

**Maybank Securities Limited**

(previously known as Maybank Kim Eng Securities Limited)

Financial statements

For the year ended 31 December 2022



**Maybank Securities Limited**  
(previously known as Maybank Kim Eng Securities Limited)

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# Maybank Securities Limited

(previously known as Maybank Kim Eng Securities Limited)

## GENERAL INFORMATION

### THE COMPANY

Maybank Securities Limited (previously known as Maybank Kim Eng Securities Limited) ("the Company") was incorporated under the Law on Enterprises of Vietnam pursuant to Securities Operating License No. 117/GP-UBCK issued by the State Securities Commission on 3 January 2014 and Amended License No. 30/GPDC-UBCK dated 23 March 2022, which supersedes License No. 71/UBCK-GP on 14 December 2007.

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

The Company's head office is located at VP-10-01, Floor 10, Pearl 5 Building, 5 Le Quy Don, Vo Thi Sau Ward, District 3, Ho Chi Minh City and five (5) branches are located at Ho Chi Minh City, Ha Noi and other provinces at the date of this report as follows:

- ▶ Sai Gon Branch: VP-09-01, Floor 9, Pearl 5 Building, 5 Le Quy Don, Vo Thi Sau Ward, District 3, Ho Chi Minh City;
- ▶ Phu Nhuan Branch: Floor 1, Tan Ha Phan Building, 465 Phan Xich Long, Phu Nhuan District, Ho Chi Minh City;
- ▶ An Giang Branch: Floor 3, Nguyen Hue Shopping Center, 9/9 Tran Hung Dao, My Xuyen Ward, Long Xuyen City, An Giang province;
- ▶ Dong Nai Branch: Floor 3, Room 303, NK Building, 208D Pham Van Thuan, Tan Tien Ward, Bien Hoa City, Dong Nai province; and
- ▶ Ha Noi Branch: Floor 3A - 06, Horison Building, 40 Cat Linh Street, Cat Linh Ward, Dong Da District, Ha Noi.

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

#### *Size of operation*

As at 31 December 2022, the Company's charter capital was VND2,200,000,000,000 and total assets amounted to VND3,004,182,406,519.

#### *Investment target*

The Company operates with the common goal of providing professional services, creating value for clients as well as Group, moving to the leading position in all operating activities, building smart and efficient resources and maximizing profits for the Company.

#### *Investment restrictions*

The Company complies with regulations on investment restrictions in accordance with Article 28, Circular No. 121/2020/TT-BTC dated 31 December 2020 promulgating the operation of securities companies.

**Maybank Securities Limited**  
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GENERAL INFORMATION (continued)

**BOARD OF MEMBERS**

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

<i>Name</i>	<i>Title</i>	<i>Date of appointment/ re-appointment/resignation</i>
Ms. Che Zakiah Binti Che Din	Chairman	Re-appointed on 1 January 2023
Mr. Rajiv Vijendran	Member	Resigned on 1 January 2023
Mr. Lok Eng Hong	Member	Re-appointed on 1 January 2023
Mr. Nguyen The Tho	Independent member	Appointed on 25 March 2022
Mr. Nguyen The Tho	Independent member	Re-appointed on 1 January 2023
Mr. Mohamad Yasin Bin Abdullah	Member	Resigned on 27 May 2022

**MANAGEMENT AND CHIEF ACCOUNTANT**

Members of the management and the 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. Kim Thien Quang	Chief Executive Officer	Appointed on 12 August 2015
Ms. Nguyen Thi Thuy	Chief Financial Officer	Appointed on 8 April 2022
Ms. Nguyen Thi Thuy	Chief Financial Officer	Resigned on 30 September 2022
Mr. Vu Gia Vinh	Head, Investment Banking and Advisory	Appointed on 24 June 2017
Mr. Nguyen Bao Toan	Head, Individual Customers	Appointed on 1 April 2021
Mr. Nguyen Anh Tuan	Head, Risk Management	Appointed on 30 September 2022
Ms. Tran Thi Ngoc Huong	Chief Accountant	Appointed on 10 March 2014
Mr. Tran Chau Tien	Head, Information Technology (*)	
Mr. Quan Trong Thanh	Head, Institutional Research (*)	

(\*) Regarding to members of the management, in compliance with the Charter No. 3009-2/22-QD-HDTV on 30 September 2022, Mr. Tran Chau Tien and Mr. Quan Trong Thanh are no longer members of the management of the Company.

**LEGAL REPRESENTATIVE**

The legal representative of the Company during the year and at the date of this report is Mr. Kim Thien Quang, the Chief Executive Officer.

**AUDITORS**

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

**Maybank Securities Limited**  
(previously known as Maybank Kim Eng Securities Limited)

**REPORT OF MANAGEMENT**

Management of Maybank Securities Limited (previously known as Maybank Kim Eng Securities Limited) ("the Company") is pleased to present this report and the financial statements of the Company for the year ended 31 December 2022.

**MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS**

Management is responsible for the financial statements of each financial year which give a true and fair view of the financial position of the Company, the results of its operation, its cash flows and its changes in owner's equity for the year. In preparing those 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 financial statements; and
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

**STATEMENT BY MANAGEMENT**

Management does hereby state that, in its opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, the results of its operations, its cash flows and its changes in owner's equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and the statutory requirements relevant to the preparation and presentation of the financial statements.



For and on behalf of management:

Kim Thien Quang  
Chief Executive Officer

Ho Chi Minh City, Vietnam

20 February 2023

Reference: 12736768/66782640

## INDEPENDENT AUDITORS' REPORT

**To: The Owner of  
Maybank Securities Limited**

We have audited the accompanying financial statements of Maybank Securities Limited (previously known as Maybank Kim Eng Securities Limited) ("the Company"), as prepared on 20 February 2023 and set out on pages 6 to 49, which comprise the statement of financial position as at 31 December 2022, the income statement, the statement of cash flow and the statement of changes in owner' equity for the year then ended and the notes thereto.

### *Management's responsibility*

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

### *Auditors' responsibility*

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

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

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

### **Opinion**

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2022, the results of its operations, its cash flows and its changes in owner's equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and the statutory requirements relevant to the preparation and presentation of the financial statements.

### **Ernst & Young Vietnam Limited**



Saman Wijaya Bandara  
Deputy General Director  
Audit Practicing Registration  
Certificate No. 2036-2023-004-1



Vu Tien Dung  
Auditor  
Audit Practicing Registration  
Certificate No. 3221-2020-004-1

Ho Chi Minh City, Vietnam

20 February 2023



**Maybank Securities Limited**  
(previously known as Maybank Kim Eng Securities Limited)

STATEMENT OF FINANCIAL POSITION  
31 December 2022

B01-CTCK

Code	Items	Notes	Ending balance VND	Beginning balance VND
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>2,940,884,230,654</b>	<b>4,901,351,898,557</b>
<b>110</b>	<b>I. Financial assets</b>		<b>2,935,058,847,455</b>	<b>4,893,811,347,869</b>
111	1. Cash and cash equivalents	4	312,635,473,641	798,183,574,318
111.1	1.1 Cash		112,635,473,641	798,183,574,318
111.2	1.2 Cash equivalents		200,000,000,000	-
112	2. Financial assets at fair value through profit and loss (FVTPL)	6.1	-	50,230,550
114	3. Loans	6.2	2,595,130,939,634	4,062,557,148,079
116	4. Provision for impairment of financial assets and mortgage assets	6.3	-	(1,922,794,815)
117	5. Receivables	7	25,579,632,498	30,167,284,260
117.2	5.1 Receivables and accruals from dividend and interest income		25,579,632,498	30,167,284,260
117.4	5.1.1 Accruals for dividend and interest income		25,579,632,498	30,167,284,260
118	6. Advances to suppliers	7	329,576,500	1,488,454,618
119	7. Receivables from services provided by the Company	7	1,357,514,095	3,281,712,052
122	8. Other receivables	7	25,711,087	121,039,202
129	9. Provision for impairment of receivables	7	-	(115,300,395)
<b>130</b>	<b>II. Other current assets</b>		<b>5,825,383,199</b>	<b>7,540,550,688</b>
131	1. Advances		73,528,831	81,884,006
133	2. Short-term prepaid expenses	11	5,751,854,368	7,458,666,682
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>63,298,175,865</b>	<b>56,897,540,772</b>
<b>220</b>	<b>I. Fixed assets</b>		<b>18,259,879,345</b>	<b>13,863,814,174</b>
221	1. Tangible fixed assets	8	14,538,643,821	9,656,145,377
222	- Cost		59,256,626,120	53,696,187,881
223a	- Accumulated depreciation		(44,717,982,299)	(44,040,042,504)
227	2. Intangible fixed assets	9	3,721,235,524	4,207,668,797
228	- Cost		30,858,921,409	29,982,921,409
229a	- Accumulated amortization		(27,137,685,885)	(25,775,252,612)
<b>240</b>	<b>II. Constructions in progress</b>	<b>10</b>	<b>4,003,368,190</b>	<b>5,571,648,645</b>
<b>250</b>	<b>III. Other non-current assets</b>		<b>41,034,928,330</b>	<b>37,462,077,953</b>
251	1. Long-term deposits, collaterals and pledges		4,893,375,675	6,307,038,378
252	2. Long-term prepaid expenses	11	6,081,554,905	1,115,140,746
254	3. Deposits to Settlement Assistance Fund and Clearing Fund	12	30,059,997,750	30,039,898,829
<b>270</b>	<b>TOTAL ASSETS</b>		<b>3,004,182,406,519</b>	<b>4,958,249,439,329</b>



**Maybank Securities Limited**  
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STATEMENT OF FINANCIAL POSITION (continued)  
31 December 2022

B01-CTCK

Code	Items	Notes	Ending balance VND	Beginning balance VND
<b>300</b>	<b>C. LIABILITIES</b>		<b>66,956,978,247</b>	<b>2,179,989,962,824</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>66,625,955,551</b>	<b>2,179,768,263,095</b>
311	1. Short-term borrowings		-	2,087,710,000,000
312	1.1 Short-term borrowings	13	-	2,087,710,000,000
318	2. Payables for securities transaction activities		3,710,193	23,485,870
320	3. Payables to suppliers	15	4,082,010,184	3,609,056,450
321	4. Short-term advances from customers		280,332,000	280,332,000
322	5. Statutory obligations	14	24,647,281,849	35,671,766,524
323	6. Payables to employees		27,955,261,914	38,763,392,912
325	7. Short-term expense payables	16	9,409,217,275	13,408,075,207
329	8. Other current liabilities		248,142,136	302,154,132
<b>340</b>	<b>II. Non-current liabilities</b>		<b>331,022,696</b>	<b>221,699,729</b>
356	1. Deferred tax liabilities	17	331,022,696	221,699,729
<b>400</b>	<b>D. OWNER'S EQUITY</b>		<b>2,937,225,428,272</b>	<b>2,778,259,476,505</b>
<b>410</b>	<b>I. Owner's equity</b>	18	<b>2,937,225,428,272</b>	<b>2,778,259,476,505</b>
411	1. Contributed capital		2,200,000,000,000	2,200,000,000,000
414	2. Capital supplementary reserve		40,646,058,094	30,282,760,506
415	3. Operational risk and financial reserve		40,646,058,096	30,282,760,507
417	4. Undistributed profit		655,933,312,082	517,693,955,492
417.1	4.1. Realized profit		655,907,134,822	517,696,075,217
417.2	4.2. Unrealized profit		26,177,260	(2,119,725)
<b>440</b>	<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>		<b>3,004,182,406,519</b>	<b>4,958,249,439,329</b>

**Maybank Securities Limited**  
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STATEMENT OF FINANCIAL POSITION (continued)  
31 December 2022

B01-CTCK

**OFF-BALANCE SHEET ITEMS**

Code	Items	Notes	Ending balance VND	Beginning balance VND
	<b>A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS</b>			
005	1. Foreign currencies (original currency) USD	19.1	274,080.44	19,991,213.97
008	2. Financial assets listed/registered for trading at Viet Nam Securities Depository ("VSD") of the Company	19.2	790,000	10,720,000
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS</b>			
021	1. Investors' financial assets listed/ registered at VSD	19.3	11,583,281,990,000	8,520,475,320,000
021.1	- <i>Unrestricted and traded financial assets</i>		10,865,470,540,000	7,944,884,640,000
021.2	- <i>Restricted and traded financial assets</i>		183,998,230,000	176,720,450,000
021.3	- <i>Mortgaged and traded financial assets</i>		373,716,700,000	82,450,000,000
021.4	- <i>Blocked financial assets</i>		79,675,180,000	4,675,180,000
021.5	- <i>Financial assets awaiting settlement</i>		80,421,340,000	311,745,050,000
022	2. Investors' non-traded financial assets deposited at VSD	19.4	1,189,339,190,000	1,432,028,240,000
022.1	- <i>Unrestricted and non-traded financial assets</i>		1,092,724,510,000	1,338,515,530,000
022.2	- <i>Restricted and non-traded financial assets</i>		62,800,020,000	81,614,050,000
022.3	- <i>Mortgaged and non-traded financial assets</i>		33,814,660,000	11,898,660,000
023	3. Investors' financial assets awaiting arrival	19.5	77,040,390,000	239,686,950,000

**Maybank Securities Limited**  
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STATEMENT OF FINANCIAL POSITION (continued)  
31 December 2022

B01-CTCK

**OFF-BALANCE SHEET ITEMS (continued)**

Code	Items	Notes	Ending balance VND	Beginning balance VND
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)</b>			
026	4. Investors' deposits	19.6	647,787,093,347	1,045,740,777,851
027	4.1 Investors' deposits for securities trading activities managed by the Company		513,989,341,047	495,800,124,851
028	4.2 Investors' collective deposits for securities trading activities		77,893,630,333	346,085,329,607
029	4.3 Investors' deposits for securities transaction clearing and settlement		55,904,121,967	203,855,323,393
029.1	- Domestic investors' deposits for securities transaction clearing and settlement		55,899,765,114	203,784,365,004
029.2	- Foreign investors' deposits for securities transaction clearing and settlement		4,356,853	70,958,389
031	5. Payables to investors - investors' deposits for securities trading activities managed by the Company	19.7	647,787,060,537	1,045,740,761,180
031.1	5.1 Domestic investors' deposits for securities trading activities managed by the Company		590,341,404,624	991,457,772,774
031.2	5.2 Foreign investors' deposits for securities trading activities managed by the Company		57,445,655,913	54,282,988,406
035	6. Dividend, bond principal and interest payables	19.7	32,810	16,671

Preparer by:

*Rhac*

Reviewed by:

*Uuo*

Approved by:



Nguyen Thi Minh Hong  
Accountant

Tran Thi Ngoc Huong  
Chief Accountant

Kim Thien Quang  
Chief Executive Officer

Ho Chi Minh City, Vietnam

20 February 2023

**Maybank Securities Limited**  
(previously known as Maybank Kim Eng Securities Limited)

INCOME STATEMENT  
for the year ended 31 December 2022

B02-CTCK

Code	Items	Notes	Current year VND	Previous year VND
	<b>I. OPERATING REVENUE</b>			
01	1. Revenue from financial assets at fair value through profit and loss (FVTPL)	20.1	3,131,528,604	2,980,289,463
01.1	1.1 Gain from disposal of financial assets at FVTPL		469,812,155	353,334,862
01.2	1.2 Gain from revaluation of financial assets at FVTPL		-	21,360,371
01.3	1.3 Dividend, interest income from financial assets at FVTPL		2,661,716,449	2,605,594,230
03	2. Revenue from loans and receivables	20.1	358,602,800,414	272,811,368,244
06	3. Revenue from brokerage services	20.2	243,048,238,566	328,758,331,321
09	4. Revenue from securities custodian services	20.2	3,956,494,809	4,357,746,752
10	5. Revenue from financial advisory services	20.2	600,000,000	12,402,699,307
11	6. Other revenue	20.2	10,252,824,538	8,157,863,117
<b>20</b>	<b>Total operating revenue</b>		<b>619,591,886,931</b>	<b>629,468,298,204</b>
	<b>II. OPERATION EXPENSES</b>			
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		60,626,625	6,412,461
21.1	1.1 Loss from disposal of financial assets at FVTPL		60,626,625	2,275,400
21.2	1.2 Loss from revaluation of financial assets at FVTPL		-	4,137,061
24	2. Provision expense for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	21	48,039,633,752	34,124,235,593
27	3. Expenses for brokerage services	22	182,628,652,985	231,055,431,924
30	4. Expenses for securities custodian services		7,513,766,089	7,147,396,072
31	5. Expenses for financial advisory services		8,554,564,286	9,909,215,075
<b>40</b>	<b>Total operating expenses</b>		<b>246,797,243,737</b>	<b>282,242,691,125</b>
	<b>III. FINANCE INCOME</b>			
41	1. Realized and unrealized gain from changes in foreign exchange rates		395,524,137	268,620,414
42	2. Dividend and interest income from demand deposits		4,089,612,719	3,357,369,524
<b>50</b>	<b>Total finance income</b>	<b>23</b>	<b>4,485,136,856</b>	<b>3,625,989,938</b>

**Maybank Securities Limited**  
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INCOME STATEMENT (continued)  
for the year ended 31 December 2022

B02-CTCK

Code	Items	Notes	Current year VND	Previous year VND
	<b>IV. FINANCE EXPENSES</b>			
51	1. Realized and unrealized loss from changes in foreign exchange rates		697,936,348	248,217,742
60	<b>Total finance expenses</b>		<b>697,936,348</b>	<b>248,217,742</b>
62	<b>V. GENERAL AND ADMINISTRATIVE EXPENSES</b>	24	<b>117,277,749,727</b>	<b>99,942,165,724</b>
70	<b>VI. OPERATING PROFIT</b>		<b>259,304,093,975</b>	<b>250,661,213,551</b>
	<b>VII. OTHER INCOME AND OTHER EXPENSES</b>			
71	1. Other income		456,531,818	1,511,670,843
72	2. Other expenses		10,269,960	-
80	<b>Total other operating profit</b>		<b>446,261,858</b>	<b>1,511,670,843</b>
90	<b>VIII. PROFIT BEFORE TAX</b>		<b>259,750,355,833</b>	<b>252,172,884,394</b>
91	1. Realized profit		259,724,178,573	252,175,004,119
92	2. Unrealized (loss)/profit		26,177,260	(2,119,725)
100	<b>IX. CORPORATE INCOME TAX (CIT) EXPENSES</b>	25	<b>52,484,404,066</b>	<b>50,518,974,529</b>
100.1	1. Current CIT expenses	25.1	52,375,081,099	50,423,064,183
100.2	2. Deferred CIT expenses	25.2	109,322,967	95,910,346
200	<b>X. PROFIT AFTER TAX</b>		<b>207,265,951,767</b>	<b>201,653,909,865</b>
400	<b>TOTAL COMPREHENSIVE INCOME</b>		<b>207,265,951,767</b>	<b>201,653,909,865</b>

Preparer by:

*Rhue*

Reviewed by:

*Thuc*

Approved by:



Nguyen Thi Minh Hong  
Accountant

Tran Thi Ngoc Huong  
Chief Accountant

Kim Thien Quang  
Chief Executive Officer

Ho Chi Minh City, Vietnam

20 February 2023

**Maybank Securities Limited**  
(previously known as Maybank Kim Eng Securities Limited)

STATEMENT OF CASH FLOWS  
for the year ended 31 December 2022

B03-CTCK

Code	Items	Notes	Current year VND	Previous year VND
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>1. Net profit before tax</b>		<b>259,750,355,833</b>	<b>252,172,884,394</b>
02	<b>2. Adjustments for:</b>		<b>21,624,069,859</b>	<b>1,913,489,842</b>
03	- Depreciation and amortization	9,10	6,371,929,591	5,338,809,470
04	- Addition of provisions		-	(1,419,307,207)
07	- Profits from investing activities		(6,751,329,168)	(5,962,963,754)
08	- Accrued interest income		(25,579,632,498)	(30,167,284,260)
09	- Other adjustments		47,583,101,934	34,124,235,593
10	<b>3. Increase in non-monetary expenses</b>		-	<b>6,412,461</b>
11	Loss from revaluation of financial assets at FVTPL		-	6,412,461
18	<b>4. Decrease in non-monetary income</b>		-	<b>(21,360,371)</b>
19	Gain from revaluation of financial assets at FVTPL		-	(21,360,371)
30	<b>5. Operating income before changing in working capital</b>		<b>281,374,425,692</b>	<b>254,071,426,326</b>
31	Decrease/(increase) financial assets at FVTPL		50,230,550	(31,907,610)
33	Decrease/(increase) in loans		1,465,503,413,630	(1,958,157,160,298)
36	Decrease in receivables and accruals from dividend and interest income		30,167,284,260	15,263,556,121
37	Decrease in receivables from services rendered by the Company		1,924,197,957	25,227,690,657
39	Decrease/(increase) in other receivables		1,138,905,838	(1,366,066,606)
40	Decrease/(increase) in other assets		1,401,918,957	(3,122,045,453)
41	(Decrease)/increase in accrued expenses (excluded interest expenses)		(2,348,631,033)	6,827,871,935
42	Increase in prepaid expenses		(3,259,601,845)	(4,264,047,744)
43	Corporate income tax paid	14	(59,652,608,975)	(41,290,179,738)
44	Interest paid		(49,689,860,651)	(34,882,023,591)
45	Increase/(decrease) in trade payables		472,953,734	(3,211,114,896)
47	(Decrease)/increase in statutory obligations (excluded CIT paid)		(3,856,279,766)	5,150,667,424
48	(Decrease)/increase in payables to employees		(10,808,130,998)	16,148,794,654
50	Increase in other payables		35,535,294	263,131,983
60	<b>Net cash from/(used in) operating activities</b>		<b>1,652,453,752,644</b>	<b>(1,723,371,406,836)</b>



**Maybank Securities Limited**  
(previously known as Maybank Kim Eng Securities Limited)

STATEMENT OF CASH FLOWS (continued)  
for the year ended 31 December 2022

B03-CTCK

Code	Items	Notes	Current year VND	Previous year VND
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
61	Purchase and construction of fixed assets		(9,199,714,307)	(8,735,835,345)
62	Receipts from the liquidation, assignment or sale of fixed assets and other long-term assets		456,531,818	-
65	Interest and dividends received		6,751,329,168	5,962,963,754
<b>70</b>	<b>Net cash from investing activities</b>		<b>(1,991,853,321)</b>	<b>(2,772,871,591)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
71	Proceeds from receiving capital contributions of the owners		-	1,143,890,000,000
73	Drawdown of borrowings	13	7,622,527,400,000	12,166,457,320,000
73.2	Others		7,622,527,400,000	12,166,457,320,000
74	Repayment of borrowings	13	(9,710,237,400,000)	(10,934,483,410,000)
74.3	Others		(9,710,237,400,000)	(10,934,483,410,000)
76	Cash payments of dividends or profits to owners or shareholders		(48,300,000,000)	-
<b>80</b>	<b>Net cash (used in)/from financing activities</b>		<b>(2,136,010,000,000)</b>	<b>2,375,863,910,000</b>
<b>90</b>	<b>NET (DECREASE)/INCREASE IN CASH DURING THE YEAR</b>		<b>(485,548,100,677)</b>	<b>649,719,631,573</b>
<b>101</b>	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>4</b>	<b>798,183,574,318</b>	<b>148,463,942,745</b>
101.1	Cash		798,183,574,318	98,463,942,745
101.2	Cash equivalents		-	50,000,000,000
<b>103</b>	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>4</b>	<b>312,635,473,641</b>	<b>798,183,574,318</b>
103.1	Cash		112,635,473,641	798,183,574,318
103.2	Cash equivalents		200,000,000,000	-



**Maybank Securities Limited**  
(previously known as Maybank Kim Eng Securities Limited)

STATEMENT OF CASH FLOWS (continued)  
for the year ended 31 December 2022

B03-CTCK

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

Code	Items	Notes	Current year VND	Previous year VND
	<b>I. Cash flows from brokerage and trust activities of the customers</b>			
01	1. Cash receipt from disposal of securities to customers		55,821,178,870,520	74,536,784,144,260
02	2. Cash payment for acquisition of securities for customers		(54,036,365,787,196)	(72,677,990,089,023)
07	3. Cash receipt for settlement of securities transactions of customers		60,864,333,027,430	82,389,999,905,856
08	4. Cash payment for settlement of securities transactions of customers		(63,043,143,300,449)	(84,123,388,914,431)
11	5. Custodian fee paid		(3,956,494,809)	(4,357,746,752)
20	<b>Net (decrease)/increase in cash during the year</b>		<b>(397,953,684,504)</b>	<b>121,047,299,910</b>
30	<b>II. Cash and cash equivalents of the customers at the beginning of the year</b>	19.6	<b>1,045,740,777,851</b>	<b>924,693,477,941</b>
31	Cash at banks at the beginning of the year		1,045,740,777,851	924,693,477,941
32	1. Investors' deposits managed by the Company for securities trading activities		495,800,124,851	433,128,339,491
33	2. Investors' collective deposits for securities trading activities		346,085,329,607	215,916,499,562
34	3. Investors' deposits for securities transaction clearing and settlement		203,855,323,393	275,648,638,888
40	<b>III. Cash and cash equivalents of the customers at the end of the year</b>	19.6	<b>647,787,093,347</b>	<b>1,045,740,777,851</b>
41	Cash at banks at the end of the year		647,787,093,347	1,045,740,777,851
42	1. Investors' deposits managed by the Company for securities trading activities		513,989,341,047	495,800,124,851
43	2. Investors' collective deposits for securities trading activities		77,893,630,333	346,085,329,607
44	3. Investors' deposits for securities transaction clearing and settlement		55,904,121,967	203,855,323,393

Preparer by:

Reviewed by:

Approved by:

Nguyen Thi Minh Hong  
Accountant

Tran Thi Ngoc Huong  
Chief Accountant

Kim Thien Quang  
Chief Executive Officer

Ho Chi Minh City, Vietnam

20 February 2023

**Maybank Securities Limited**  
(previously known as Maybank Kim Eng Securities Limited)

**STATEMENT OF CHANGES IN OWNER'S EQUITY**  
for the year ended 31 December 2022

B04-CTCK

ITEMS	Beginning balance		Increase/(decrease)				Ending balance	
	1 January 2021 VND	1 January 2022 VND	Previous year		Current year		31 December 2021 VND	31 December 2022 VND
			Increase VND	Decrease VND	Increase VND	Decrease VND		
<b>I. CHANGES IN OWNER'S EQUITY</b>								
1. Contributed capital	1,056,110,000,000	2,200,000,000,000	1,143,890,000,000	-	-	-	2,200,000,000,000	2,200,000,000,000
- Regulated capital	250,000,000,000	250,000,000,000	-	-	-	-	250,000,000,000	250,000,000,000
- Supplemental capital	806,110,000,000	1,950,000,000,000	1,143,890,000,000	-	-	-	1,950,000,000,000	1,950,000,000,000
2. Capital supplementary reserve	20,197,458,918	30,282,760,506	10,085,301,588	-	10,363,297,588	-	30,282,760,506	40,646,058,094
3. Operational risk and financial reserve	20,197,458,919	30,282,760,507	10,085,301,588	-	10,363,297,589	-	30,282,760,507	40,646,058,096
4. Undistributed profit	336,210,648,803	517,693,955,492	201,653,909,865	(20,170,603,176)	207,265,951,767	(69,026,595,177)	517,693,955,492	655,933,312,082
- Realized profit	336,209,264,221	517,696,075,217	201,656,029,590	(20,169,218,594)	207,239,774,507	(69,028,714,902)	517,696,075,217	655,907,134,822
- Unrealized profit	1,384,582	(2,119,725)	(2,119,725)	(1,384,582)	26,177,260	2,119,725	(2,119,725)	26,177,260
<b>TOTAL</b>	<b>1,432,715,566,640</b>	<b>2,778,259,476,505</b>	<b>1,365,714,513,041</b>	<b>(20,170,603,176)</b>	<b>227,992,546,944</b>	<b>(69,026,595,177)</b>	<b>2,778,259,476,505</b>	<b>2,937,225,428,272</b>

Preparer by:



Nguyen Thi Minh Hong  
Accountant

Reviewed by:



Tran Thi Ngoc Huong  
Chief Accountant

Approved by:



Kim Thien Quang  
Chief Executive Officer

Ho Chi Minh City, Vietnam

20 February 2023

**1. CORPORATE INFORMATION**

Maybank Securities Limited (previously known as Maybank Kim Eng Securities Limited) ("the Company") was incorporated under the Law on Enterprises of Vietnam pursuant to Securities Operating License No. 117/GP-UBCK issued by the State Securities Commission on 3 January 2014 and Amended License No. 30/GPDC-UBCK dated 23 March 2022, which supersedes License No. 71/UBCK-GP on 14 December 2007.

The Company's head office is located at VP-10-01, Floor 10, Pearl 5 Building, 5 Le Quy Don, Vo Thi Sau Ward, District 3, Ho Chi Minh City and five (5) branches are located at Ho Chi Minh City, Ha Noi and other provinces at the date of this report.

The Company has 200 employees as at 31 December 2022 (31 December 2021: 186 employees).

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

***Size of operation***

As at 31 December 2022, the Company's charter capital was VND2,200,000,000,000 and total assets amounted to VND3,004,182,406,519.

***Investment target***

The Company operates with the common goal of providing professional services, creating value for clients as well as Group, moving to the leading position in all operating activities, building smart and efficient resources and maximizing profits for the Company.

***Investment restrictions***

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

- Securities company is not allowed to invest, contribute capital to invest in real-estate investment except for the purpose of use for head office, branches, and transaction offices directly serving professional business activities of the securities company.
- Securities company may invest in real-estate investment and fixed assets on the principle that the carrying value of the fixed assets and real-estate investment should not exceed fifty percent (50%) of the total value of assets of the securities company.
- Securities company is not allowed to use more than seventy percent (70%) of its charter capital to invest in corporate bonds. Securities company, licensed to engage in self-trading activity, is allowed to conduct repo transactions on listed bonds in accordance with relevant provision on bond repo transactions.
- Securities company must not by itself, or authorize another organization or individuals to: Invest in shares or contribute capital to companies that owned more than fifty percent (50%) of the charter capital of the securities company, except for purchasing of odd lots at the request of customers; Make joint investment with an affiliated person of five percent (5%) or more in the charter capital of another securities company; Invest more than twenty percent (20%) in the total currently circulating shares or fund certificates of a listing organization; Invest more than fifteen percent (15%) in the total currently circulating shares or fund certificates of an unlisted organization, this provision shall not apply to member fund certificates; Invest or contribute capital of more than fifteen percent (15%) in the total paid-up capital of a limited liability company or of a business project; Invest more than fifteen percent (15%) of its equity in a single organization or of a business project; Invest more than seventy percent (70%) of its total equity in shares, capital contribution and a business project, specifically invest more than twenty percent (20%) of its total equity in unlisted shares, capital contribution and a business project.

## **2. BASIS OF PREPARATION**

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

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

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

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

### **2.2 *Applied 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 Vietnam Dong (VND).



### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **3.1 Changes 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 financial statements for the year ended 31 December 2021, except for the following change in the accounting policies:

*Circular No. 114/2021/TT-BTC annulled Circular No. 146/2014/TT-BTC dated 6 October 2014 of the Minister of Finance guiding on finance regulations for securities companies, asset management companies ("Circular 114")*

The Ministry of Finance issued Circular 114 on 17 December 2021 with the following major changes:

- Providing guidance on making and settlement of provisions for devaluation of inventory, losses of financial investments, bad debts at securities companies, asset management companies, branch of foreign asset management companies incorporated under the Law on Enterprises of Vietnam shall comply with the provisions of Circular No. 48/2019/TT-BTC dated 8 August 2019 of the Minister of Finance guiding on making and settlement of provisions for devaluation of inventory, losses of financial investments, bad debts and warranty at enterprises and amendment, supplement, replacement regulations (if any);
- For the outstanding balance of the capital supplementary reserve set up according to the provisions of Circular No. 146/2014/TT-BTC: use for supplementing the charter capital according to current regulations;
- For the outstanding balance of the operational risk and financial reserve set up according to the provisions of Circular No. 146/2014/TT-BTC: use for supplementing charter capital or use for following the decision of the Board of Members or the Chairman of the Company in accordance with current regulations.

Circular 114 takes effect from 1 February 2022.

*Circular No. 24/2022/TT-BTC dated 7 April 2022 of the Ministry of Finance amending and supplementing a number of articles of the Minister of Finance's Circular No. 48/2019/TT-BTC dated August 08, 2019, providing instructions on the appropriation and use of provisions of devaluation of inventories, loss of investments, bad receivable debts and warranty for products, goods, services and construction works at enterprises.*

Circular 24/2022/TT-BTC takes effect from 25 May 2022 amending regulations on appropriation of provisions of loss of investments, accordingly, objects for which the provision is appropriated include types of securities issued by domestic economic institutions in accordance with the law, owned by the enterprise, listed or registered for trading on domestic securities market, eligible for free trading on the market, with the market price at the time of making the financial statement lower than the value of the securities investment being recorded on the accounting book.

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

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

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

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

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

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

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

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

Increase in the difference arising from revaluation of financial assets at FVTPL in comparison with the previous period is recognized into the 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 previous period is recognized into the 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 income statement.

**3.4 Loans**

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

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

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

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

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

**3.4 Loans (continued)**

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

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

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

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

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

**3.6 Derecognition of financial assets**

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

- ▶ The rights to receive cash flows from the asset have expired; or
- ▶ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either:
  - The Company has transferred substantially all 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 pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the initial carrying amount of the asset and the maximum amount that the Company is required to pay.



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

**3.7 Reclassification of financial assets**

*Reclassification when selling financial assets other than FVTPL*

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

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

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

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

**3.8 Receivables**

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

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

The Company has made provision for doubtful receivables in accordance with Circular No. 48/2019/TT-BTC amended by Circular No. 24/2022/TT-BTC. Accordingly, the provision rates for overdue receivables are as follows:

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

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

**3.9 Fixed assets**

Fixed assets are stated at cost less accumulated depreciation.

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

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

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

**3.10 Depreciation and amortization**

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

Office equipment	5 years
Transportation and vehicles	6 years
Other tangible assets	5 years
Computer software	5 years

**3.11 Operating lease**

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

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

**3.12 Prepaid expenses**

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

The following types of expenses are recorded as prepaid expenses and are amortized from one (1) to thirty-six (36) months in the income statement:

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

**3.13 Borrowings**

Borrowings are announced and presented at cost of the balance at the end of the accounting period.

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

**3.14 Payables and accrued expenses**

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

**3.15 Employee benefits**

**3.15.1 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 17.50% (except the period from 1 July 2021 to 30 June 2022 is 17.00%) of an employee's basic salary on a monthly basis. Besides, The Company has no further obligation.

**3.15.2 Voluntary resignation**

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

**3.15.3 Unemployment benefits**

According to Circular No. 28/2015/TT-BLDTBXH on guidelines for Article 52 of the Law on Employment and Decree No. 28/2015/ND-CP dated 12 March 2015 of the Government on 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 (except the period from 1 October 2021 to 30 September 2022 is 0%), and wage fund of unemployment insurance joiners and deduct 1% of monthly salary and wage of each employee to contribute to the unemployment insurance.

**3.16 Foreign currency transactions**

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

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

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

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

**3.17 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. The following specific recognition criteria must also be met before revenue is recognized:

*Revenue from brokerage services*

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

*Revenue from trading of securities*

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

*Interest income*

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

*Dividends*

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

*Other revenues from rendering services*

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

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

*Other income*

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

**3.18 Borrowing costs**

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs are recorded as expense during the year in which they incur, except to the extent that they are capitalized.

**3. SUMMARY OF SIGNIFICANT ACCOUNTINGS POLICIES (continued)**

**3.19 Corporate income tax**

*Current income tax*

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

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

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

*Deferred income tax*

Deferred income tax is provided using the liability method on temporary differences at the 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 where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit (or loss).

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

The carrying amount of deferred income tax assets is reviewed at each 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 unrecognized deferred income tax assets are re-assessed at each 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 that are expected to apply in the year when the asset realized, or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date. Deferred tax is charged or credited to the income statement, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity; or when the Company intends either settle current tax liabilities and assets on a net basis or to realise 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.



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

**3.20 Owner's equity**

***Contributed capital***

Contributed capital is recorded according to actual contribution amount.

***Undistributed profit***

Undistributed profit comprises of realized and unrealized undistributed 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 through profit and loss in the income statement and foreign exchange difference.

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

***Reserves***

Reserves are created using profit after tax in accordance with the Decision of the Owner.

**3.21 Appropriation of net profits**

Net profit after tax is available for appropriation to the owner after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

**3.22 Related parties**

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

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**4. CASH AND CASH EQUIVALENTS**

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
<b>Cash</b>	<b>112,635,473,641</b>	<b>798,183,574,318</b>
Cash on hand	43,646,803	40,552,768
Cash at banks for operation of the Company	112,066,938,697	797,610,501,647
Cash for securities transaction clearing and settlement	524,888,141	532,519,903
<b>Cash equivalents</b>	<b>200,000,000,000</b>	<b>-</b>
Term deposits with maturity term less than 3 months (*)	200,000,000,000	-
	<b>312,635,473,641</b>	<b>798,183,574,318</b>

(\*) These are deposits with term of less than 3 months at domestic credit institutions with term from 31 days to 33 days and interest rate of 6%/p.a.

**5. VALUE AND VOLUME OF TRADING RESULTS IN THE YEAR**

	<i>Current year</i>		<i>Previous year</i>	
	<i>Trading volume (unit)</i>	<i>Trading value (VND)</i>	<i>Trading volume (unit)</i>	<i>Trading value (VND)</i>
a. Company				
- Shares	137,849	5,874,274,580	483,790	23,713,355,285
b. Investors				
- Shares	4,190,505,897	108,664,128,651,960	6,081,298,379	147,625,620,825,313
	<b>4,190,643,746</b>	<b>108,670,002,926,540</b>	<b>6,081,782,169</b>	<b>147,649,334,180,598</b>

**6. FINANCIAL ASSETS**

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

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost VND</i>	<i>Fair value VND</i>	<i>Cost VND</i>	<i>Fair value VND</i>
Listed shares	-	-	<b>32,374,617</b>	<b>50,230,550</b>



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## 6. FINANCIAL ASSETS (continued)

### 6.2 Loans

	Ending balance			Beginning balance		
	Cost VND	Provision VND	Fair value VND	Cost VND	Provision VND	Fair value VND
Margin loans	2,582,395,614,234	-	2,582,395,614,234	3,972,825,771,840	(1,922,794,815)	3,970,902,977,025
Advances to customers	12,735,325,400	-	12,735,325,400	89,731,376,239	-	89,731,376,239
	<b>2,595,130,939,634</b>	<b>-</b>	<b>2,595,130,939,634</b>	<b>4,062,557,148,079</b>	<b>(1,922,794,815)</b>	<b>4,060,634,353,264</b>

#### Determining the fair value of financial assets

The fair value of financial assets was reflected at the value that the financial assets are traded in the prevailing transactions between involved parties, excluding the cases that financial assets are forced to sell or liquidate.

The Company uses the following methods and assumptions to estimate fair value:

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

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**6. FINANCIAL ASSETS (continued)**

**6.3 Provision for impairment of financial assets and mortgage assets**

	<i>Current year</i> VND	<i>Previous year</i> VND
Beginning balance	1,922,794,815	3,342,102,022
Reversal of provision during the year	26,746,833,375	(1,419,307,207)
Write off bad debt	(28,669,628,190)	-
<b>Ending balance</b>	<b>-</b>	<b>1,922,794,815</b>

**7. RECEIVABLES**

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Receivables and accruals from dividend and interest income from financial assets	25,579,632,498	30,167,284,260
- <i>Accrued interest from margin loans</i>	24,824,090,320	30,011,508,703
- <i>Accrued interest from term deposits</i>	733,150,684	-
- <i>Accrued interest from advances to customers</i>	22,391,494	155,775,557
Advances to suppliers	329,576,500	1,488,454,618
Receivables from services provided by the Company	1,357,514,095	3,281,712,052
- <i>Custodian fees receivable from investors</i>	739,457,078	699,904,053
- <i>Brokerage fees receivable</i>	618,057,017	2,581,807,999
Other receivables	25,711,087	121,039,202
- <i>From related parties</i>	15,280,000	-
- <i>From other parties</i>	10,431,087	121,039,202
	<b>27,292,434,180</b>	<b>35,058,490,132</b>
Provision for impairment of other receivables	-	(115,300,395)
	<b>27,292,434,180</b>	<b>34,943,189,737</b>

Movement of provision for impairment of other receivables during the year is as below:

	<i>Current year</i> VND	<i>Previous year</i> VND
Beginning balance	115,300,395	115,300,395
Write off bad debt	(115,300,395)	-
<b>Ending balance</b>	<b>-</b>	<b>115,300,395</b>

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## 8. TANGIBLE FIXED ASSETS

	<i>Office equipment VND</i>	<i>Transportation and vehicles VND</i>	<i>Others VND</i>	<i>Total VND</i>
<b>Cost</b>				
Beginning balance	50,014,790,014	3,052,011,905	629,385,962	53,696,187,881
New purchase	5,461,085,674	3,921,390,700	519,788,348	9,902,264,722
Disposal	(2,615,513,123)	(1,425,232,360)	(301,081,000)	(4,341,826,483)
Ending balance	52,860,362,565	5,548,170,245	848,093,310	59,256,626,120
<b>Accumulated depreciation</b>				
Beginning balance	40,383,467,054	3,052,011,905	604,563,545	44,040,042,504
Depreciation charge	4,820,371,079	89,692,797	99,432,442	5,009,496,318
Disposal	(2,608,598,163)	(1,425,232,360)	(297,726,000)	(4,331,556,523)
Ending balance	42,595,239,970	1,716,472,342	406,269,987	44,717,982,299
<b>Net carrying amount</b>				
Beginning balance	9,631,322,960	-	24,822,417	9,656,145,377
Ending balance	10,265,122,595	3,831,697,903	441,823,323	14,538,643,821

The cost of tangible fixed assets that are fully depreciated but still in use as at 31 December 2022 is VND34,354,859,236 (31 December 2021: VND32,882,703,076).

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**9. INTANGIBLE FIXED ASSETS**

	<i>Computer software VND</i>
<b>Cost</b>	
Beginning balance	29,982,921,409
New purchase	876,000,000
Ending balance	<u>30,858,921,409</u>
<b>Accumulated amortization</b>	
Beginning balance	25,775,252,612
Amortization charged	1,362,433,273
Ending balance	<u>27,137,685,885</u>
<b>Net carrying amount</b>	
Beginning balance	<u>4,207,668,797</u>
Ending balance	<u>3,721,235,524</u>

The cost of intangible fixed assets that are fully depreciated but in use as at 31 December 2022 is VND24,269,851,709 (31 December 2021: VND23,290,802,235).

**10. CONSTRUCTIONS IN PROGRESS**

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Office renovation	2,470,070,190	5,118,798,645
Software development	1,533,298,000	452,850,000
	<u><b>4,003,368,190</b></u>	<u><b>5,571,648,645</b></u>

Movement of constructions in progress during the year is as below:

	<i>Current year VND</i>	<i>Previous year VND</i>
Beginning balance	5,571,648,645	144,000,000
Increase during the year	4,003,368,190	5,777,648,645
Transfer to prepaid expenses	(5,571,648,645)	(350,000,000)
<b>Ending balance</b>	<u><b>4,003,368,190</b></u>	<u><b>5,571,648,645</b></u>

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**11. PREPAID EXPENSES**

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
<b>Short-term prepaid expenses</b>	<b>5,751,854,368</b>	<b>7,458,666,682</b>
- Information expenses	3,175,692,498	2,648,801,305
- System maintenance	1,181,738,327	1,536,196,898
- Prepaid office rental	713,545,500	2,818,582,168
- Office supplies expense	449,931,267	52,016,524
- Others	230,946,776	403,069,787
<b>Long-term prepaid expenses</b>	<b>6,081,554,905</b>	<b>1,115,140,746</b>
- Office renovation	4,611,575,902	-
- System maintenance	1,469,979,003	1,115,140,746
	<b>11,833,409,273</b>	<b>8,573,807,428</b>

**12. DEPOSITS TO SETTLEMENT ASSISTANCE FUND AND CLEARING FUND**

*Settlement assistance fund*

Deposits to settlement assistance fund represent amounts deposited to Settlement Assistance Fund.

According to Decision No. 27/QD-VSD dated 13 March 2015 issued by the General Director of the Vietnam Securities Depository providing guidance on management and usage of Settlement Assistance Fund, the Company must deposit an initial amount of VND120 million at the Vietnam Securities Depository and pay an addition of 0.01% of the total amount of brokered securities in the previous year, but not over VND2.5 billion per annum. The maximum limit on contribution to the Settlement Assistance Fund is VND20 billion for custody members is a securities company providing trading securities and brokerage activities.

*Clearing fund*

The clearing fund is formed from the contributions of clearing members in cash or securities approved by the Viet Nam Securities Depository for the purpose of compensating for losses and completing derivative securities transactions in the clearing member's name in case a clearing member or investor of a clearing member becomes insolvent.

According to Decision No.97/QD-VSD dated 23 March 2017 issued by the General Director of the Vietnam Securities Depository regarding the issuance of the regulation on management and use of Clearing Fund, the Company is required to contribute to Clearing Fund, with an initial minimum contribution of VND 10 billion for derivative securities transactions. Periodic additional contributions include additional contributions according to periodic revaluation and extraordinary additional contributions announced by the Vietnam Securities Depository.

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**12. DEPOSITS TO SETTLEMENT ASSISTANCE FUND AND CLEARING FUND (continued)**

Movements of the funds during the year are as follows:

	<i>Current year VND</i>	<i>Previous year VND</i>
Settlement assistance fund		
- Initial payment	120,000,000	120,000,000
- Addition payment	19,875,959,638	19,875,959,638
- Interest distribution	4,040,362	4,040,362
	<b>20,000,000,000</b>	<b>20,000,000,000</b>
Clearing fund		
- Initial payment	10,000,000,000	10,000,000,000
- Interest distribution	59,997,750	39,898,829
	<b>10,059,997,750</b>	<b>10,039,898,829</b>
	<b>30,059,997,750</b>	<b>30,039,898,829</b>

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## 13. SHORT-TERM BORROWINGS

	<i>Beginning balance</i> VND	<i>Additional borrowings</i> <i>during the year</i> VND	<i>Repayment</i> <i>during the year</i> VND	<i>Ending balance</i> VND
Short-term borrowings	<b>2,087,710,000,000</b>	<b>7,622,527,400,000</b>	<b>(9,710,237,400,000)</b>	-

## 14. STATUTORY OBLIGATIONS

<i>Items</i>	<i>Beginning balance</i> VND	<i>Payable</i> VND	<i>Paid</i> VND	<i>Ending balance</i> VND
Corporate income tax	22,374,584,805	82,576,515,237	(91,178,723,687)	13,772,376,355
- Of the Company	19,630,082,205	52,375,081,099	(59,652,608,975)	12,352,554,329
- Of the corporate investors	2,744,502,600	30,201,434,138	(31,526,114,712)	1,419,822,026
Value added tax	93,076,567	1,126,796,640	(1,165,338,797)	54,534,410
Personal income tax	12,519,730,425	104,626,335,437	(106,566,141,433)	10,579,924,429
- Of the Company	3,011,138,215	30,785,259,025	(32,342,980,843)	1,453,416,397
- Of the investors	9,508,592,210	73,841,076,412	(74,223,160,590)	9,126,508,032
Foreign contractor withholding tax	684,374,727	5,052,744,451	(5,496,672,523)	240,446,655
Business tax	-	8,000,000	(8,000,000)	-
	<b>35,671,766,524</b>	<b>193,390,391,765</b>	<b>(204,414,876,440)</b>	<b>24,647,281,849</b>



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**15. PAYABLES TO SUPPLIERS**

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Brokerage commission payables	1,443,070,987	2,766,378,878
- To related parties	668,364,305	1,580,627,748
- To other parties	774,706,682	1,185,751,130
Office renovation payables	1,192,029,620	-
Information fee payables	562,877,572	562,877,572
Internal audit service fee payables	172,652,940	-
RSOC Security monitoring payables	140,054,998	-
Other payables	571,324,067	279,800,000
	<b>4,082,010,184</b>	<b>3,609,056,450</b>

**16. SHORT-TERM EXPENSE PAYABLES**

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Accrued operating expenses	3,359,491,689	3,272,157,256
Transaction fee payables to Stock Exchanges	2,984,237,391	6,050,206,283
Professional fees	1,565,249,750	975,742,598
Trade & Give - Stay Strong Saigon Fund	1,075,157,051	1,075,157,051
Custody fees	425,081,394	384,585,120
Accrued interest expenses	-	1,650,226,899
	<b>9,409,217,275</b>	<b>13,408,075,207</b>

**17. DEFERRED TAX LIABILITY**

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
<b>Deferred tax liability</b>		
Depreciation of fixed assets	<b>331,022,696</b>	<b>221,699,729</b>

Deferred tax liability pertains to a temporary difference on depreciation rate of fixed assets between the Company's accounting policies and Circular No. 45/2014/TT-BTC dated 25 April 2013 and Decision No. 1173/2013/QĐ-BTC dated 21 May 2013 issued by the Ministry of Finance guiding the management, use and depreciation of fixed assets.

Movements of the deferred tax liability during the year are as follows:

	<i>Statement of financial position</i>		<i>Income statement</i>	
	<i>Ending balance</i> VND	<i>Beginning balance</i> VND	<i>Current year</i> VND	<i>Previous year</i> VND
Depreciation of fixed assets	<b>331,022,696</b>	<b>221,699,729</b>	<b>(109,322,967)</b>	<b>(95,910,346)</b>

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## 18. OWNER'S EQUITY

	<i>Contributed capital VND</i>	<i>Capital supplementary reserve VND</i>	<i>Operational risk and financial reserve VND</i>	<i>Undistributed profit VND</i>	<i>Total VND</i>
<b>Beginning balance</b>	<b>2,200,000,000,000</b>	<b>30,282,760,506</b>	<b>30,282,760,507</b>	<b>517,693,955,492</b>	<b>2,778,259,476,505</b>
- Net profit for the year	-	-	-	207,265,951,767	207,265,951,767
- Profit appropriations to reserves	-	10,085,301,588	10,085,301,588	(20,170,603,176)	-
- Dividend paid during the year (*)	-	-	-	(48,300,000,000)	(48,300,000,000)
<b>Ending balance</b>	<b>2,200,000,000,000</b>	<b>40,368,062,094</b>	<b>40,368,062,095</b>	<b>656,489,304,083</b>	<b>2,937,225,428,272</b>

(\*) During the year, the Company transferred profits to the Parent Company according to the Decision of the Board of Members No. 2605-2/22QD-HDTV dated 26 May 2022.

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**19. DISCLOSURE OF OFF-BALANCE SHEET ITEMS**

**19.1 Foreign currencies (original currency)**

	<i>Ending balance</i>	<i>Beginning balance</i>
USD	274,080.44	19,991,213.97

**19.2 Financial assets listed/registered at Vietnam Securities Depository ("VSD") of the Company**

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Unrestricted financial assets	<b>790,000</b>	<b>10,720,000</b>

**19.3 Investors' financial assets listed/registered at VSD**

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Unrestricted and traded financial assets	10,865,470,540,000	7,944,884,640,000
- Shares	10,865,470,540,000	7,944,884,640,000
Restricted and traded financial assets	183,998,230,000	176,720,450,000
Mortgage and traded financial assets	373,716,700,000	82,450,000,000
Blocked financial assets	79,675,180,000	4,675,180,000
Financial assets awaiting settlement	80,421,340,000	311,745,050,000
	<b>11,583,281,990,000</b>	<b>8,520,475,320,000</b>

**19.4 Investors' non-traded financial assets deposited at VSD**

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Unrestricted and non-traded financial assets deposited at VSD	1,092,724,510,000	1,338,515,530,000
Restricted and non-traded financial assets deposited at VSD	62,800,020,000	81,614,050,000
Mortgaged and non-traded financial assets deposited at VSD	33,814,660,000	11,898,660,000
	<b>1,189,339,190,000</b>	<b>1,432,028,240,000</b>

**19.5 Investors' financial assets awaiting arrival**

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Shares	<b>77,040,390,000</b>	<b>239,686,950,000</b>

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**19. DISCLOSURE OF OFF-BALANCE SHEET ITEMS (continued)**

**19.6 Investors' deposits**

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Investors' deposits for securities trading activities managed by the Company	513,989,341,047	495,800,124,851
- Domestic investors' deposits	456,897,719,134	442,118,201,445
- Foreign investors' deposits	57,091,621,913	53,681,923,406
Investors' collective deposits for securities trading activities	77,893,630,333	346,085,329,607
- Domestic investors' deposits	77,529,253,186	345,555,222,996
- Foreign investors' deposits	364,377,147	530,106,611
Investors' deposits for securities transaction clearing and settlement	55,904,121,967	203,855,323,393
- Domestic investors' deposits	55,899,765,114	203,784,365,004
- Foreign investors' deposits	4,356,853	70,958,389
	<b><u>647,787,093,347</u></b>	<b><u>1,045,740,777,851</u></b>

**19.7 Payables to investors**

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Payables to investors - Investors' deposits for securities trading activities managed by the Company	647,787,060,537	1,045,740,761,180
- Domestic investors	590,341,404,624	991,457,772,774
- Foreign investors	57,445,655,913	54,282,988,406
Dividend, bond principal and interest payables	32,810	16,671
	<b><u>647,787,093,347</u></b>	<b><u>1,045,740,777,851</u></b>

**20. OPERATING REVENUE**

**20.1 Dividend, interest income from FVTPL financial assets, loans and receivables**

	<i>Current year VND</i>	<i>Previous year VND</i>
From FVTPL financial assets	3,131,528,604	2,980,289,463
- Interest income from term deposits	2,659,917,803	2,604,426,630
- Dividend	1,798,646	1,167,600
- Others	469,812,155	374,695,233
Loans and receivables	358,602,800,414	272,811,368,244
- Interest from margin loans	349,282,816,142	262,057,458,709
- Interest from advances to customers	9,319,984,272	10,753,909,535
	<b><u>361,734,329,018</u></b>	<b><u>275,791,657,707</u></b>

**Maybank Securities Limited**  
(previously known as Maybank Kim Eng Securities Limited)

NOTES TO THE FINANCIAL STATEMENTS (continued)  
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**20. OPERATING REVENUE (continued)**

**20.2 Revenue other than gain/loss from financial assets**

	<i>Current year VND</i>	<i>Previous year VND</i>
Revenue from brokerage services	243,048,238,566	328,758,331,321
Revenue from financial advisory services	600,000,000	12,402,699,307
Revenue from securities custodian services	3,956,494,809	4,357,746,752
Other revenue	10,252,824,538	8,157,863,117
- Research fee	10,252,824,538	8,157,863,117
	<b>257,857,557,913</b>	<b>353,676,640,497</b>

**21. PROVISION EXPENSE FOR DIMINUTION IN VALUE AND IMPAIRMENT OF FINANCIAL ASSETS AND DOUBTFUL DEBTS AND BORROWING COSTS OF LOANS**

	<i>Current year VND</i>	<i>Previous year VND</i>
Interest expense	31,391,999,402	23,072,826,106
Currency swap contract fee	16,647,634,350	11,051,409,487
	<b>48,039,633,752</b>	<b>34,124,235,593</b>

**22. EXPENSES FOR BROKERAGE SERVICES**

	<i>Current year VND</i>	<i>Previous year VND</i>
Personnel expenses, bonus and welfare expenses	98,599,843,189	123,438,493,388
Transaction fee for brokerage activities	44,828,627,934	58,155,555,495
External services expenses	20,317,201,402	21,337,343,202
Commission expense	14,253,226,506	24,580,838,653
Social insurance, health insurance, unemployment insurance and union fee	2,667,201,246	2,342,887,855
Depreciation and amortization	1,003,252,980	1,094,136,274
Office supplies expenses	84,646,041	61,397,892
Expenses related to instruments and tools	874,653,687	44,779,165
	<b>182,628,652,985</b>	<b>231,055,431,924</b>

**Maybank Securities Limited**  
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NOTES TO THE FINANCIAL STATEMENTS (continued)  
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**23. FINANCE INCOME**

	<i>Current year VND</i>	<i>Previous year VND</i>
Interest income from demand deposits	4,089,612,719	3,357,369,524
Foreign exchange rate differences	395,524,137	268,620,414
	<b>4,485,136,856</b>	<b>3,625,989,938</b>

**24. GENERAL AND ADMINISTRATIVE EXPENSES**

	<i>Current year VND</i>	<i>Previous year VND</i>
Personnel expenses, bonus and welfare expenses	68,227,320,774	60,470,257,338
External services expenses	36,517,878,825	29,607,050,458
Social insurance, health insurance, unemployment insurance and union fee	5,671,088,407	5,372,130,237
Depreciation and amortization	5,346,653,131	4,222,649,716
Expenses related to instruments and tools	1,374,375,549	183,073,906
Office supplies expenses	124,025,341	77,830,069
Others	16,407,700	9,174,000
	<b>117,277,749,727</b>	<b>99,942,165,724</b>

**25. CORPORATE INCOME TAX**

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

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.

**25.1 Current corporate income tax**

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 reporting date.



**25. CORPORATE INCOME TAX (continued)**

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

	<i>Current year VND</i>	<i>Previous year VND</i>
<b>Profit before tax</b>	<b>259,750,355,833</b>	<b>252,172,884,394</b>
<b>CIT at current tax rate (20%)</b>	<b>51,950,071,167</b>	<b>50,434,576,879</b>
Adjustments to increase		
- <i>Non-deductible expenses</i>	283,471,706	128,751,077
- <i>Adjustment of CIT in previous years</i>	268,288,901	-
Adjustment to decrease		
- <i>Non-taxable income and temporary taxable difference in previous years</i>	(126,750,675)	(96,475,318)
- <i>Adjustment of CIT in previous years</i>	-	(43,788,455)
<b>CIT expense</b>	<b>52,375,081,099</b>	<b>50,423,064,183</b>

# Maybank Securities Limited

(previously known as Maybank Kim Eng Securities Limited)

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2022

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## 26. OTHER INFORMATION

### 26.1 Related party transactions

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Current year VND</i>	<i>Previous year VND</i>
Maybank IBG Holdings Limited	Parent company	Borrowings	7,622,527,400,000	12,166,457,320,000
		Borrowings repayment	9,710,237,400,000	10,934,483,410,000
		Interest paid	30,558,799,719	22,161,104,822
Maybank Securities Pte. Ltd.	Subsidiary of Maybank IBG Holdings Limited	Commission fee expenses	10,078,718,101	13,790,896,323
		Brokerage fee received	102,187,132	1,054,246,752
		Information fee	5,125,154,877	5,509,096,984
Maybank Securities (Thailand) Public Company Limited	Subsidiary of Maybank IBG Holdings Limited	Brokerage fee received	703,328,823	998,312,416
Malayan Banking Berhad - Ho Chi Minh Branch	Branch of subsidiary of ultimate parent company	Swap fee expenses	-	6,857,357,701
		Bank fee paid	64,663,203	122,656,779
		Interest received	6,860,733	4,780,640
		Term deposits	100,000,000,000	-
		Accrued interest from term deposits	394,520,548	-

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NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2022

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## 26. OTHER INFORMATION (continued)

### 26.1 Related party transactions (continued)

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Current year VND</i>	<i>Previous year VND</i>
Malayan Banking Berhad - Ha Noi Branch	Branch of subsidiary of ultimate parent company	Swap fee expenses	9,491,717,548	477,322,452
Maybank Research Pte. Ltd.	Subsidiary of Maybank IBG Holdings Limited	Research fee received	10,252,824,538	8,157,863,117
		Research fee paid	2,063,415,490	2,601,118,442
Maybank Securities USA Inc.	Subsidiary of Maybank IBG Holdings Limited	Commission fee expenses	4,173,379,649	10,789,942,330
MIB Securities (Hong Kong) Ltd.	Subsidiary of Maybank IBG Holdings Limited	Commission fee expenses	1,128,756	-
MIB Finance (Hong Kong) Limited	Subsidiary of Maybank IBG Holdings Limited	Capital arrangement fee revenue	-	1,005,299,307
Maybank Shared Services Sdn Bhd	Subsidiary of ultimate parent company	Security monitoring expenses	2,676,603,603	-
Malayan Banking Berhad	Ultimate parent company	Transfer fees	1,250,000	-
		Internal audit fee	172,652,940	-
Management		Salary and remuneration	22,865,743,764	16,458,232,546

# Maybank Securities Limited

(previously known as Maybank Kim Eng Securities Limited)

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2022

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## 26. OTHER INFORMATION (continued)

### 26.1 Related party transactions (continued)

Significant receivables/(payables) with related parties at the end of the year are as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Maybank IBG Holdings Limited	Parent company	Borrowings	-	(2,087,710,000,000)
		Accrued interest	-	(865,635,113)
Maybank Securities Pte. Ltd.	Subsidiary of Maybank IBG Holdings Limited	Commission payables	(662,693,921)	(885,362,708)
		Sale payables month-end	-	(928,802,175)
Malayan Banking Berhad - Ha Noi Branch	Branch of subsidiary of ultimate parent company	Swap fee payables	-	(477,322,452)
Malayan Banking Berhad - Ho Chi Minh Branch	Branch of subsidiary of ultimate parent company	Term deposits	100,000,000,000	-
Maybank Investment Bank Berhad	Subsidiary of ultimate parent company	Information fee payables	(562,877,572)	(562,877,572)
		Other receivables	15,280,000	-
Maybank Securities USA Inc.	Subsidiary of Maybank IBG Holdings Limited	Commission payables	(4,651,682)	(695,265,040)
MIB Securities (Hong Kong) Ltd.	Subsidiary of Maybank IBG Holdings Limited	Commission payables	(1,018,702)	-
Maybank Shared Services Sdn Bhd	Subsidiary of ultimate parent company	Security monitoring payables	(140,054,998)	-
Malayan Banking Berhad	Ultimate parent company	Internal audit fee payables	(172,652,940)	-

# Maybank Securities Limited

(previously known as Maybank Kim Eng Securities Limited)

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2022

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## 26. OTHER INFORMATION (continued)

### 26.2 Operating lease commitments

The Company leases offices for its head office and branches under operating lease agreements. The future minimum lease commitments under the operating lease agreements at the end of the year are as follows:

	Ending balance VND	Beginning balance VND
Less than 1 year	22,507,173,618	17,559,372,620
From 1 to 5 years	60,798,587,410	56,505,058,282
	<b>83,305,761,028</b>	<b>74,064,430,902</b>

### 26.3 Purposes and policies of financial risk management

Financial liabilities of the Company mainly comprised of borrowings, trade payables and other payables. Primary purpose of financial liabilities is to finance main business operation of the Company. The Company possesses loans, receivables from customers and other receivables, cash on hand and short-term deposit incurring directly from business operation of the Company. The Company does not hold or issue any derivative instruments.

The Company is exposed to market risk, credit risk and liquidity risk in its daily operation.

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

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

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises those types of risk: interest rate risk, currency risk, and other price risk, such as equity price risk. Financial instruments affected by market risk include financial asset at FVTPL, loans, deposits, borrowings of the Company.

#### 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 short-term deposits, loans and borrowings.

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

A sensitivity analysis is not performed for the interest rate risk as the Company's financial instrument having short-term and bearing fixed interest rate.

**26. OTHER INFORMATION (continued)**

**26.3 Purposes and policies of financial risk management (continued)**

*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).

The Company monitors the positions of foreign currencies on a daily basis and hedging strategies are applied to ensure that foreign currency positions are maintained within the established limits. Foreign exchange risk of the Company is minimal.

*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.

Risk due to uncertainty about values of the investment securities of the Company is not significant.

**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 loans, advances to customers and trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

*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 risk management department in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the balance sheet at each reporting dates are the carrying amounts. The Company evaluates the concentration of credit risk in respect to bank deposits is low.

*Loans and advances to customers*

The Company manages its credit risks via the use of internal control policies, processes and procedures relevant to margin and advance payments to customers. The Company conducts the customer assessment and appraisal for determining credit and advance limits prior to the signing of margin advance payment contracts. Also, the Company periodically examines customers' financial position in order to make appropriate and timely adjustments for margin ratio and credit limits.

The Company regularly monitors the receivables that has not been collected yet. The analysis of the possibility provision is made at the reporting date for each large customer. Moreover, the Company maintains strict control of outstanding receivables and established a credit control department to minimize credit risk. Activities to warning margin call of the customer is made on time and in compliance with the nature of margin trading products.

Due to the aforementioned point of view and the fact that trade receivables are allocated to a diverse number of customers, there is no significant credit risk.

Apart from financial assets that the Company made provision, the Company's management assessed that all financial assets are neither past due nor impaired as they are related to recognized and credit worthy counterparties as at 31 December 2022.



# Maybank Securities Limited

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NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2022

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## 26. OTHER INFORMATION (continued)

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

#### Credit risk (continued)

The table below summarizes the credit risk related to financial assets as at 31 December 2022:

	Neither past due nor impaired VND	Past due but not impaired				Impaired VND	Total VND
		Less than 3 months VND	3 - 6 months VND	6 - 12 months VND	Over 1 year VND		
<b>31 December 2022</b>							
Cash at banks	312,635,473,641	-	-	-	-	-	312,635,473,641
Loans	2,595,130,939,634	-	-	-	-	-	2,595,130,939,634
Other financial assets	61,890,520,018	-	-	-	-	-	61,890,520,018
	<b>2,969,656,933,293</b>	-	-	-	-	-	<b>2,969,656,933,293</b>

#### Liquidity risk

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

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

# Maybank Securities Limited

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NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2022

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## 26. OTHER INFORMATION (continued)

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

#### Liquidity risk (continued)

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

	Overdue VND	On demand VND	Up to 1 year VND	1 - 5 years VND	Up to 5 years VND	Total VND
<b>FINANCIAL ASSETS</b>						
Cash and cash equivalents	-	112,635,473,641	200,000,000,000	-	-	312,635,473,641
Loans	-	-	2,595,130,939,634	-	-	2,595,130,939,634
Receivables and accruals from dividend and interest income	-	-	25,579,632,498	-	-	25,579,632,498
Receivables from services provided by the Company	-	-	1,357,514,095	-	-	1,357,514,095
Long-term deposits, collaterals and pledges	-	4,893,375,675	-	-	-	4,893,375,675
Other receivables	-	-	-	-	-	-
Deposits to Settlement Assistance Fund	-	30,059,997,750	-	-	-	30,059,997,750
	-	<b>147,588,847,066</b>	<b>2,822,068,086,227</b>	-	-	<b>2,969,656,933,293</b>
<b>FINANCIAL LIABILITIES</b>						
Payables from securities transaction activities	-	-	3,710,193	-	-	3,710,193
Short-term borrowings	-	-	4,082,010,184	-	-	4,082,010,184
Short-term expense payables	-	-	9,409,217,275	-	-	9,409,217,275
Other liabilities	-	-	528,474,136	-	-	528,474,136
	-	-	<b>14,023,411,788</b>	-	-	<b>14,023,411,788</b>
<b>Net liquidity difference</b>	-	<b>147,588,847,066</b>	<b>2,808,044,674,439</b>	-	-	<b>2,955,633,521,505</b>

Company believes that the concentration of debt repayment is low. The company has access to capital funds and loan that are due within 12 months can be continued with existing lenders.

**26. OTHER INFORMATION (continued)**

***Capital management***

Liquid capital ratio measures Company's financial security, reflecting the ability to meet its financial obligations and its ability to compensate for the risks incurred during operations of Company.

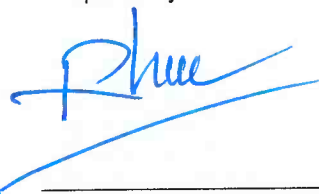
This ratio is calculated and disclosed in the financial safety ratio report on a monthly basis and complied with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratios and remedies applicable to securities companies that fail to meet the stipulated financial safety ratios. Accordingly, the Company manages and controls the liquid capital ratio not less than 180%.

At 31 December 2022, ratio available capital of company is 1,492%.

**27. EVENT AFTER THE REPORTING DATE**

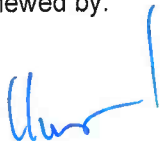
There is no matter or circumstance that has arisen since the balance sheet date that required adjustment or disclosure in the financial statements of the Company.

Preparer by:



Nguyen Thi Minh Hong  
Accountant

Reviewed by:



Tran Thi Ngoc Huong  
Chief Accountant

Approved by:



Kim Thien Quang  
Chief Executive Officer

Ho Chi Minh City, Vietnam

20 February 2023