

**Maybank Kim Eng Securities
Joint Stock Company**

(previously known as Kim Eng Vietnam Securities
Joint Stock Company)

Report of the General Director
and audited financial statements

as at 31 December 2012

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

CONTENTS

	<i>Pages</i>
General information	1 - 2
Report of the General Director	3
Independent auditors' report	4
Balance sheet	5 - 10
Income statement	11
Cash flow statement	12 - 13
Statement of changes in equity	14
Notes to the financial statements	15 - 41

Maybank Kim Eng Securities Joint Stock Company

(previously known as Kim Eng Vietnam Securities Joint Stock Company)

GENERAL INFORMATION

THE COMPANY

Maybank Kim Eng Securities Joint Stock Company ("the Company"), previously known as Kim Eng Vietnam Securities Joint Stock Company, is a joint stock company incorporated under the Law on Enterprises of Vietnam pursuant to the Establishment and Operation License No. 71/UBCK-GP dated 14 December 2007 and the Amended License No. 57/GPDC-UBCK issued by the State Securities Commission on 12 October 2011.

On 10 August 2012, the State Securities Commission issued License No. 105/GPDC-UBCK amending Establishment and Operation License No. 71/UBCK-GP on change of the Company's name from Kim Eng Vietnam Securities Joint Stock Company to Maybank Kim Eng Securities Joint Stock Company.

The Company's principal activities are to provide brokerage services, securities trading, underwriting for share issues, custodian services, investment advisory services and margin trading services.

The Company's head office is located at the ground floor and 1st Floor, Building No. 255 Tran Hung Dao Street, District 1, Ho Chi Minh City, and its branches and transaction offices are located in Ho Chi Minh City and Hanoi, and other provinces.

BOARD OF DIRECTORS

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

<i>Name</i>	<i>Title</i>	<i>Date of appointment/resignation</i>
Mr Shahrul Nazri Abdul Rahim	Chairman	Appointed on 27 July 2012
Mr Lam Hoang Loc	Chairman	Appointed on 31 March 2012 Resigned on 27 July 2012
Mr Le Minh Tam	Member	Reappointed on 31 March 2012
Mr Ong Cheow Kheng	Member	Appointed on 31 March 2012
Mr Tan Pei San	Member	Appointed on 27 July 2012
Ms Ami Moris	Member	Appointed on 22 October 2012
Mr Soon Su Long	Member	Appointed on 27 July 2012 Resigned on 22 October 2012
Ms Nguyen Thi Thanh Hien	Member	Appointed on 31 March 2012 Resigned on 27 July 2012
Mr Ronald Ooi	Member	Appointed on 31 March 2012 Resigned on 27 July 2012

BOARD OF SUPERVISORS

Members of the Board of Supervisors during the year and at the date of this report are:

<i>Name</i>	<i>Title</i>	<i>Date of appointment/resignation</i>
Mr Mohamad Yasin bin Abdullad	Supervisory Chief	Appointed on 22 October 2012
Mr Pham Thanh Tien	Supervisory Chief	Appointed on 31 March 2012 Resigned on 27 July 2012
Mr Koh Boon Hann	Member	Appointed on 27 July 2012
Ms Nguyen Tuyet Van	Member	Appointed on 27 July 2012
Mr Tan Pei San	Member	Appointed on 31 March 2012 Resigned on 27 July 2012
Ms Eunice Ho	Member	Appointed on 31 March 2012 Resigned on 22 October 2012

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

GENERAL INFORMATION (continued)

MANAGEMENT AND CHIEF ACCOUNTANT

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

<i>Name</i>	<i>Title</i>	<i>Date of appointment/resignation</i>
Mr Le Minh Tam	General Director	Appointed on 19 December 2007
Mr Nguyen Van Manh	Deputy General Director	Appointed on 1 September 2010
Mr Duong Cam Da	Deputy General Director	Appointed on 1 June 2011
Ms Tran Thi Ngoc Huong	Chief Accountant	Appointed on 15 October 2012
Ms Ngo Thanh Thuy	Chief Accountant	Resigned on 15 October 2012

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Le Minh Tam, the General Director.

AUDITORS

The auditors of the Company are Ernst & Young Vietnam Limited.

Maybank Kim Eng Securities Joint Stock Company

(previously known as Kim Eng Vietnam Securities Joint Stock Company)

REPORT OF THE GENERAL DIRECTOR

The General Director of Maybank Kim Eng Securities Joint Stock Company ("the Company") is pleased to present his report and the financial statements of the Company as at and for the year ended 31 December 2012.

THE GENERAL DIRECTOR'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The General Director is responsible for the financial statements of each financial year which give a true and fair view of the state of affairs of the Company and of the Company's results and its cash flows. In preparing those financial statements, the General Director is required to:

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

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

The General Director has confirmed that the Company has complied with the above requirements in preparing the accompanying financial statements for the year ended 31 December 2012.

STATEMENT BY THE GENERAL DIRECTOR

The General Director does hereby state that, in his opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2012 and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and accounting policies applicable to securities companies as set out in Circular No. 95/2008/TT-BTC dated 24 October 2008 and Circular No. 162/2010/TT-BTC dated 20 October 2010 issued by the Ministry of Finance and comply with relevant statutory requirements.



Ho Chi Minh City, Vietnam

25 February 2013

Reference: 60994674/15640663

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Maybank Kim Eng Securities Joint Stock Company

We have audited the financial statements of Maybank Kim Eng Securities Joint Stock Company ("the Company") as set out on pages from 5 to 41 which comprise the balance sheet as at 31 December 2012, the income statement, the cash flow statement, and the statement of changes in equity for the year then ended and the notes thereto.

The preparation and presentation of these financial statements are the responsibility of the Company's General Director. Our responsibility is to express an opinion on these financial statements based on our audit.

Basic of Opinion

We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2012, and of the result of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and accounting policies applicable to securities companies as set out in Circular No. 95/2008/TT-BTC 24 October 2008 and Circular No. 162/2010/TT-BTC dated 20 October 2010 issued by the Ministry of Finance and comply with relevant statutory requirements.

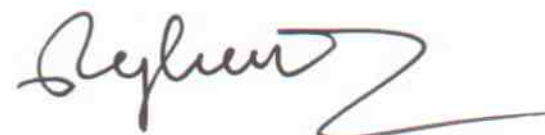


Ernst & Young Vietnam Limited

Nguyen Xuan Dai
Deputy General Director
Certificate No. 0452/KTV

Ho Chi Minh City, Vietnam

20 March 2013



Nguyen Chi Cuong
Auditor
Certificate No. 1103/KTV

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

BALANCE SHEET
as at 31 December 2012

B01-CTCK

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		551,432,898,785	512,886,641,351
110	I. Cash and cash equivalents	4	289,471,624,647	93,146,157,437
111	1. Cash		130,426,805,096	30,662,157,437
112	2. Cash equivalents		159,044,819,551	62,484,000,000
120	II. Short-term financial investments	6	20,519,300	118,163,000
121	1. Short-term investments		20,519,300	118,163,000
129	2. Provision for short-term investments		-	-
130	III. Short-term receivables	7	253,764,027,207	415,212,573,734
131	1. Trade receivables		-	-
132	2. Advances to suppliers		261,281,825	1,445,322,050
133	3. Short-term internal receivables		122,350,410	-
135	4. Receivables from securities trading activities		260,424,541,153	422,732,086,971
138	5. Other receivables		1,113,091,258	-
139	6. Provision for doubtful debts		(8,157,237,439)	(8,964,835,287)
140	IV. Inventories		-	-
150	V. Other current assets		8,176,727,631	4,409,747,180
151	1. Short-term prepaid expenses	8.1	2,848,309,878	1,564,622,583
152	2. Value added tax deductible		-	-
154	3. Tax and other receivables from the State	15	3,075,047,361	448,550,092
158	4. Other current assets	8.2	2,253,370,392	2,396,574,505

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

BALANCE SHEET (continued)
as at 31 December 2012

B01-CTCK

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		24,270,727,811	28,592,402,199
210	I. Long-term receivables		-	-
211	1. Long-term trade receivables		-	-
212	2. Paid-in capital in wholly-owned subsidiaries		-	-
213	3. Long-term internal receivables		-	-
218	4. Other long-term receivables		-	-
219	5. Provision for doubtful long-term receivables		-	-
220	II. Fixed assets		12,884,747,997	17,255,524,786
221	1. Tangible fixed assets	9	10,536,026,368	12,440,978,268
222	- Cost		41,378,962,584	36,134,317,358
223	- Accumulated depreciation		(30,842,936,216)	(23,693,339,090)
224	2. Financial leases		-	-
225	- Cost		-	-
226	- Accumulated depreciation		-	-
227	3. Intangible fixed assets	10	1,418,433,229	4,814,546,518
228	- Cost		16,027,512,817	14,282,056,497
229	- Accumulated amortisation		(14,609,079,588)	(9,467,509,979)
230	4. Constructions in progress		930,288,400	-
240	III Investment properties		-	-
241	- Cost		-	-
242	- Accumulated amortisation		-	-
250	IV. Long-term investments		2,066,149,800	2,186,136,000
251	1. Investments in subsidiaries		-	-
252	2. Investments in associates, jointly controlled entities		-	-
253	3. Long-term securities		2,066,149,800	2,186,136,000
254	- Available-for-sale securities	6	2,066,149,800	2,186,136,000
255	- Held-to-maturity securities		-	-
258	4. Other long-term investments		-	-
259	5. Provision for long-term investments		-	-
260	V. Other long-term assets		9,319,830,014	9,150,741,413
261	1. Long-term prepaid expenses	11	1,292,983,490	2,065,032,197
262	2. Deferred tax assets	12	1,377,830,358	2,259,194,188
263	3. Advance to Settlement Assistance Fund	13	6,649,016,166	4,826,515,028
268	4. Other long-term assets		-	-
270	TOTAL ASSETS		575,703,626,596	541,479,043,550

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

B01-CTCK

BALANCE SHEET (continued)
as at 31 December 2012

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	A. LIABILITIES		233,873,485,926	217,150,185,134
310	I. Current liabilities		233,873,485,926	216,514,908,201
311	1. Short-term loans and borrowings	14	34,090,712,455	158,865,447,363
312	2. Trade payables		58,928,645	143,200,255
313	3. Advances from customers		615,032,000	645,032,000
314	4. Statutory obligations	15	940,887,532	1,342,280,897
315	5. Payables to employees		-	3,363,297
316	6. Accrued expenses	16	7,395,227,294	7,618,138,043
317	7. Internal payable		30,688,899	189,773,502
320	8. Payables for securities trading	17	189,565,285,315	47,044,217,513
321	9. Dividend, principal and interest payables of bonds on behalf of customers		884,598,850	12,164,497
322	10. Payables to securities issuers		-	-
323	11. Bonus and welfare fund		-	-
328	12. Other payables	18	292,124,936	651,290,834
329	13. Short-term provision		-	-
330	II. Non-current liabilities		-	635,276,933
331	1. Long-term trade payables		-	-
332	2. Long-term internal payables		-	-
333	3. Other long-term liabilities		-	-
334	4. Long-term loans and debts		-	-
335	5. Deferred tax liabilities		-	-
336	6. Provision for severance allowances		-	635,276,933
337	7. Long-term provision		-	-
339	8. Provision for compensation of investors		-	-
400	B. OWNERS' EQUITY		341,830,140,670	324,328,858,416
410	I. Capital		341,830,140,670	324,328,858,416
411	1. Share capital	19	300,000,000,000	300,000,000,000
412	2. Share premium		-	-
413	3. Other capital		-	-
414	4. Treasury shares		-	-
415	5. Asset revaluation reserve		(2,298,112,650)	(2,099,235,000)
416	6. Foreign exchange differences reserve		-	-
417	7. Investment and development fund		3,556,412,666	2,671,404,671
418	8. Financial reserve		3,556,412,667	2,671,404,671
419	9. Other funds		-	-
420	10. Undistributed earnings		37,015,427,987	21,085,284,074
440	TOTAL LIABILITIES AND OWNERS' EQUITY		575,703,626,596	541,479,043,550

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

BALANCE SHEET (continued)
as at 31 December 2012

B01-CTCK

OFF BALANCE SHEET ITEMS

VND

Code	ITEMS	Ending balance	Beginning balance
001	1. Fixed assets under operating lease	-	-
002	2. Goods, valuable certificates held under trust	-	-
003	3. Assets held by the Company on consignment	-	-
004	4. Bad debts written-off	-	-
005	5. Foreign currencies	-	-
006	6. Custody securities	3,077,092,200,000	2,468,046,260,000
	Included:		
007	6.1. Trading securities	1,673,336,160,000	1,500,119,260,000
008	6.1.1. Trading securities of custody members	1,465,070,000	1,295,490,000
009	6.1.2. Trading securities of local investors	1,343,307,460,000	1,342,303,590,000
010	6.1.3. Trading securities of foreign investors	328,563,630,000	156,520,180,000
011	6.1.4. Trading securities of other institutions	-	-
012	6.2. Temporarily un-tradable securities	-	-
013	6.2.1. Temporarily un-tradable securities of custody members	-	-
014	6.2.2. Temporarily un-tradable securities of local investors	-	-
015	6.2.3. Temporarily un-tradable securities of foreign investors	-	-
016	6.2.4. Temporarily un-tradable securities of other organisations	-	-
017	6.3. Mortgaged securities	897,186,510,000	867,328,510,000
018	6.3.1. Mortgaged securities of custody members	-	-
019	6.3.2. Mortgaged securities of local investors	897,186,510,000	867,328,510,000
020	6.3.3. Mortgaged securities of foreign investors	-	-
021	6.3.4. Mortgaged securities of other organisations	-	-
022	6.4. Temporarily blocked securities	506,569,530,000	100,598,490,000
023	6.4.1. Temporarily blocked securities of custody members	-	-
024	6.4.2. Temporarily blocked securities of local investors	411,506,300,000	100,598,490,000
025	6.4.3. Temporarily blocked securities of foreign investors	95,063,230,000	-
026	6.4.4. Temporarily blocked securities of other organisations	-	-
027	6.5. Securities awaiting for settlement	-	-
028	6.5.1. Securities awaiting for settlement of custody members	-	-
029	6.5.2. Securities awaiting for settlement of local investors	-	-
030	6.5.3. Securities awaiting for settlement of foreign investors	-	-
031	6.5.4. Securities awaiting for settlement of other organisations	-	-

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

BALANCE SHEET (continued)
as at 31 December 2012

B01-CTCK

OFF BALANCE SHEET ITEMS (continued)

VND

Code	ITEMS	Ending balance	Beginning balance
032	6.6. Blocked securities awaiting for releases	-	-
033	6.6.1. Blocked securities awaiting for releases of custody members	-	-
034	6.6.2. Blocked securities awaiting for releases of local investors	-	-
035	6.6.3. Blocked securities awaiting for releases of foreign investors	-	-
036	6.6.4. Blocked securities awaiting for releases of other organisations	-	-
037	6.7. Securities awaiting for trading	-	-
038	6.7.1. Securities awaiting for trading of custody members	-	-
039	6.7.2. Securities awaiting for trading of local investors	-	-
040	6.7.3. Securities awaiting for trading of foreign investors	-	-
041	6.7.4. Securities awaiting for trading of other organisations	-	-
042	6.8. Securities mortgaged for a loan	-	-
043	6.8.1. Securities mortgaged for a loan of custody members	-	-
044	6.8.2. Securities mortgaged for a loan of local investors	-	-
045	6.8.3. Securities mortgaged for a loan of foreign investors	-	-
046	6.8.4. Securities mortgaged for a loan of other organisations	-	-
047	6.9. Securities for correcting transaction errors	-	-
050	7. Custody securities of unlisted public companies	154,895,120,000	66,610,400,000
	<i>Included:</i>		
051	7.1. Trading securities	99,643,940,000	58,700,100,000
052	7.1.1. Trading securities of custody members	-	-
053	7.1.2. Trading securities of local investors	74,626,740,000	44,467,600,000
054	7.1.3. Trading securities of foreign investors	25,017,200,000	14,232,500,000
055	7.1.4. Trading securities of other organisations	-	-
056	7.2. Temporarily untradeable securities	1,322,400,000	-
057	7.2.1. Temporarily untradeable securities of custody members	-	-
058	7.2.2. Temporarily untradeable securities of local investors	1,322,400,000	-
059	7.2.3. Temporarily untradeable securities of foreign investors	-	-
060	7.2.4. Temporarily untradeable securities of other organisations	-	-

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

BALANCE SHEET (continued)
as at 31 December 2012

B01-CTCK

OFF BALANCE SHEET ITEMS (continued)

VND

Code	ITEMS	Ending balance	Beginning balance
061	7.3. Mortgaged securities	2,059,750,000	1,210,300,000
062	7.3.1. Mortgaged securities of custody members	-	-
063	7.3.2. Mortgaged securities of local investors	2,059,750,000	1,210,300,000
064	7.3.3. Mortgaged securities of foreign investors	-	-
065	7.3.4. Mortgaged securities of other organisations	-	-
066	7.4. Temporarily blocked securities	51,869,030,000	6,700,000,000
067	7.4.1. Temporarily blocked securities of custody members	-	-
068	7.4.2. Temporarily blocked securities of local investors	51,869,030,000	6,700,000,000
069	7.4.3. Temporarily blocked securities of foreign investors	-	-
070	7.4.4. Temporarily blocked securities of other organisations	-	-
071	7.5. Securities awaiting for settlement	-	-
072	7.5.1. Securities awaiting for settlement of custody members	-	-
073	7.5.2. Securities awaiting for settlement of local investors	-	-
074	7.5.3. Securities awaiting for settlement of foreign investors	-	-
075	7.5.4. Securities awaiting for settlement of other organisations	-	-
076	7.6. Blocked securities awaiting for withdrawal	-	-
077	7.6.1. Blocked securities awaiting for withdrawal of custody members	-	-
078	7.6.2. Blocked securities awaiting for withdrawal of local investors	-	-
079	7.6.3. Blocked securities awaiting for withdrawal of foreign investors	-	-
080	7.6.4. Blocked securities awaiting for withdrawal of other organisations	-	-
081	7.7. Securities for correcting transaction errors	-	-
082	8. Uncustodied securities of customers	-	-
083	9. Uncustodied securities of securities companies	-	-
084	10. Entrusted securities for auction	-	-

Prepared by:

Reviewed by:

Approved by:

Ms Dao Thi Ngoc Thuy
Accountant

Ms Tran Thi Ngoc Huong
Chief Accountant

Mr Le Minh Tam
General Director

Ho Chi Minh City, Vietnam

25 February 2013

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

B02-CTCK

INCOME STATEMENT
for the year ended 31 December 2012

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue		164,228,982,036	114,047,978,993
	<i>Including:</i>			
01.1	Revenue from brokerage services		62,073,189,658	32,175,844,655
01.2	Revenue from securities investments and capital contributions		148,402,610	13,077,267
01.3	Revenue from underwriting services		-	-
01.4	Revenue from securities issuance agency services		-	-
01.5	Revenue from finance advisory services		655,761,818	809,781,817
01.6	Revenue from custodian services		1,286,322,654	189,760,703
01.7	Revenue from trust auction activities		-	-
01.8	Revenue from assets for lease		990,377,826	584,329,330
01.9	Other revenue	20	99,074,927,470	80,275,185,221
02	2. Deductions		-	-
10	3. Net revenues from operating activities		164,228,982,036	114,047,978,993
11	4. Operating expenses	21	(91,427,009,140)	(67,753,089,552)
20	5. Gross profit from operating activities		72,801,972,896	46,294,889,441
25	6. General and administrative expenses	22	(49,236,711,952)	(39,478,406,252)
30	7. Net profit from operating activities		23,565,260,944	6,816,483,189
31	8. Other income		586,174,660	133,174,738
32	9. Other expenses		(215,179,020)	(120,370,396)
40	10. Other profit		370,995,640	12,804,342
50	11. Profit before tax		23,936,256,584	6,829,287,531
51	12. Current corporate income tax expense	23	(5,433,624,300)	(1,532,168,585)
52	13. Deferred income tax expense		(802,472,380)	(266,761,434)
60	14. Net profit after tax		17,700,159,904	5,030,357,512
70	15. Basic earnings per share	19.3	590	168

Prepared by:

Reviewed by:

Approved by:

Ms Dao Thi Ngoc Thuy
Accountant

Ms Tran Thi Ngoc Huong
Chief Accountant

Mr Le Minh Tam
General Director

Ho Chi Minh City, Vietnam

25 February 2013

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

B03-CTCK

CASH FLOW STATEMENT
for the year ended 31 December 2012

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Net profit before tax		23,936,256,584	6,829,287,531
	2. Adjustments for:			
02	- Depreciation and amortisation	22	12,698,096,463	9,742,370,049
03	- Provisions		(807,597,848)	1,431,532,537
04	- Unrealised foreign exchange (gains)/losses		-	-
05	- Profits from investing activities		(10,359,902,648)	(4,646,075,223)
06	- Interest expense		10,123,764,398	7,440,520,983
08	3. Operating profit before changes in working capital		35,590,616,949	20,797,635,877
09	- Decrease in receivables		162,508,737,579	45,333,501,625
10	- Decrease/(increase) in short-term investments		97,552,001	(111,880,916)
11	- Increase in payables (other than interest, corporate income tax)		141,899,429,065	4,749,564,045
12	- Increase in prepaid expenses		(307,551,506)	(1,889,715,919)
13	- Interest paid	23	(10,123,764,398)	(7,440,520,983)
14	- Corporate income tax paid		(8,060,121,569)	(3,272,046,175)
15	- Other cash inflows from operating activities		-	-
16	- Other cash outflows from operating activities		(1,679,297,025)	(2,555,088,685)
20	Net cash flows from operating activities		319,925,601,096	55,611,448,869
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase and construction of fixed assets and other long-term assets		(8,606,654,390)	(6,323,176,898)
22	2. Proceeds from disposals of fixed assets and other long-term assets		3,272,727	-
23	3. Loans to other entities and payments for purchase of debt instruments of other entities		-	(77,100,000,000)
24	4. Collections from borrowers and proceeds from sale of debt instruments of other entities		-	77,100,000,000
25	5. Payments for investments in other entities		-	-
26	6. Proceeds from sale of investments in other entities		-	18,000,000
27	7. Interest and dividends received		9,777,982,685	5,338,387,320
30	Net cash flows from/(used in) investing activities		1,174,601,022	(966,789,578)

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

B03-CTCK

CASH FLOW STATEMENT (continued)
for the year ended 31 December 2012

VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	1. Capital contribution and issuance of shares		-	-
32	2. Capital redemption		-	-
33	3. Drawdown of borrowings		533,965,504,829	336,981,626,759
34	4. Repayment of borrowings		(658,740,239,737)	(316,407,943,533)
35	5. Payment of finance lease liabilities		-	-
36	6. Dividends paid to shareholders		-	-
40	Net cash flows (used in)/from financing activities		(124,774,734,908)	20,573,683,226
50	Net cash flows in the year		196,325,467,210	75,218,342,517
60	Cash and cash equivalents at the beginning of the year	4	93,146,157,437	17,927,814,920
61	Impact of exchange rate fluctuation		-	-
70	Cash and cash equivalents at the end of the year	4	289,471,624,647	93,146,157,437

Prepared by:

Reviewed by:

Approved by:



Ms Dao Thi Ngoc Thuy
Accountant



Ms Tran Thi Ngoc Huong
Chief Accountant




Mr Le Minh Tam
General Director

Ho Chi Minh City, Vietnam

25 February 2013

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

B05-CTCK

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2012

VND

ITEMS	Notes	Beginning balance		Increase/decrease				Ending balance	
		Previous year	Current year	Previous year		Current year		Previous year	Current year
				Increase	Decrease	Increase	Decrease		
1. Share capital	19,1	300,000,000,000	300,000,000,000	-	-	-	-	300,000,000,000	300,000,000,000
2. Share premium	-	-	-	-	-	-	-	-	-
3. Other owners' capital	-	-	-	-	-	-	-	-	-
4. Treasury shares	-	-	-	-	-	-	-	-	-
5. Asset revaluation reserve (*)	-	(588,937,500)	(2,099,235,000)	(1,510,297,500)	-	(198,877,650)	-	(2,099,235,000)	(2,298,112,650)
6. Foreign exchange differences reserve	-	-	-	-	-	-	-	-	-
7. Investment and development fund	-	2,419,886,795	2,671,404,671	251,517,876	-	885,007,995	-	2,671,404,671	3,556,412,666
8. Financial reserve	-	2,419,886,795	2,671,404,671	251,517,876	-	885,007,996	-	2,671,404,671	3,556,412,667
9. Other funds	-	16,557,962,314	21,085,284,074	5,030,357,512	(503,035,752)	17,700,159,904	(1,770,015,991)	21,085,284,074	37,015,427,987
10. Undistributed earnings	-	-	-	-	-	-	-	-	-
TOTAL		320,808,798,404	324,328,858,416	4,023,095,764	(503,035,752)	19,271,298,245	(1,770,015,991)	324,328,858,416	341,830,140,670

(*) Asset revaluation reserve comprises of changes in fair value of available-for-sale investments and related deferred tax.

Prepared by:

Reviewed by:

Approved by:

Ms Dao Thi Ngoc Thuy
Accountant

Ms Tran Thi Ngoc Huong
Chief Accountant

Ho Chi Minh City, Vietnam

25 February 2013



Maybank Kim Eng Securities Joint Stock Company

(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS
as at 31 December 2012 and for the year then ended

B09-CTCK

1. CORPORATE INFORMATION

Maybank Kim Eng Securities Joint Stock Company ("the Company"), previously known as Kim Eng Vietnam Securities Joint Stock Company, is a joint stock company incorporated under the Law on Enterprises of Vietnam pursuant to the Establishment and Operation License No. 71/UBCK-GP dated 14 December 2007 and the Amended License No. 57/GPDC-UBCK issued by the State Securities Commission on 12 October 2011.

On 10 August 2012, the State Securities Commission issued License No. 105/GPDC-UBCK amending Establishment and Operation License No. 71/UBCK-GP on change of the Company's name from Kim Eng Vietnam Securities Joint Stock Company to Maybank Kim Eng Securities Joint Stock Company.

The Company's principal activities are to provide brokerage services, securities trading, underwriting for share issues, custodian services, investment advisory services and margin trading services.

The Company's head office is located at the ground floor and 1st Floor, Building No. 255 Tran Hung Dao Street, District 1, Ho Chi Minh City, and its branches and transaction offices are located in Ho Chi Minh City and Hanoi, and other provinces.

The number of employees of the Company as at 31 December 2012 was 282 persons.

As at 31 December 2012, the share capital of the Company was VND 300,000,000,000.

2. BASIS OF PREPARATION

2.1 *Accounting Standards and System*

The financial statements of the Company, which are expressed in Vietnam dong ("VND"), are prepared in accordance with the Vietnamese Accounting System, accounting policies applicable to securities companies according to Circular No. 95/2008/TT-BTC issued on 24 October 2008, Circular No. 162/2010/TT-BTC dated 20 October 2010 issued by the Ministry of Finance and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese 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).

Accordingly, the accompanying balance sheet, income statement, cash flow statement, statement of changes in equity and related notes, including their uses are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices, and furthermore are not intended to present the financial position, performance and results of operations, and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 *Registered accounting documentation system*

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

2.3 *Fiscal year*

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

2.4 *Accounting currency*

The Company maintains its accounting records in VND.

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 *Change in accounting policies and disclosures*

The accounting policies adopted by the Company in preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the financial year ended 31 December 2011, except for the change in accounting policies in relation to the following:

On 24 October 2012, the Ministry of Finance issued Circular No. 180/2012/TT-BTC providing guidance for the financial resolution of retrenchment pays for employees. According to this Circular, in 2012, enterprises may use the balance of the retrenchment allowance created as required by Circular No. 82/2003/TT-BTC dated 14 August 2003 of the Ministry of Finance up to 31 December 2011 (if any) to settle retrenchment pay to employees. If the retrenchment allowance is not available or not sufficient to settle, the shortage amount shall be recorded in general and administration expenses at the reporting date and deducted for corporate income tax computation purpose. In case where the retrenchment allowance has unused balance at the end of 2012 (after making retrenchment payment in 2012), enterprises should write off the balance in other income and are not allowed to carry forward the unused balance.

Accordingly, the Company has written off the unused balance of provision for retrenchment allowance as other income for the year.

3.2 *Cash and cash equivalents*

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

3.3 *Receivables*

Receivables are initially recorded at cost and subsequently presented at cost in the following period.

Provision for receivables is made based on the status of receivables overdue periods of the receivables or estimated loss arising from undue debts of economic organisations that fall bankrupt or are undergoing dissolution procedures; or individuals who are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased. Increases or decreases to the provision balance are recorded as "General and administrative expenses" in the income statement.

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

<i>Overdue period</i>	<i>Provision rate</i>
From six months to less than one year	30%
From one year to less than two years	50%
From two years to less than three years	70%
From three years and above	100%

Receivables from securities trading which have overdue more than 30 days are fully provided for allowance after deduction of market value of collateral.

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

When tangible fixed assets are sold or disposed, their costs and accumulated depreciation are removed from the balance sheet and any gain or loss resulting from their disposal is included in the income statement.

3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

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

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

When intangible fixed assets are sold or disposed, their costs and accumulated amortisation are removed from the balance sheet and any gain or loss resulting from their disposal is included in the income statement.

3.6 *Depreciation and amortisation*

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

Office renovation	3 - 6 years
Office equipment	3 - 5 years
Transportation vehicles	6 years
Computer software	3 years

3.7 *Operating lease*

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

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

3.8 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the balance sheet and amortised gradually to the income statement over the period for which the amount is paid or the period in which economic benefits are generated in relation to these expenses.

3.9 *Investments in securities*

According to Circular No. 95/2008/TT-BTC issued by the Ministry of Finance on 24 October 2008, securities companies are allowed to recognise investments in securities at either cost or fair value. Accordingly, the Company has applied the fair value method to recognise investments in securities.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Investments in securities (continued)

3.9.1 Short-term investments in securities

Short-term investments in securities including trading securities are securities which either have maturity of less than one year or held for trading purposes. These securities are initially recorded at cost, including purchased costs plus (+) transaction costs (if any) such as brokerage and transaction fee, information fee, taxes, levies and banking fees, and are subsequently measured at fair value.

Accrued interest received in the period is recognised as a deduction in carrying value of trading securities for the portion incurred before the purchasing date and as an investment income for the amount incurred since the purchasing date.

Fair value of trading securities is reviewed and determined at the reporting date. Changes in fair value are recognised in the income statement.

3.9.2 Long-term investments in securities

Long-term investments in securities comprise of held-to-maturity securities and available-for-sale securities.

Held-to-maturity securities

Held-to-maturity securities are non-derivative and have predetermined cash flows and fixed maturities and the Company has intention and ability to hold these securities until the maturity date.

Securities shall not be classified in held-to-maturity category if during the current year or recent two years, a substantial volume of securities is sold or reclassified earlier than their maturities, unless these sales and reclassification are:

- ▶ Close to the maturity date;
- ▶ The Company has recovered a majority of cost of securities according to repayment schedule or received earlier than the maturity date; or
- ▶ Subject to a non-controllable event of the Company occurred one time only and unpredictably.

Available-for-sale securities

Available-for-sale securities are non-derivative which are not classified as neither held-to-maturity securities nor trading securities.

Available-for-sale securities are measured at cost and are recognised at fair value after the purchasing date.

Accrued interest received in the period is recognised as a deduction in carrying value of available-for-sale securities for the amount incurred before the purchasing date and as an investment income for the amount incurred after the purchasing date.

Fair value of these securities are determined at the reporting date. Changes in fair value are recognised in equity as "Asset revaluation reserve" and will be recognised in the income statement when the securities are sold.

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Investments in securities (continued)

3.9.3 Fair value of trading securities and long-term investment securities

Fair value of securities is determined for specific securities based on market prices.

The market prices of listed securities are determined based on the quoted prices on the stock markets (which are the average prices on the Hanoi Stock Exchange and the closing prices on the Ho Chi Minh City Stock Exchange) as at 31 December 2012.

The market prices of unlisted shares which are registered on the unlisted public companies market (UPCoM) are the average prices at the date of provision.

The market prices of unlisted shares which are not registered on the unlisted public companies market (UPCoM) are the average price of quotations obtained from at least three reputable and large securities companies in the market.

Other securities that have no quoted prices are carried at cost.

3.10 Payables and accruals

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

3.11 Employee benefits

3.11.1 Post employment benefits

Post employment benefits are paid to retired employees of the Company by the Social Insurance Agency which belongs to the Ministry of Labor, Invalids and Social Affairs. The Company is required to contribute to these post employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 17% of an employee's basic salary on a monthly basis. The Company has no further obligation to fund the post employment benefits of its employees.

3.11.2 Voluntary resignation and retrenchment benefits

Voluntary resignation benefits: The Company has the obligation, under Section 42 of the Vietnam Labor Code amended on 2 April 2002, to pay allowance arising from voluntarily resignation of employees, equal to one-half month's salary for each year of employment plus salary allowances (if any). The average monthly salary used in this calculation will be the average monthly salary of the six-month period up to the resignation date.

Retrenchment benefits: The Company has the obligation, under Section 17 of the Vietnam Labor Code, to pay allowance to employees who are retrenched as a result of organisational restructure or technological changes. In such case, the Company shall pay to the employees a n allowance for loss of work equivalent to the aggregate amount of one month's salary for each year of employment, but no less than two months' salary.

In 2012, the Company ceased to make the provision for retrenchment allowance and reversed the entire balance of the provision for retrenchment allowance to other income in accordance with Circular No. 180/2012/TT-BTC of the Ministry of Finance dated 24 October 2012.

3.11.3 Unemployment benefits

According to Circular No. 04/2009/TT-BLDTBXH providing guidance Decree No. 127/2008/ND-CP on unemployment insurance, since 1 January 2009, the Company is required to pay unemployment insurance at the rate of 1% of salary of employees who participate in the unemployment program and deduct 1% from each employee's basic salary to contribute to Unemployment Insurance Fund.

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Foreign currency transactions

Transactions in currencies other than the Company's reporting currency of VND are recorded at the exchange rates quoted by commercial banks at the dates of the transaction. At the end of the year, monetary assets and liabilities denominated in foreign currencies are translated at inter-bank exchange rates ruling at the balance sheet date. Revenue or expenses in foreign currencies are converted into VND at exchange rates ruling at the transaction dates. All foreign exchange differences arising from spot rates at transaction date and revaluation at balance sheet date are charged to the income statement.

3.13 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from brokerage services

Revenue from brokerage services is recognised in the income statement when the securities transactions of customers have been processed.

Revenue from securities investment

Revenue from securities investment is determined by the difference between the selling prices and the average cost of securities sold.

Dividend

Income is recognised when the Company's entitlement as an investor to receive the dividend is established, except when the Company is entitled to receive dividend in shares, dividend income is not recognised, instead the number of shares received will be updated and monitored in the share portfolio.

Interest

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Rendering of other services

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

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

3.14 Cost of securities sold

The Company applies the moving weighted average method to calculate cost of equity securities sold and the weighted average method to calculate long-term debt securities sold.

3.15 Taxation

Current income tax

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

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

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

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Taxation (continued)

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profits will be available against which deductible temporary differences, carry forward of unused tax credits and unused tax losses can be used, except:

- ▶ where the deferred tax assets arise 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 income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Previously unrecognised deferred income tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset realised or the liability is settled based on tax rates and tax laws that have been enacted at the reporting date.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxable entity and the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.16 Funds belonging to owners' equity

The Company uses the annual profit after tax to create the funds in accordance with Circular No. 11/2000/TT-BTC issued by the Ministry of Finance dated 1 February 2000 as below:

	<i>Percentage of profit after tax</i>	<i>Maximum level</i>
Charter capital supplementary reserve	5%	10% of share capital
Financial reserve	5%	10% of share capital

Other funds belonging to owners' equity are created based on the resolution of the Annual General Meeting of the shareholders.

The reserves and funds are created annually based on the annual audited financial statements.

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Appropriation of net profits

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

4. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	82,462,612	69,156,348
Cash at banks	219,845,655	163,176,440
Bank accounts for securities trading	130,124,496,829	30,429,824,649
Cash equivalents	159,044,819,551	62,484,000,000
TOTAL	289,471,624,647	93,146,157,437

Cash equivalents represent deposits at banks with term of less than three months, of which VND 98,129,407,150 was pledged to secure for loans at a commercial bank as at 31 December 2012.

5. VALUE AND VOLUME OF TRADING RESULTS IN THE YEAR

	<i>Trading volume in the year (unit)</i>	<i>Trading value in the year (VND)</i>
a. Trading results of the Company		
- Shares	94,949	904,065,800
b. Trading results of the investors		
- Shares	2,923,040,178	33,293,141,975,600
TOTAL	2,923,135,127	33,294,046,041,400

6. FINANCIAL INVESTMENTS

	VND				
	Quantity (Unit)	Cost	Compared with market value		Total market value
			Increase	Decrease	
Short-term investments					
- Listed shares	2,021	20,934,415	3,934,925	(4,350,040)	20,519,300
Long-term investments					
<i>Available-for-sale securities</i>					
- Listed shares	144,486	5,130,300,000	-	(3,064,150,200)	2,066,149,800

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

B09-CTCK

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

6. FINANCIAL INVESTMENTS (continued)

Details of financial investments

VND

Items	Cost		Increase/(decrease) compared with market value		Market value	
	Ending balance	Beginning balance	Ending balance	Beginning balance	Ending balance	Beginning balance
I. Short-term investments						
<i>Listed shares:</i>						
- Petro Vietnam Construction JS Corporation (PVX)	20,934,415	118,486,416	(415,115)	(323,416)	20,519,300	118,163,000
- Asia Commercial Bank (ACB)	9,650,340	5,310,300	(3,308,840)	(2,229,900)	6,341,500	3,080,400
- Go Dang Seafood JSC (AGD)	2,608,020	12,613,017	733,480	6,309,383	3,341,500	18,922,400
- Drilling Mud JS Corporation (PVC)	1,825,600	-	1,224,400	-	3,050,000	-
- Baoviet Securities Company (BVS)	1,502,535	6,492,400	279,065	(36,400)	1,781,600	6,456,000
- Bank for Foreign Trade of Vietnam (VCB)	1,197,658	3,312,600	359,942	(1,390,200)	1,557,600	1,922,400
- Sai Gon Thuong Tin Commercial JS Bank (STB)	915,950	947,174	444,050	99,226	1,360,000	1,046,400
- Financing and Promoting Technology Corporation (FPT)	670,346	1,355,325	384,354	924,775	1,054,700	2,280,100
- Quang Ninh Construction & Cement JS Company (QNC)	321,650	-	206,350	-	528,000	-
- Sai Gon Petrolimex Gas Taxi JS Company (PGT)	1,430,500	1,430,500	(1,023,500)	(897,700)	407,000	532,800
- Vietnam Commercial JS Export Import Bank (EIB)	330,050	-	60,950	-	391,000	-
- Foreign Trade Development and Investment JSC (FDC)	200,646	50,400	113,354	21,100	314,000	71,500
- Refrigeration Electrical Engineering Corporation (REE)	129,500	-	86,500	-	216,000	-
- Bao Viet Holdings (BVH)	57,120	18,241,200	42,480	(3,325,200)	99,600	14,916,000
- Ben Thanh Water supply JS Company (BTW)	94,500	94,500	(17,700)	(12,500)	76,800	82,000
- Vietnam Construction and Import - Export JS Corporation (VCG)	-	67,200,000	-	-	-	67,200,000
- One Communication Technology Corporation (ONE)	-	827,500	-	62,500	-	890,000
- The Southern Rubber Industry JS Company (CSM)	-	378,000	-	122,000	-	500,000
- Hoa An JS Company (DHA)	-	180,300	-	(2,300)	-	178,000
-	-	53,200	-	31,800	-	85,000
II. Long-term investments						
<i>Listed shares:</i>						
- Ba Ria - Vung Tau House Development Joint Stock Company (HDC)	5,130,300,000	5,130,300,000	(3,064,150,200)	(2,944,164,000)	2,066,149,800	2,186,136,000
TOTAL	5,151,234,415	5,248,786,416	(3,064,565,315)	(2,944,487,416)	2,086,669,100	2,304,299,000

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

B09-CTCK

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

7. SHORT-TERM RECEIVABLES

7.1 Short-term receivables

Items	Notes	Beginning balance			Movements during the year			Ending balance			VND
		Total	Overdue	Doubtful	Increase	Decrease	Total	Overdue	Doubtful	Provision	
1. Advances to suppliers		1,445,322,050	-	-	29,205,418,599	(30,389,458,824)	261,281,825	-	-	-	-
2. Receivables from securities trading		422,732,086,971	-	10,855,815,587	20,888,092,286,020	(21,050,399,831,838)	260,424,541,153	-	10,240,716,005	8,157,237,439	-
- Receivables from margin financing contracts	(a)	288,061,010,315	-	-	8,796,024,252,999	(8,877,424,677,080)	206,660,586,234	-	-	-	-
- Receivables from co-operation contracts in securities trading	(b)	88,072,778,730	-	10,642,778,730	907,836,098,570	(985,874,295,906)	10,034,581,394	-	10,034,581,394	7,951,523,017	-
- Receivables from advances to investors	(c)	36,404,219,724	-	-	6,045,017,523,828	(6,038,039,415,331)	43,382,328,221	-	-	-	-
- Receivables from support payments to investors	(d)	10,194,078,202	-	213,036,857	5,136,155,991,555	(5,146,143,341,146)	206,728,611	-	206,134,611	205,714,422	-
- Other receivables from securities trading		-	-	-	3,058,419,068	(2,918,102,375)	140,316,693	-	-	-	-
3. Other receivables		-	-	-	8,587,913,337	(7,352,471,669)	1,235,441,668	-	-	-	-
- Interest of deposit		-	-	-	4,947,711,421	(4,229,412,189)	718,299,232	-	-	-	-
- Other short term receivables		-	-	-	3,640,201,916	(3,123,059,480)	517,142,436	-	-	-	-
TOTAL		424,177,409,021	-	10,855,815,587	20,925,885,617,956	(21,088,141,762,331)	261,921,264,646	-	10,240,716,005	8,157,237,439	

(a) These include the receivables under securities margin contracts which are secured by investors' securities portfolio or assets. The contract duration is from 90 to 180 days and interest rate is 0.045% per day as at 31 December 2012.

(b) These represent the receivables under business co-operation contracts which are secured by investors' securities portfolio or assets. The contract duration is from 19 to 180 days and interest rate is 0.057% per day. As required by the State Securities Commission, the Company terminated this service from 7 July 2012. The remaining balances of receivables from business co-operation contracts pertain to bad debts in 2010 which were fully provided for allowance in accordance with the Company's accounting policies (Note 3.3).

(c) These are cash advances paid temporarily to investors on the securities selling date (investors normally receive cash from securities sold on the third day from the matched order date on the Stock Exchanges). As at 31 December 2012, these advances bear an interest rate of 0.045% per day calculated on the advance amount at the time of payment with the Vietnam Securities Depository.

(d) These are the receivables from making payments to support for securities purchase under business co-operation contracts which are secured by investors' securities portfolio or assets. The contract term is within 40 days and interest rate ranges from 0.05% to 0.10% per day. As required by the State Securities, the Company terminated this service from 7 Jul 2012. The remaining balance pertains to bad debts in 2010 which were fully provided for allowance in accordance with the Company's accounting policies (Note 3.3).

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

7. SHORT-TERM RECEIVABLES (continued)

7.2 Provision for doubtful receivables

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	8,964,835,287	7,533,302,750
Provision charged for the year	1,274,634,740	5,307,024,219
Reversal of provision during the year	(2,082,232,588)	(3,875,491,682)
Ending balance	8,157,237,439	8,964,835,287

8. OTHER CURRENT ASSETS

8.1 Short-term prepaid expenses

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	1,564,622,583	636,560,144
Increase during the year	13,361,491,126	10,437,252,295
	14,926,113,709	11,073,812,439
Amortisation during the year	(12,077,803,831)	(9,509,189,856)
Ending balance	2,848,309,878	1,564,622,583

8.2 Other current assets

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Rental deposits	1,999,571,843	2,222,434,593
Advances	50,074,518	128,451,328
Other deposits	203,724,031	45,688,584
TOTAL	2,253,370,392	2,396,574,505

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

9. TANGIBLE FIXED ASSETS

	Office renovation	Office equipment	Transportation	Others	VND Total
Cost:					
Beginning balance	7,885,798,987	22,813,848,169	3,052,011,905	2,382,658,297	36,134,317,358
Newly purchased	-	5,669,501,270	-	261,408,400	5,930,909,670
Decrease	(475,813,790)	-	-	(210,450,654)	(686,264,444)
<i>In which:</i>					
Disposals	(475,813,790)	-	-	(85,522,800)	(561,336,590)
Other decrease	-	-	-	(124,927,854)	(124,927,854)
Ending balance	7,409,985,197	28,483,349,439	3,052,011,905	2,433,616,043	41,378,962,584
<i>In which:</i>					
Fully depreciated	7,409,985,197	12,314,830,459	-	778,785,024	20,503,600,680
Accumulated depreciation:					
Beginning balance	6,142,104,365	15,012,011,917	1,471,892,445	1,067,330,363	23,693,339,090
Charged for the year	1,561,299,342	4,982,534,056	509,081,330	503,612,126	7,556,526,854
Decrease	(293,418,510)	-	-	(113,511,218)	(406,929,728)
<i>In which:</i>					
Disposals	(293,418,510)	-	-	(52,739,060)	(346,157,570)
Other decrease	-	-	-	(60,772,158)	(60,772,158)
Ending balance	7,409,985,197	19,994,545,973	1,980,973,775	1,457,431,271	30,842,936,216
Net carrying amount:					
Beginning balance	1,743,694,622	7,801,836,252	1,580,119,460	1,315,327,934	12,440,978,268
Ending balance	-	8,488,803,466	1,071,038,130	976,184,772	10,536,026,368

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

10. INTANGIBLE FIXED ASSETS

	VND
	<u>Computer software</u>
Cost:	
Beginning balance	14,282,056,497
Newly purchased	<u>1,745,456,320</u>
Ending balance	<u>16,027,512,817</u>
<i>In which:</i>	
Fully amortised	13,413,901,961
Accumulated amortisation:	
Beginning balance	9,467,509,979
Amortisation for the year	<u>5,141,569,609</u>
Ending balance	<u>14,609,079,588</u>
Net carrying amount:	
Beginning balance	<u>4,814,546,518</u>
Ending balance	<u>1,418,433,229</u>

11. LONG-TERM PREPAID EXPENSES

	VND	VND
	<u>Ending balance</u>	<u>Beginning balance</u>
Office renovation expenses	959,905,169	1,319,455,132
Office equipments expenses	<u>333,078,321</u>	<u>745,577,065</u>
TOTAL	<u>1,292,983,490</u>	<u>2,065,032,197</u>

Movements of long-term prepaid expense in the year were as follows:

	VND	VND
	<u>Current year</u>	<u>Previous year</u>
Beginning balance	2,065,032,197	1,158,467,402
Increase during the year	<u>1,354,850,456</u>	<u>2,774,450,906</u>
	3,419,882,653	3,932,918,308
Amortisation during the year	<u>(2,126,899,163)</u>	<u>(1,867,886,111)</u>
Ending balance	<u>1,292,983,490</u>	<u>2,065,032,197</u>

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

12. DEFERRED TAX ASSETS

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Deferred tax assets		
Deferred tax assets on deductible temporary differences		
- Long-term investment revaluation reserve	766,037,550	844,929,000
- Provision for doubtful debts	611,792,808	1,255,445,955
- Severance payment	-	158,819,233
	<u>1,377,830,358</u>	<u>2,259,194,188</u>

13. ADVANCE TO SETTLEMENT ASSISTANCE FUND

Advance to Settlement Assistance Fund represents deposits at the Vietnam Securities Depository.

According to Decision No. 60/2004/QĐ-BTC dated 15 July 2004 and Decision No. 72/2005/QĐ-BTC dated 21 October 2005 issued by the Ministry of Finance and Decision No. 17/QĐ-TTLK dated 2 April 2008 issued by the Vietnam Securities Depository, the Company is required to deposit an initial amount of VND 120 million and make an annual additional contribution of 0.01% of total value trading of dealing and brokered securities in prior year.

Movements of advance to Settlement Assistance Fund during the year were as follows:

	VND
Initial contribution in 2008	120,000,000
Additional contribution in 2009, 2010, 2011	4,702,474,666
Interest allocated in 2008	4,040,362
Balance as at 31 December 2011	4,826,515,028
Additional contribution for in 2012	1,822,501,138
Balance as at 31 December 2012	<u>6,649,016,166</u>

14. SHORT-TERM LOANS AND BORROWINGS

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Bank overdraft (*)	34,090,712,455	83,599,147,363
Loans and borrowings from Maybank Kim Eng Holdings Limited	-	62,484,000,000
Loans and borrowings from entrusted contracts for buying bonds	-	12,782,300,000
TOTAL	<u>34,090,712,455</u>	<u>158,865,447,363</u>

(*) This bank overdraft is obtained from a local bank to finance daily operations of the Company. It bears interest at the floating rate which is determined by the bank from time to time and is secured by the receivables from securities trading accounts of customers and margin loans.

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

15. STATUTORY OBLIGATIONS

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Personal income tax of the employees	404,889,233	339,532,406
Personal income tax of investors	402,479,180	406,689,651
Value added tax	107,313,896	538,849,657
Foreign contractor withholding tax	17,074,261	54,964,983
Corporate income tax of investors	9,130,962	2,244,200
TOTAL	940,887,532	1,342,280,897

Changes in statutory obligations during the year are as follows:

	<u>Beginning balance</u>	<u>Payables in the year</u>	<u>Paid in the year</u>	<u>Ending balance</u>
Personal income tax of the employees	339,532,406	6,266,803,757	(6,201,446,930)	404,889,233
Personal income tax of investors	406,689,651	8,371,626,562	(8,375,837,033)	402,479,180
Value added tax	538,849,657	469,418,136	(900,953,897)	107,313,896
Foreign contractor withholding tax	54,964,983	232,975,695	(270,866,417)	17,074,261
Corporate income tax of investors	2,244,200	318,837,382	(311,950,620)	9,130,962
TOTAL	1,342,280,897	15,659,661,532	(16,061,054,897)	940,887,532

16. ACCRUED EXPENSES

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Allowance for working performance payable to employees	5,008,786,241	5,474,191,931
Brokerage fee payables to State Securities Commission	481,977,637	561,362,257
Accrual for professional fees	358,050,000	138,600,000
Other accrued expenses	1,546,413,416	1,443,983,855
TOTAL	7,395,227,294	7,618,138,043

17. PAYABLES FOR SECURITIES TRADING

These were deposits of investors in the Company's account for securities trading.

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

18. OTHER PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Trade union fee	82,884,575	309,402,646
Other payables	209,240,361	341,888,188
TOTAL	292,124,936	651,290,834

19. OWNERS' EQUITY

19.1 Share capital

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Contributed by shareholders	300,000,000,000	300,000,000,000
Share premium	-	-
Treasury shares	-	-
TOTAL	300,000,000,000	300,000,000,000

Detail of the charter capital of the Company as at 31 December 2012 as follows:

	VND		
	<i>Total</i>	<i>Ordinary shares</i>	<i>Ownership %</i>
Contributed by Maybank Kim Eng Holdings Limited	145,650,000,000	145,650,000,000	48.55
Contributed by other individual shareholders	154,350,000,000	154,350,000,000	51.45
TOTAL	300,000,000,000	300,000,000,000	100.00

19.2 Shares

	<i>Ending balance Share</i>	<i>Beginning balance Share</i>
Authorised shares	30,000,000	30,000,000
Issued shares	30,000,000	30,000,000
<i>Issued and paid-up shares</i>		
- Ordinary shares	30,000,000	30,000,000
Outstanding shares	30,000,000	30,000,000
- Ordinary shares	30,000,000	30,000,000

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

19. OWNERS' EQUITY (continued)

19.3 Earnings per share

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

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

	<u>Current year</u>	<u>Previous year</u>
Net profit after tax attributable to ordinary shareholders for basic earnings - VND	17,700,159,904	5,030,357,512
Weighted average number of ordinary shares for basic earnings per share	30,000,000	30,000,000
Basic earnings per share - VND	590	168

20. OTHER REVENUE

	<u>Current year</u>	<u>Previous year</u>
		VND
Revenue from margin activities	56,184,023,511	43,020,316,657
Revenue from advances to investors	20,607,264,633	9,185,828,781
Interest income from bank deposits	10,367,979,207	5,331,790,820
Revenue from business co-operation contracts	9,613,764,013	22,627,541,634
Other revenue	2,301,896,106	109,707,329
TOTAL	99,074,927,470	80,275,185,221

21. OPERATING EXPENSES

	<u>Current year</u>	<u>Previous year</u>
		VND
Staff cost	42,667,350,672	30,699,129,248
Brokerage expenses	10,272,829,836	5,797,652,376
Financial expenses	10,123,764,398	7,440,520,983
Office rental	9,148,504,064	8,031,612,261
Agency commission	4,561,680,899	1,185,552,885
Depreciation and amortisation	3,003,148,695	2,820,669,530
Securities custody fee	2,485,124,020	1,282,440,049
Material and tool expenses	1,299,410,232	1,486,265,021
Advisory services	131,353,787	651,803,274
Cost of securities trading	13,326,800	77,224,534
Other expenses	7,720,515,737	8,280,219,391
TOTAL	91,427,009,140	67,753,089,552

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

22. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Staff cost	22,635,379,841	18,769,713,705
Depreciation and amortisation	9,694,947,768	6,921,700,519
Office renovation expenses	2,981,840,063	2,682,256,319
Office rental	2,227,856,270	2,093,632,346
Office supplies	532,109,292	275,590,698
Taxes and other fees	47,212,298	15,155,900
(Reversal)/additional charge of provision for doubtful debts	(807,597,848)	1,431,532,537
Other expenses	11,924,964,268	7,288,824,228
TOTAL	49,236,711,952	39,478,406,252

23. CORPORATE INCOME TAX (CIT)

23.1 Current corporate income tax expense

The Company's tax reporting will be subject to inspection by the tax authorities. Because the application of laws and regulations on taxes on different types of transactions can be interpreted in different ways, the tax amounts presented on the financial statements can be changed by the final decision of the tax authorities.

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

The estimated corporate income tax expense of the Company for the year ended 31 December 2012 and 2011 is computed as follows:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Profit before tax	23,936,256,584	6,829,287,531
Adjustments to accounting profit		
<i>Adjustment to increases</i>		
- Non-deductible expenses	410,734,741	341,679,764
<i>Adjustment to decreases</i>		
- Unpaid accrued salary expense	(2,995,343,598)	-
- Provision for doubtful debts	(1,767,014,739)	(1,211,471,731)
- Reversal of provision for doubtful debts and retrenchment allowance	(956,700,857)	-
- Dividends	(128,302,710)	(6,596,500)
Current taxable profit	18,499,629,421	5,952,899,064
CIT expense at rate of 25%	4,624,907,355	1,488,224,766
Adjustment for under accrual of tax from prior year	808,716,945	43,943,819
Estimated current CIT expense	5,433,624,300	1,532,168,585
CIT (receivable)/payable at the beginning of the year	(448,550,092)	1,291,327,498
CIT paid during the year	(8,060,121,569)	(3,272,046,175)
CIT receivable at the end of the year	(3,075,047,361)	(448,550,092)

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

23. CORPORATE INCOME TAX (CIT) (continued)

23.2 Deferred corporate income tax

The following are the deferred tax assets recognised by the Company and the movements thereon during the current year and previous year:

	Balance sheet		Income statement		Owners' equity	
	Ending balance	Beginning balance	Current year	Previous year	Current year	Previous year
						VND
Deferred tax assets						
Provision for doubtful debts	611,792,808	1,255,445,955	(643,653,147)	(302,867,933)	-	-
Decline in value of long-term investments	766,037,550	844,929,000	-	-	(78,891,450)	648,616,500
Accrual for severance payable	-	158,819,233	(158,819,233)	36,106,499	-	-
	1,377,830,358	2,259,194,188				
Net deferred income tax (expense)/benefit			(802,472,380)	(266,761,434)	(78,891,450)	648,616,500

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

24. TRANSACTIONS WITH RELATED PARTIES

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND Amounts</i>
Maybank Kim Eng Securities Private Limited	Related party	Brokerage fee received	130,949,598
		Commission paid	567,101,088
Maybank Kim Eng Holdings Limited	Shareholder	Borrowings paid	187,479,000,000
		Borrowings received	124,995,000,000
		Interest paid	1,412,436,954

Amounts due to and due from related parties at the balance sheet date were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND Receivable/(Payable)</i>
Maybank Kim Eng Securities Private Limited	Related party	Securities trading receivables	1,692,535,000
		Commission payables	(30,688,899)
Maybank Investment Bank	Related party	Other receivables	122,350,410

Transactions with other related parties

	<i>VND Current year</i>
Remuneration to members of the Management	4,249,834,517

25. OPERATING LEASE COMMITMENTS

The Company leases offices for its head office and branches under operating lease agreements.

The minimum lease commitments under the operating lease agreements at the reporting date are as follows:

	<i>VND Ending balance</i>	<i>VND Beginning balance</i>
Less than 1 year	2,097,239,478	2,313,287,347

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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 create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

The management reviews and agrees policies for managing each of these risks which are summarised below.

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. Market prices comprise four types of risks: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, short-term investments and available-for-sale investments.

The sensitivity analyses have been prepared on the basis that the amount of net debts, the ratio of fixed to floating interest rates of the debts and the proportion of financial instruments in foreign currencies are all constant.

In calculating the sensitivity analyses, the General Director assumed that the sensitivity of available-for-sale debt instruments on the balance sheet and relevant income statement items are affected by the assumed changes in respective market risks. This analysis is made based on the financial assets and financial liabilities held at 31 December 2012.

Interest rate risk

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

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

A sensitivity analysis is not performed for interest rate risk for the year ended 31 December 2012 as most of the Company's loans and borrowings have fixed interest rate at reporting date.

Foreign currency 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 (when revenue or expense is denominated in a different currency from the Company's accounting currency).

Risk due to exchange rate's fluctuation of the Company is not significant.

Equity price risk

The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities. The Company manages equity price risk by setting limits on stock investments. Board of Directors of the Company also review and approve all investment decisions on stock.

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Equity price risk (continued)

At the reporting date, the fair value of short-term and long-term listed equity securities amounted to VND 2,086,669,100 (31 December 2011: VND 2,237,099,000). A decrease of 10% on the fair value of these securities could have a decrease of approximately VND 208,666,910 (31 December 2011: VND 223,709,900) on the Company's profit before tax, depending on whether or not the decline is significant or prolonged. An increase of 10% on the fair value of these securities would increase Company's profit before tax by VND 208,666,910 (31 December 2011: VND 223,709,900).

Credit risk

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

Trade receivables

Customer credit risk is managed by the Company based on its established policies, procedures and controls relating to customer credit risk management. Credit quality of the customer is assessed based on individual credit limits which are defined in accordance with this assessment.

Outstanding customer receivables are regularly monitored. The requirement for impairment is analysed at each reporting date on an individual basis for major clients. The Company has maintained strict control over its outstanding receivables and has a credit control department to minimise credit risk. The margin call is conducted on time and complies with the nature of the margin product.

In view of the aforementioned and the fact that the Company's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

Bank deposits

The Company's bank balances are mainly maintained with well-known banks in Vietnam. Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the balance sheet at each reporting dates are the carrying amounts as illustrated in Note 4. The Company evaluates the concentration of credit risk in respect to bank deposits is low.

Liquidity risk

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

The Company monitors its liquidity risk by maintain 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.

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

				VND
	On demand	Less than 1 year	From 1 to 5 years	Total
Ending balance				
Short-term loans and borrowings	-	34,090,712,455	-	34,090,712,455
Payables to securities transactions	189,565,285,315	-	-	189,565,285,315
Accrued expenses				
- Brokerage fee payables to Stock Exchange	481,977,637	-	-	481,977,637
- Professional fees	358,050,000	-	-	358,050,000
- Other expenses	1,546,413,416	-	-	1,546,413,416
	191,951,726,368	34,090,712,455	-	226,042,438,823
Beginning balance				
Short-term loans and borrowings	-	158,865,447,363	-	158,865,447,363
Payables to securities transactions	47,044,217,513	-	-	47,044,217,513
Accrued expenses				
- Brokerage fee payables to Stock Exchange	561,362,257	-	-	561,362,257
- Professional fees	138,600,000	-	-	138,600,000
- Other expenses	1,443,983,855	-	-	1,443,983,855
	49,188,163,625	158,865,447,363	-	208,053,610,988

The Company assessed the concentration of risk with respect to refinancing its debts and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders.

Collateral

The Company pledges its receivables from securities trading accounts of customers and margin loans to secure for an overdraft loan obtained from a local bank (Note 14).

The Company held customers' securities as collaterals for the trading receivables from customers include margin financing contracts, co-operation contracts in securities trading and support payments to investors as at 31 December 2012.

The Company pledged term deposits of VND 98,129,407,150 to secure for loans at a commercial bank as at 31 December 2012 (Note 4).

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

27. ADDITIONAL PRESENTATION AND DISCLOSURE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS REQUIRED BY CIRCULAR NO. 210/2009/TT-BTC

On 6 November 2009, the Ministry of Finance issued Circular No. 210/2009/TT-BTC providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation of financial statements and disclosures of financial instruments ("Circular 210") which is effective from financial years beginning on or after 1 January 2011.

Because Circular 210 only provides guidance for the presentation and disclosures of financial instruments, the concepts of financial assets, financial liabilities and other related concepts presented in the following are only applied for the disclosure of this note. The assets, liabilities and equity of the Company have been recognised and accounted for in accordance with the Vietnamese Accounting Standards and Accounting System.

The following shows the additional presentation and disclosure of financial instruments as required by Circular 210.

Financial assets

Financial assets of the Company under the Circular No. 210 comprise cash, deposits at credit institutions, trading and investment securities, receivables and other assets under monetary derivative contracts.

According to Circular No. 210, financial assets are classified appropriately, for the purpose of explanation in the financial statements, into one of the following categories:

- *Financial asset recognised at fair value through an income statement:*
is one that satisfies either of the following conditions:
 - a) Being classified as held for trading. A financial asset will be classified as securities held for trading if:
 - ✓ It is purchased or created mainly for the purpose of resale/redemption in a short term;
 - ✓ There is an evidence that such instrument is traded for the purpose of gaining short-term profits; or
 - ✓ It is a derivative financial instrument (except derivative financial instruments identified as financial guarantee contracts or effective hedging instruments).
 - b) Upon initial recognition, the entity categorizes the financial asset as such reflected at fair value through an income statement.
- *Held-to-maturity investments:*
are non-derivative financial assets with fixed or identifiable payments and fixed maturity periods which an entity has the intent and ability to hold until the date of maturity, with the exceptions of:
 - a) Financial assets that, upon initial recognition, were categorized as such recognised at fair value through income statements;
 - b) Financial assets already categorized as available for sale;
 - c) Financial assets that meet the definitions of loans and receivables.
- *Loans and receivables:*
are non-derivative financial assets with fixed or identifiable payments and not listed on the market, with the exceptions of:
 - a) The amounts the entity has the intent to immediately sell or will sell in a near future which are classified as assets held for trading and like those which, upon initial recognition the entity categorized as such recognised at fair value through income statements;

27. **ADDITIONAL PRESENTATION AND DISCLOSURE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS REQUIRED BY CIRCULAR NO. 210/2009/TT-BTC (continued)**

Financial assets (continued)

▪ **Loans and receivables:** (continued)

- b) The amounts categorized by the entity as available for sale upon initial recognition; or
- c) The amounts whose holders cannot recover most of the initial investment value not due to credit quality impairment and which are categorized as available for sale.

▪ **Available-for-sale assets:**

are non-derivative financial assets determined as available for sale or not classified as:

- a) Loans and receivables;
- b) Held-to-maturity investments;
- c) Financial assets recognised at fair value through income statements.

Financial liabilities

Financial liabilities of the Company under the Circular No. 210 consist of borrowings, payables and other liabilities under monetary derivative contracts.

According to Circular No. 210, financial liabilities are classified appropriately, for the purpose of explanation in the financial statements, into one of the following categories:

▪ **Financial liabilities recognised at fair value through income statements**

are ones that meet either of the following conditions:

- a) Being classified as held for trading. A financial liability will be classified as securities held for trading if:
 - ✓ It is purchased or created mainly for the purpose of resale/redemption in a short term;
 - ✓ There is an evidence that such instrument is traded for the purpose of gaining short-term profits; or
 - ✓ It is a derivative financial instrument (except derivative financial instruments identified as financial guarantee contracts or effective hedging instruments).
- b) Upon initial recognition, the entity categorizes the financial liability as such reflected at fair value through an income statement.

▪ **Financial liabilities determined at the fair amortised cost**

Financial liabilities not categorized as such recorded at fair value through income statements will be classified as such determined at the fair amortised cost.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following method and assumption were used to estimate the fair values:

- ▶ Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

B09-CTCK

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

27. ADDITIONAL PRESENTATION AND DISCLOSURE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS REQUIRED BY CIRCULAR NO. 210/2009/TT-BTC (continued)

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the financial statements.

	Carrying amount		Fair value		VND
	Ending balance	Beginning balance	Ending balance	Beginning balance	
Financial assets					
Financial assets at fair value through profit and loss					
- Held for trading securities					
Listed shares	20,519,300	50,963,000	20,519,300	50,963,000	
Unlisted shares	-	67,200,000	-	67,200,000	
Trade receivable and other receivables		415,212,573,734	(*)	(*)	
Available-for-sales financial assets					
- Available-for-sale securities					
Listed shares	2,066,149,800	2,186,136,000	2,066,149,800	2,186,136,000	
Cash and cash equivalents	289,471,624,647	93,146,157,437	289,471,624,647	93,146,157,437	
Total	545,139,588,293	510,663,030,171			
Financial liabilities					
Loans and borrowings	34,090,712,455	158,865,447,363	(*)	(*)	
Payables to securities transactions	190,449,884,165	47,056,382,010	(*)	(*)	
Accrued liabilities	2,386,441,053	2,143,946,112	2,386,441,053	2,143,946,112	
Total	226,927,037,673	208,065,775,485			

(*) The fair value of these financial assets and liabilities cannot be determined because there is no specific guidance of fair value determination under the Vietnamese Accounting Standards and Accounting System.

Maybank Kim Eng Securities Joint Stock Company
(previously known as Kim Eng Vietnam Securities Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2012

B09-CTCK

27. ADDITIONAL PRESENTATION AND DISCLOSURE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS REQUIRED BY CIRCULAR NO. 210/2009/TT-BTC (continued)

The fair value of the financial assets and liabilities represent the amounts at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following method and assumption is used to estimate the fair values:

- ▶ Fair value of cash, short-term deposits and accrued expenses approximate their carrying amounts mainly due to the short-term maturities of these instruments.
- ▶ Fair value of quoted held for trading securities and available-for-sale securities are derived from quoted market prices in active markets.
- ▶ Fair value of unquoted held for trading securities is estimated using appropriate valuation.

28. EVENTS AFTER THE BALANCE SHEET DATE


There have been no significant events occurring after the reporting date that have affected or may significantly affect the operations of the Company and the results of its operations or the state of affairs of the Company in subsequent periods.

Prepared by:



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Accountant

Reviewed by:



Ms Tran Thi Ngoc Huong
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Approved by:



Mr. Le Minh Tam
General Director

Ho Chi Minh City, Vietnam

25 February 2013