,781
Interest payables for advance lending activities	193,294,548	182,553,468
- Domestic investors	193,294,548	182,553,468

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

27. GAIN/(LOSS) FROM FINANCIAL ASSETS

27.1 Gain/(Loss) from disposals of financial assets at FVTPL

27.1.1 Gain from disposals 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 disposals in the current period VND	Gain from disposals in the prior period VND
1	Listed bonds	4,373,014	105,269	460,344,485,919	457,895,363,499	2,449,122,420	1,864,096,060
2	Unlisted bonds	400,922	919,398	368,606,972,106	366,321,183,609	2,285,788,497	9,805,903,220
3	Valuable papers	1,502	169,379,239	254,407,616,500	253,777,464,500	630,152,000	11,639,889,845
	Total	4,775,438	170,403,906	1,083,359,074,525	1,077,994,011,608	5,365,062,917	23,309,889,125

27.1.2 Loss from disposals 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	Loss from disposals in the current period VND	Loss from disposals in the prior period VND
1	Listed bonds	13,810,691	119,361	1,648,451,997,798	1,649,345,551,640	893,553,842	460,479
2	Unlisted bonds	54,410	1,955,768	106,413,363,330	107,118,005,815	704,642,485	3,424,833,335
3	Valuable papers	150	1,003,589,955	150,538,493,200	150,568,493,200	30,000,000	2,141,941,710
	Total	13,865,251	1,005,665,084	1,905,403,854,328	1,907,032,050,655	1,628,196,327	5,567,235,524

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

27. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)

27.2 Dividend, interest income from financial assets

	<i>For the six-month period ended 30 June 2024 VND</i>	<i>For the six-month period ended 30 June 2023 VND</i>
Financial assets at FVTPL	5,963,984,407	4,972,898,310
Term deposits and accrued of certificates of deposit	16,773,013,689	20,248,154,789
Unlisted bonds	807,616,438	-
Loans	92,176,279,604	55,863,327,717
Total	<u>115,720,894,138</u>	<u>81,084,380,816</u>

28. EXPENSES FOR BROKERAGE SERVICES

	<i>For the six-month period ended 30 June 2024 VND</i>	<i>For the six-month period ended 30 June 2023 VND</i>
Securities trading brokerage expenses	20,749,358,120	11,322,953,024
Salaries expenses for collaborators and other expenses	201,549,012	-
Salaries and other benefits for employees	14,684,799,322	13,274,682,202
Depreciation and amortization expenses	6,271,497,012	6,261,021,678
Advertising and marketing expenses	4,132,898,898	550,758,652
IT services expenses (maintenance, upgrading, connection, network)	2,170,525,681	2,443,324,213
Other expenses	2,794,896,731	4,152,581,462
Total	<u>51,005,524,776</u>	<u>38,005,321,231</u>

29. FINANCIAL INCOME

	<i>For the six-month period ended 30 June 2024 VND</i>	<i>For the six-month period ended 30 June 2023 VND</i>
Interest income from demand deposits	1,951,039,679	1,574,443,575
Total	<u>1,951,039,679</u>	<u>1,574,443,575</u>

30. FINANCIAL EXPENSES

	<i>For the six-month period ended 30 June 2024 VND</i>	<i>For the six-month period ended 30 June 2023 VND</i>
Interest expenses	27,918,694,229	26,609,019,741
Other financial expenses	3,533,754,429	9,456,070,065
Total	<u>31,452,448,658</u>	<u>36,065,089,806</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

31. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>For the six-month period ended 30 June 2024 VND</i>	<i>For the six-month period ended 30 June 2023 VND</i>
Employee expenses	27,986,095,783	22,259,611,384
Office supplies	72,942,819	69,758,635
Tools and equipment	240,338,556	237,614,913
Depreciation and amortization expenses	558,805,591	419,031,090
Tax, fees and charges	870,811,063	1,942,197,567
Outsourcing expenses	7,610,851,297	6,049,916,604
Other expenses	35,332,500	40,958,084
Total	<u>37,375,177,609</u>	<u>31,019,088,277</u>

32. CURRENT CORPORATE INCOME TAX ("CIT")

The Company's tax reports are subject to examination by the tax authorities. Because the application of tax laws and regulations to many types of transactions is susceptible to varying interpretations, amount reported in the interim financial statements could be changed at a later date upon final determination by the tax authorities.

Current CIT payables are determined based on taxable income of the current period. Taxable income differs from the one reported in the interim income statement since taxable income excludes income which is taxable or expenses which are deducted in prior periods due to the differences between the Company's accounting policies and the tax regulations. It also excludes non-taxable income and non-deductible expenses. The current CIT payable of the Company is calculated based on the statutory tax rates applicable at the end of the period. The Company is obliged to pay CIT at the rate of 20% (in 2023: 20%) of the total taxable profit under Circular No. 78/2014/TT-BTC effective from 02 August 2014.

The estimated current CIT of the Company is represented in the table below:

	<i>For the six-month period ended 30 June 2024 VND</i>	<i>For the six-month period ended 30 June 2023 VND</i>
Profit before tax	24,591,395,528	8,116,540,923
<i>Plus</i>		
- Loss from revaluation of financial assets at FVTPL	-	17,050
<i>Minus</i>		
- Dividend received	(99,000)	-
Estimated current taxable income	24,591,296,528	8,116,557,973
CIT rate	20%	20%
Estimated CIT expenses	4,918,259,306	1,623,311,595
Estimated CIT expenses	<u>4,918,259,306</u>	<u>1,623,311,595</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

33. EARNING PER SHARE

	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Profit after tax distributed to ordinary shareholders (VND)	19,673,136,222	6,493,229,328
Weighted average circulating ordinary shares (number of shares)	<u>97,000,000</u>	<u>97,000,000</u>
Basic earning per share (VND/share)	<u>203</u>	<u>67</u>

34. RELATED PARTY TRANSACTIONS

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

<i>Related parties</i>	<i>Relationship</i>
Hanwha Investment and Securities Co., Ltd	Shareholders

Significant balances with related parties of the Company at the end of the periods are as follows:

<i>Related parties</i>	<i>Description</i>	<i>30/06/2024 Receivables VND</i>	<i>31/12/2023 Receivables VND</i>
Hanwha Investment & Securities Co., Ltd	Prepaid expenses	2,633,044,080	3,484,551,934

Significant transactions with related parties of the Company during the six-month periods ended 30 June 2024 and 30 June 2023 are as follows:

<i>Related parties</i>	<i>Description</i>	<i>For the six-month period ended 30 June 2024 Expenses VND</i>	<i>For the six-month period ended 30 June 2023 Expenses VND</i>
Hanwha Investment & Securities Co., Ltd	Payment guarantee fees	3,533,754,429	2,694,692,650

Related parties being individuals

Remuneration of members of the Board of Directors

	<i>For the six-month period ended 30 June 2024 VND</i>	<i>For the six-month period ended 30 June 2023 VND</i>
General Director	<u>3,683,063,234</u>	<u>2,704,403,453</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

35. OPERATING LEASE COMMITMENTS

	30/06/2024 VND	31/12/2023 VND
Within one year	284,155,784	2,675,644,868
	284,155,784	2,675,644,868

36. PURPOSES AND POLICIES OF FINANCIAL RISK MANAGEMENT

The Company's financial liabilities comprise mostly of loans and borrowings, payables to suppliers and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk.

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

Management reviews and agrees policies for monitoring each of these risks which are summarized below:

36.1 *Market risk*

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. There are four types of market risk: interest rate risk, currency risk, commodity price risk and other price risks, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk due to changes in interest rate relates primarily to cash and short-term deposits, investments in bonds, held-to-maturity investments and loans. Financial liabilities have fixed interest rates.

The Company manages interest rate risk by looking at the competitive structure of the market to identify a proper interest rate policy which is favorable for its purposes within its risk management limits. No analysis on interest sensitivity is performed since the Company's exposure to risk of changes in interest rate is insignificant.

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (in which revenue or expense is denominated in a different currency from the Company's accounting currency).

The Company manages foreign exchange risk by hedging against transactions that are expected to take place in the future.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

36. PURPOSES AND POLICIES OF FINANCIAL RISK MANAGEMENT (continued)

36.2 *Equity price risk*

Listed and non-listed securities held by the Company are affected by market risk arising from the uncertainty of future value of invested securities. The Company manages equity price risk by establishing investment limits. The Company's Operational Management Division considers and approves decisions on investment in securities.

At the date of the interim financial statements, the fair value of the investments in listed shares and UPCoM shares of the Company was VND 11,308,100 (as on 31 December 2023: VND 11,308,100). If their market price decreases by 10%, the Company's profit after tax will decrease by VND 1,130,810 depending on its magnitude and length as well as the Company's ownership position of securities which have significant influence on market index.

36.3 *Credit risk*

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

Receivables

Customer credit risk is managed by the Company based on its established policies, procedures and controls relating to customer credit risk management.

Outstanding customer receivables are regularly monitored. Customer credit quality's impairment is analyzed at each reporting date on an individual basis for major clients. The Company closely monitors outstanding receivables and operates a credit control unit to mitigate credit risk. Due to the fact that the Company's receivables relate to a large number of diversified customers and corresponding collateral assets, there is no significant concentration of credit risk.

Deposits at banks

The Company's bank balances are mainly maintained with high credit-rating banks in Vietnam. Credit risk from balances with banks is managed by the Company's accounting department in accordance with the Company's policy. The Company evaluates the concentration of credit risk in respect to bank deposits as low.

Margin lending and advances to customers

The Company manages its credit risks via the use of internal control policies, processes and procedures relevant to margin lending and advances to customers. The Company only allows margin lending for permitted securities which are in accordance with regulations for margin lending and which are rated using the Company's quality assessment principles for securities. Credit limit is controlled on the basis of collaterals, credit worthiness of customers and other indicators on control limits.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

36. PURPOSES AND POLICIES OF FINANCIAL RISK MANAGEMENT (continued)

36.3 Credit risk (continued)

The Company's Management assesses that all financial assets are not overdue and not impaired because these financial assets are related to customers who are reputable and have payment capability as shown below:

	<i>Neither overdue nor impaired VND</i>	<i>Overdue but not impaired VND</i>	<i>Overdue and impaired VND</i>	<i>Total VND</i>
Cash at bank and cash equivalents	173,124,984,233	-	-	173,124,984,233
HTM investments	785,000,000,000	-	-	785,000,000,000
Loans	2,156,034,092,339	-	-	2,156,034,092,339
Receivables	21,225,649,522	-	-	21,225,649,522
Receivables from services provided by the Company	155,501,553	-	-	155,501,553
Other receivables	629,586,920	-	45,739,166	675,326,086
Advances to suppliers	465,477,000	-	-	465,477,000
Short-term deposits, collaterals and pledges	103,095,250	-	-	103,095,250
Long-term deposits, collaterals and pledges	1,316,486,840	-	-	1,316,486,840
Short-term prepaid expenses	5,743,551,038	-	-	5,743,551,038
Total	<u>3,143,798,424,695</u>	<u>-</u>	<u>45,739,166</u>	<u>3,143,844,163,861</u>

36.4 Liquidity risk

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

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

The Company assesses that the level of risk concentration on debt repayment is low and that the Company is able to access capital resources.

The table below summarizes the payment period of the Company's financial liabilities based on the expected payments under contracts as on 30 June 2024.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

36. PURPOSES AND POLICIES OF FINANCIAL RISK MANAGEMENT (continued)

36.4 Liquidity risk (continued)

	Overdue VND	Current VND	Less than 1 year VND	From 1 – 5 years VND	More than 5 years VND	Total VND
FINANCIAL ASSETS						
Cash and cash equivalents	-	173,124,984,233	-	-	-	173,124,984,233
Financial assets at fair value through profit or loss ("FVTPL")	-	301,774,498,497	-	-	-	301,774,498,497
Held-to-maturity ("HTM") investments	-	-	685,000,000,000	-	100,000,000,000	785,000,000,000
Loans	-	-	2,156,034,092,339	-	-	2,156,034,092,339
Receivables	-	-	21,225,649,522	-	-	21,225,649,522
Receivables from services provided by the Company	-	-	155,501,553	-	-	155,501,553
Other receivables	45,739,166	-	629,586,920	-	-	675,326,086
Fixed assets	-	-	628,663,057	38,958,574,276	2,789,945,635	42,377,182,968
Payments to Settlement Assistance Fund	-	13,878,848,419	-	-	-	13,878,848,419
Total assets	45,739,166	488,778,331,149	2,863,673,493,391	38,958,574,276	102,789,945,635	3,494,246,083,617
FINANCIAL LIABILITIES						
Short-term borrowings	-	-	1,917,100,000,000	-	-	1,917,100,000,000
Payables for securities trading activities	-	-	3,903,148,220	-	-	3,903,148,220
Short-term trade payables	-	-	51,690,857,500	-	-	51,690,857,500
Tax and payables to the State	-	-	9,722,434,645	-	-	9,722,434,645
Short-term accrued expenses	-	-	2,901,383,253	-	-	2,901,383,253
Other current payables	-	-	629,788,970	-	-	629,788,970
Total liabilities	-	-	1,985,947,612,588	-	-	1,985,947,612,588
Net liquidity difference	45,739,166	488,778,331,149	877,725,880,803	38,958,574,276	102,789,945,635	1,508,298,471,029

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as on 30 June 2024 and for the six-month period then ended

37. EVENTS AFTER THE INTERIM BALANCE SHEET DATE

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

Prepared by:

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Reviewed by:

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Chief Accountant

Approved by:

Mr. Lee Jun Hyuck
General Director

Hanoi, Vietnam

08 August 2024