

Maybank Securities Limited

Interim financial statements

For the six-month period ended 30 June 2023



Maybank Securities Limited

CONTENTS

	<i>Pages</i>
General information	1 - 2
Report of management	3
Report on review of interim financial statements	4 - 5
Interim statement of financial position	6 - 9
Interim income statement	10 - 11
Interim statement of cash flows	12 - 14
Interim statement of changes in owner's equity	15
Notes to the interim financial statements	16 - 47

Maybank Securities Limited

GENERAL INFORMATION

THE COMPANY

Maybank 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, 456 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 30 June 2023, the Company's charter capital was VND2,200,000,000,000 and total assets amounted to VND3,641,953,317,401.

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

GENERAL INFORMATION (continued)

BOARD OF MEMBERS

Members of the Board of Members during the period 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. Lok Eng Hong	Member	Re-appointed on 1 January 2023
Mr. Rajiv Vijendran	Member	Resigned on 1 January 2023
Mr. Foong Seong Yew	Member	Appointed on 10 March 2023
Mr. Nguyen The Tho	Independence member	Re-appointed on 1 January 2023

MANAGEMENT

Members of the management and the Chief Accountant during the period 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
Mr. Vu Gia Vinh	Head, Investment Banking and Advisory	Appointed on 24 June 2017
Mr. Nguyen Bao Toan	Head, Retail Brokerage	Appointed on 1 April 2021
Ms. Nguyen Thi Duyen	Head, Risk Management	Appointed on 17 March 2023
Ms. Nguyen Vo Van Ha	Chief Finance Officer	Appointed on 2 April 2023
Mr. Nguyen Anh Tuan	Head, Risk Management	Resigned on 17 March 2023
Ms. Tran Thi Ngoc Huong	Chief Accountant	Appointed on 10 March 2014

LEGAL REPRESENTATIVE

The legal representative of the Company during the period 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

REPORT OF MANAGEMENT

Management of Maybank Securities Limited ("the Company") is pleased to present this report and the interim financial statements of the Company for the six-month period ended 30 June 2023.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

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

- ▶ select suitable accounting policies and apply them consistently;
- ▶ make judgments and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the 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 interim financial position of the Company and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim financial statements give a true and fair view of the interim financial position of the Company as at 30 June 2023, the results of its interim operations, its interim cash flows and its interim changes in owner's equity for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and the statutory requirements relevant to the preparation and presentation of the interim financial statements.

For and on behalf of management:



Kim Thien Quang
Chief Executive Officer

Ho Chi Minh City, Vietnam

8 August 2023

Reference: 12736768/67556590-SX

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

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

We have reviewed the accompanying interim financial statements of Maybank Securities Limited ("the Company"), as prepared on 8 August 2023 and set out on pages 6 to 47, which comprise the interim statement of financial position as at 30 June 2023, the interim income statement, the interim cash flow of statement and the interim statement of changes in owner' equity for the six-month period then ended and the notes.

Management's responsibility

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

Auditors' responsibility

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

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statement do not give a true and fair view, in all material respects, of the interim financial position of the Company as at 30 June 2023, and of the interim results of its operations, its interim cash flows and its interim change in owner's equity for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and the statutory requirements relevant to the preparation and presentation of the interim financial statements.

Ernst & Young Vietnam Limited



Vũ Tiến Dũng

Deputy General Director

Audit Practicing Registration

Certificate No. 3221-2020-004-1

Ho Chi Minh City, Vietnam

9 August 2023

Maybank Securities Limited

INTERIM STATEMENT OF FINANCIAL POSITION
30 June 2023

B01a-CTCK

Code	Items	Notes	30 June 2023 VND	31 December 2022 VND
100	A. CURRENT ASSETS		3,571,122,266,659	2,940,884,230,654
110	I. Financial assets		3,559,292,647,762	2,935,058,847,455
111	1. Cash and cash equivalents	4	125,055,582,768	312,635,473,641
111.1	1.1 Cash		125,055,582,768	112,635,473,641
111.2	1.2 Cash equivalents		-	200,000,000,000
114	2. Loans	6.1	3,402,457,990,090	2,595,130,939,634
116	3. Provision for impairment of financial assets and mortgage assets	6.2	(7,129,754,677)	-
117	4. Receivables	7	30,698,714,230	25,579,632,498
117.2	4.1 Receivables and accruals from dividend and interest income		30,698,714,230	25,579,632,498
117.4	4.1.1 Accruals for dividend and interest income		30,698,714,230	25,579,632,498
118	5. Advances to suppliers	7	1,775,626,162	329,576,500
119	6. Receivables from services provided by the Company	7	1,972,539,170	1,357,514,095
122	7. Other receivables	7	4,461,950,019	25,711,087
130	II. Other current assets		11,829,618,897	5,825,383,199
131	1. Advances		270,574,610	73,528,831
133	2. Short-term prepaid expenses	11	11,559,044,287	5,751,854,368
200	B. NON-CURRENT ASSETS		70,831,050,742	63,298,175,865
220	I. Fixed assets		27,134,621,385	18,259,879,345
221	1. Tangible fixed assets	8	24,072,292,831	14,538,643,821
222	- Cost		70,418,756,241	59,256,626,120
223a	- Accumulated depreciation		(46,346,463,410)	(44,717,982,299)
227	2. Intangible fixed assets	9	3,062,328,554	3,721,235,524
228	- Cost		30,858,921,409	30,858,921,409
229a	- Accumulated amortization		(27,796,592,855)	(27,137,685,885)
240	II. Constructions in progress	10	486,698,000	4,003,368,190
250	III. Other non-current assets		43,209,731,357	41,034,928,330
251	1. Long-term deposits, collaterals and pledges		4,912,728,925	4,893,375,675
252	2. Long-term prepaid expenses	11	8,227,029,046	6,081,554,905
254	3. Deposits to Settlement Assistance Fund and Clearing Fund	12	30,069,973,386	30,059,997,750
270	TOTAL ASSETS		3,641,953,317,401	3,004,182,406,519

Maybank Securities Limited

INTERIM STATEMENT OF FINANCIAL POSITION (continued)
30 June 2023

B01a-CTCK

Code	Items	Notes	30 June 2023 VND	31 December 2022 VND
300	C. LIABILITIES		614,368,864,970	66,956,978,247
310	I. Current liabilities		614,037,842,274	66,625,955,551
311	1. Short-term borrowings		564,171,000,000	-
312	1.1 Short-term borrowings	13	564,171,000,000	-
318	2. Payables for securities transaction activities		6,212,086	3,710,193
320	3. Short-term trade payables	15	5,889,346,426	4,082,010,184
321	4. Short-term advances from customers		280,332,000	280,332,000
322	5. Statutory obligations	14	21,267,179,448	24,647,281,849
323	6. Payables to employees		11,583,821,421	27,955,261,914
325	7. Short-term expense payables	16	10,581,957,921	9,409,217,275
329	8. Other current liabilities		257,992,972	248,142,136
340	II. Non-current liabilities		331,022,696	331,022,696
356	1. Deferred tax liabilities	17	331,022,696	331,022,696
400	D. OWNER'S EQUITY		3,027,584,452,431	2,937,225,428,272
410	I. Owner's equity	18	3,027,584,452,431	2,937,225,428,272
411	1. Contributed capital		2,200,000,000,000	2,200,000,000,000
414	2. Capital supplementary reserve		40,646,058,094	40,646,058,094
415	3. Operational risk and financial reserve		40,646,058,096	40,646,058,096
417	4. Undistributed profit		746,292,336,241	655,933,312,082
417.1	4.1. Realized profit		746,287,476,233	655,907,134,822
417.2	4.2. Unrealized profit		4,860,008	26,177,260
440	TOTAL LIABILITIES AND OWNER'S EQUITY		3,641,953,317,401	3,004,182,406,519

Maybank Securities Limited

INTERIM STATEMENT OF FINANCIAL POSITION (continued)
30 June 2023

B01a-CTCK

OFF-BALANCE SHEET ITEMS

Code	Items	Notes	30 June 2023 VND	31 December 2022 VND
	A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
005	1. Foreign currencies (original currency) USD	19.1	173,252.65	274,080.44
008	2. Financial assets listed/registered for trading at Viet Nam Securities Depository ("VSD") of the Company	19.2	-	790,000
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS			
021	1. Investors' financial assets listed/registered at VSD	19.3	11,622,963,130,000	11,583,281,990,000
021.1	- Unrestricted and traded financial assets		11,022,665,380,000	10,865,470,540,000
021.2	- Restricted and traded financial assets		36,405,310,000	183,998,230,000
021.3	- Mortgaged and traded financial assets		418,058,360,000	373,716,700,000
021.4	- Blocked financial assets		4,718,180,000	79,675,180,000
021.5	- Financial assets awaiting settlement		141,115,900,000	80,421,340,000
022	2. Investors' non-traded financial assets deposited at VSD	19.4	1,414,339,380,000	1,189,339,190,000
022.1	- Unrestricted and non-traded financial assets		1,261,742,670,000	1,092,724,510,000
022.2	- Restricted and non-traded financial assets		43,782,050,000	62,800,020,000
022.3	- Mortgaged and non-traded financial assets		108,814,660,000	33,814,660,000
023	3. Investors' financial assets awaiting arrival	19.5	144,548,710,000	77,040,390,000

Maybank Securities Limited

INTERIM STATEMENT OF FINANCIAL POSITION (continued)
30 June 2023

B01a-CTCK

OFF-BALANCE SHEET ITEMS (continued)

Code	Items	Notes	30 June 2023 VND	31 December 2022 VND
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)			
026	4. Investors' deposits	19.6	722,017,637,360	647,787,093,347
027	4.1 Investors' deposits for securities trading activities managed by the Company		450,309,284,420	513,989,341,047
028	4.2 Investors' collective deposits for securities trading activities		158,901,414,883	77,893,630,333
029	4.3 Investors' deposits for securities transaction clearing and settlement		112,806,938,057	55,904,121,967
029.1	- Domestic investors' deposits for securities transaction clearing and settlement		112,240,150,860	55,899,765,114
029.2	- Foreign investors' deposits for securities transaction clearing and settlement		566,787,197	4,356,853
031	5. Payables to investors - investors' deposits for securities trading activities managed by the Company	19.7	722,017,637,360	647,787,060,537
031.1	5.1 Domestic investors' deposits for securities trading activities managed by the Company		657,737,309,638	590,341,404,624
031.2	5.2 Foreign investors' deposits for securities trading activities managed by the Company		64,280,327,722	57,445,655,913
035	6. Dividend, bond principal and interest payables	19.7	-	32,810

Prepared by:



Nguyen Thi Minh Hong
Accountant

Reviewed by:



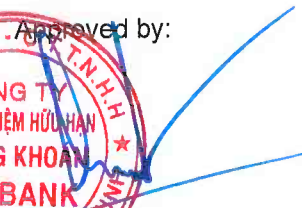
Tran Thi Ngoc Huong
Chief Accountant

Approved by:



Nguyen Vo Van Ha
Chief Financial Officer

Approved by:



Tran Thanh Quang
Chief Executive Officer

Ho Chi Minh City, Vietnam

8 August 2023

Maybank Securities Limited

INTERIM INCOME STATEMENT
for the six-month period ended 30 June 2023

B02a-CTCK

Code	Items	Notes	For the six-month period ended 30 June 2023 VND	For the six-month period ended 30 June 2022 VND
	I. OPERATING REVENUE			
01	1. Revenue from financial assets at fair value through profit and loss (FVTPL)	20.1	3,882,558,760	2,386,006,291
01.1	1.1 Gain from disposal of financial assets at FVTPL		157,509,450	445,867,605
01.2	1.2 Gain from revaluation of financial assets at FVTPL		-	12,489,021
01.3	1.3 Dividend, interest income from financial assets at FVTPL		3,725,049,310	1,927,649,665
03	2. Revenue from loans and receivables	20.1	172,673,916,238	184,364,595,744
06	3. Revenue from brokerage services	20.2	77,837,745,176	145,723,711,052
09	4. Revenue from securities custodian services	20.2	2,649,754,437	1,863,568,066
10	5. Revenue from financial advisory services	20.2	-	-
11	6. Other revenue	20.2	4,019,509,623	5,362,798,127
20	Total operating revenue		261,063,484,234	339,700,679,280
	II. OPERATION EXPENSES			
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		-	69,005,566
21.1	1.1 Loss from disposal of financial assets at FVTPL		-	35,690,210
21.2	1.2 Loss from revaluation of financial assets at FVTPL		-	33,315,356
24	2. Provision expense for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	21	11,698,329,406	29,282,219,976
27	3. Expenses for brokerage services	22	68,984,053,492	108,604,215,455
30	4. Expenses for securities custodian services		3,527,221,939	3,740,276,351
31	5. Expenses for financial advisory services		5,046,276,663	4,991,995,560
40	Total operating expenses		89,255,881,500	146,687,712,908
	III. FINANCE INCOME			
41	1. Realized and unrealized gain from changes in foreign exchange rates		176,217,108	-
42	2. Dividend and interest income from demand deposits		3,249,381,883	2,277,304,383
50	Total finance income	23	3,425,598,991	2,277,304,383

Maybank Securities Limited

INTERIM INCOME STATEMENT (continued)
for the six-month period ended 30 June 2023

B02a-CTCK

Code	Items	Notes	For the six-month period ended 30 June 2023 VND	For the six-month period ended 30 June 2022 VND
	IV. FINANCE EXPENSES			
51	1. Realized and unrealized loss from changes in foreign exchange rates		162,287,046	148,587,696
60	Total finance expenses		162,287,046	148,587,696
62	V. GENERAL AND ADMINISTRATIVE EXPENSES	24	62,541,499,470	55,396,398,017
70	VI. OPERATING PROFIT		112,529,415,209	139,745,285,042
	VII. OTHER INCOME AND OTHER EXPENSES			
71	1. Other income		514,090,909	455,181,818
80	Total other operating profit		514,090,909	455,181,818
90	VIII. PROFIT BEFORE TAX		113,043,506,118	140,200,466,860
91	1. Realized profit		113,038,646,110	140,221,292,508
92	2. Unrealized profit/(loss)		4,860,008	(20,825,648)
100	IX. CORPORATE INCOME TAX (CIT) EXPENSES	25	22,684,481,959	28,308,382,273
100.1	1. Current CIT expenses	25.1	22,684,481,959	28,308,382,273
200	X. PROFIT AFTER TAX		90,359,024,159	111,892,084,587
400	TOTAL COMPREHENSIVE INCOME		90,359,024,159	111,892,084,587

Prepared by:



Nguyen Thi Minh Hong
Accountant

Reviewed by:




Tran Thi Ngoc Huong
Chief Accountant

Approved by:



Nguyen Vo Van Ha
Chief Financial Officer

Approved by:



Kim Thien Quang
Chief Executive Officer

Ho Chi Minh City, Vietnam

8 August 2023

Maybank Securities Limited

INTERIM STATEMENT OF CASH FLOWS
for the six-month period ended 30 June 2023

B03b-CTCK

Code	Items	Notes	For the six-month period ended 30 June 2023 VND	For the six-month period ended 30 June 2022 VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Net profit before tax		113,043,506,118	140,200,466,860
02	2. Adjustments for:		(29,704,493,977)	422,388,341
03	- Depreciation and amortization	8,9	3,914,167,626	2,992,147,992
04	- Addition of provisions		-	-
07	- Profits from investing activities		(6,974,431,193)	(4,204,954,048)
08	- Accrued interest income		(30,698,714,230)	(27,191,843,761)
09	- Other adjustments		4,054,483,820	28,827,038,158
10	3. Increase in non-monetary expenses		-	33,315,356
11	Loss from revaluation of financial assets at FVTPL		-	33,315,356
18	4. Decrease in non-monetary income		-	(12,489,021)
19	Gain from revaluation of financial assets at FVTPL		-	(12,489,021)
30	5. Operating income before changing in working capital		83,339,012,141	140,643,681,536
31	Increase financial assets at FVTPL		-	(75,301,195)
33	(Increase)/decrease in loans		(800,197,295,779)	782,215,107,504
36	Decrease in receivables and accruals from dividend and interest income		25,579,632,498	30,167,284,260
37	(Increase)/decrease in receivables from services rendered by the Company		(615,025,075)	1,342,386,199
39	Increase in other receivables		(5,882,288,594)	(4,476,190,587)
40	(Increase)/decrease in other assets		(226,374,665)	2,535,090,123
41	Decrease in accrued expenses (excluded interest expenses)		(889,098,244)	(4,437,737,386)
42	Increase in prepaid expenses		(7,952,664,060)	(9,377,835,636)
43	Corporate income tax paid	14	(23,124,949,234)	(34,817,558,115)
44	Interest paid		(2,506,735,839)	(23,286,230,056)
45	Increase in trade payables		1,807,336,242	2,432,141,488
47	Decrease in statutory obligations (excluded CIT paid)		(2,939,635,126)	(6,149,594,890)
48	Decrease in payables to employees		(16,371,440,493)	(18,982,784,023)
50	Increase/(decrease) in other payables		12,352,729	(63,129,155)
60	Net cash (used in)/from operating activities		(749,967,173,499)	857,669,330,067

Maybank Securities Limited

INTERIM STATEMENT OF CASH FLOWS (continued)
for the six-month period ended 30 June 2023

B03b-CTCK

Code	Items	Notes	For the six-month period ended 30 June 2023 VND	For the six-month period ended 30 June 2022 VND
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
61	Purchase and construction of fixed assets		(9,272,239,476)	(1,696,214,197)
62	Receipts from the liquidation, assignment or sale of fixed assets and other long-term assets		514,090,909	455,181,818
65	Interest and dividends received		6,974,431,193	4,204,954,048
70	Net cash (used in)/from investing activities		(1,783,717,374)	2,963,921,669
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
73	Drawdown of borrowings	13	1,033,701,000,000	4,585,807,000,000
73.2	Others		1,033,701,000,000	4,585,807,000,000
74	Repayment of borrowings	13	(469,530,000,000)	(5,954,929,360,000)
74.3	Others		(469,530,000,000)	(5,954,929,360,000)
76	Cash payments of dividends or profits to owners or shareholders		-	(48,300,000,000)
80	Net cash from/(used in) financing activities		564,171,000,000	(1,417,422,360,000)
90	NET DECREASE IN CASH DURING THE PERIOD		(187,579,890,873)	(556,789,108,264)
101	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4	312,635,473,641	798,183,574,318
101.1	Cash		112,635,473,641	798,183,574,318
101.2	Cash equivalents		200,000,000,000	-
103	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	125,055,582,768	241,394,466,054
103.1	Cash		125,055,582,768	241,394,466,054

Maybank Securities Limited

INTERIM STATEMENT OF CASH FLOWS (continued)
for the six-month period ended 30 June 2023

B03b-CTCK

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE CUSTOMERS

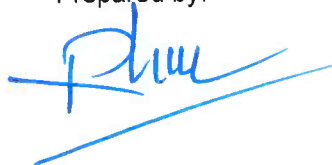
Code	Items	Notes	For the six-month period ended 30 June 2023 VND	For the six-month period ended 30 June 2022 VND
	I. Cash flows from brokerage and trust activities of the customers			
01	1. Cash receipt from disposal of securities to customers		19,509,050,204,103	34,806,453,909,771
02	2. Cash payment for acquisition of securities for customers		(16,017,854,516,895)	(34,249,989,150,343)
07	3. Cash receipt for settlement of securities transactions of customers		19,731,474,253,529	37,945,253,026,288
08	4. Cash payment for settlement of securities transactions of customers		(23,145,789,642,287)	(38,762,317,417,004)
11	5. Custodian fee paid		(2,649,754,437)	(1,863,568,066)
20	Net increase/(decrease) in cash during the period		74,230,544,013	(262,463,199,354)
30	II. Cash and cash equivalents of the customers at the beginning of the period	19.6	647,787,093,347	1,045,740,777,851
31	Cash at banks at the beginning of the period		647,787,093,347	1,045,740,777,851
32	1. Investors' deposits managed by the Company for securities trading activities		513,989,341,047	495,800,124,851
33	2. Investors' collective deposits for securities trading activities		77,893,630,333	346,085,329,607
34	3. Investors' deposits for securities transaction clearing and settlement		55,904,121,967	203,855,323,393
40	III. Cash and cash equivalents of the customers at the end of the period	19.6	722,017,637,360	783,277,578,497
41	Cash at banks at the end of the period		722,017,637,360	783,277,578,497
42	1. Investors' deposits managed by the Company for securities trading activities		450,309,284,420	523,789,009,097
43	2. Investors' collective deposits for securities trading activities		158,901,414,883	168,957,485,267
44	3. Investors' deposits for securities transaction clearing and settlement		112,806,938,057	90,531,084,133

Prepared by:

Reviewed by:

Approved by:

Approved by:







Nguyen Thi Minh Hong
Accountant

Tran Thi Ngoc Huong
Chief Accountant

Nguyen Vo Van Ha
Chief Financial Officer

Kim Thien Quang
Chief Executive Officer

Ho Chi Minh City, Vietnam

8 August 2023

Maybank Securities Limited

INTERIM STATEMENT OF CHANGES IN OWNER'S EQUITY
for the six-month period ended 30 June 2023

B04a-CTCK

ITEMS	Beginning balance		Increase/(decrease)				Ending balance	
	1 January 2022 VND	1 January 2023 VND	Previous period		Current period		30 June 2022 VND	30 June 2023 VND
			Increase VND	Decrease VND	Increase VND	Decrease VND		
I. CHANGES IN OWNER'S EQUITY								
1. Contributed capital	2,200,000,000,000	2,200,000,000,000	-	-	-	-	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	1,950,000,000,000	1,950,000,000,000	-	-	-	-	1,950,000,000,000	1,950,000,000,000
2. Capital supplementary reserve	30,282,760,506	40,646,058,094	5,608,018,674	-	-	-	35,890,779,180	40,646,058,094
3. Operational risk and financial reserve	30,282,760,507	40,646,058,096	5,608,018,675	-	-	-	35,890,779,182	40,646,058,096
4. Undistributed profit	517,693,955,492	655,933,312,082	111,892,084,587	(59,516,037,349)	90,385,201,419	(26,177,260)	570,070,002,730	746,292,336,241
- Realized profit	517,696,075,217	655,907,134,822	111,912,910,235	(59,518,157,074)	90,380,341,411	-	570,090,828,378	746,287,476,233
- Unrealized profit	(2,119,725)	26,177,260	(20,825,648)	2,119,725	4,860,008	(26,177,260)	(20,825,648)	4,860,008
TOTAL	2,778,259,476,505	2,937,225,428,272	123,108,121,936	(59,516,037,349)	90,385,201,419	(26,177,260)	2,841,851,561,092	3,027,584,452,431

Prepared by:

Reviewed by:

Approved by:

Approved by:

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Accountant

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Chief Accountant

Nguyen Vo Van Ha
Chief Financial Officer

Kim Thien Quang
Chief Executive Officer

Ho Chi Minh City, Vietnam

8 August 2023

1. CORPORATE INFORMATION

Maybank 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 210 employees as at 30 June 2023 (31 December 2022: 200 employees).

Main features of operation of the Company

Size of operation

As at 30 June 2023, the Company's charter capital was VND2,200,000,000,000 and total assets amounted to VND3,641,953,317,401.

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 (10%) in the total paid-up capital of a limited liability company or of a business project; Invest more than fifteen percent (15%) of its 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 - Interim 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.

The Company prepares interim financial statements for the six-month period from 1 January to 30 June to submit to the authorities as required by Circular No. 96/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020.

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 2022 and the Company's interim financial statements for the six-month period ended 30 June 2022.

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 interim off-balance sheet.

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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).

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 interim 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

3.7 *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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**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 dated 8 August 2020 issued by the Ministry of Finance amended by Circular 24/2022/TT-BTC. Accordingly, the provision rates for overdue receivables are as follows:

<i>Overdue period</i>	<i>Provision rate</i>
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%

3.9 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 improvement 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.

3.14 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 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 17.5% on an employee's basic monthly salary, salary-related allowances and other supplements (except the period from 1 July 2022 to 30 June 2023 is 17%). Other than that, the Company has no further obligation relating to post-employment benefits.

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 the 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 July 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 period, monetary balances denominated in foreign currencies are determined as follows:

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

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

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.

3. SUMMARY OF SIGNIFICANT ACCOUNTINGS POLICIES (continued)

3.17 Revenue recognition (continued)

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 period in which they incur, except to the extent that they are capitalized.

3.19 Corporate income tax

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be 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).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Corporate income tax (continued)

Deferred income tax (continued)

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.

3.20 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.

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

4. CASH

	30 June 2023 VND	31 December 2022 VND
Cash	125,055,582,768	112,635,473,641
Cash on hand	37,405,810	43,646,803
Cash at banks for operation of the Company	124,545,599,398	112,066,938,697
Cash for securities transaction clearing and settlement	472,577,560	524,888,141
Cash equivalents	-	200,000,000,000
Term deposits with maturity term less than 3 months (*)	-	200,000,000,000
	125,055,582,768	312,635,473,641

5. VALUE AND VOLUME OF TRADING RESULTS IN THE PERIOD

	For the six-month period ended 30 June 2023		For the six-month period ended 30 June 2022	
	Trading volume (unit)	Trading value (VND)	Trading volume (unit)	Trading value (VND)
a. Company				
- Shares	1,050,002	30,450,009,450	100,654	4,731,239,800
b. Investors				
- Shares	2,145,630,923	35,805,107,356,660	2,198,389,642	68,055,500,106,180
	2,146,680,925	35,835,557,366,110	2,198,490,296	68,060,231,345,980

6. FINANCIAL ASSETS**6.1 Loans**

	30 June 2023			31 December 2022		
	Cost VND	Provision VND	Fair value VND	Cost VND	Provision VND	Fair value VND
Margin loans	3,373,736,296,256	(7,129,754,677)	3,366,606,541,579	2,582,395,614,234	-	2,582,395,614,234
Advances to customers	28,721,693,834	-	28,721,693,834	12,735,325,400	-	12,735,325,400
	3,402,457,990,090	(7,129,754,677)	3,395,328,235,413	2,595,130,939,634	-	2,595,130,939,634

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.

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

6. FINANCIAL ASSETS (continued)

6.2 Provision for impairment of financial assets and mortgage assets

	For the six-month period ended 30 June 2023 VND	For the six-month period ended 30 June 2022 VND
Beginning balance	-	1,922,794,815
Reversal of provision during the period	7,129,754,677	-
Write off bad debt	-	(1,922,794,815)
Ending balance	7,129,754,677	-

7. RECEIVABLES

	30 June 2023 VND	31 December 2022 VND
Receivables and accruals from dividend and interest income from financial assets	30,698,714,230	25,579,632,498
- Accrued interest from margin loans	30,656,912,778	24,824,090,320
- Accrued interest from term deposits	-	733,150,684
- Accrued interest from advances to customers	41,801,452	22,391,494
Advances to suppliers	1,775,626,162	329,576,500
Receivables from services provided by the Company	1,972,539,170	1,357,514,095
- Custodian fees receivable from investors	814,231,133	739,457,078
- Brokerage fees receivable	1,158,308,037	618,057,017
Other receivables	4,461,950,019	25,711,087
- From related parties	4,422,835,586	15,280,000
- From other parties	39,114,433	10,431,087
	38,908,829,581	27,292,434,180
Provision for impairment of other receivables	-	-
	38,908,829,581	27,292,434,180

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

	30 June 2023 VND	30 June 2023 VND
Beginning balance	-	115,300,395
Ending balance	-	115,300,395

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

8. TANGIBLE FIXED ASSETS

	Office equipment VND	Transportation and vehicles VND	Others VND	Total VND
Cost				
Beginning balance	52,860,362,565	5,548,170,245	848,093,310	59,256,626,120
New purchase	12,636,400,166	-	152,509,500	12,788,909,666
Disposal	-	(1,626,779,545)	-	(1,626,779,545)
Ending balance	65,496,762,731	3,921,390,700	1,000,602,810	70,418,756,241
Accumulated depreciation				
Beginning balance	42,595,239,970	1,716,472,342	406,269,987	44,717,982,299
Depreciation charge	2,870,883,854	326,782,559	57,594,243	3,255,260,656
Disposal	-	(1,626,779,545)	-	(1,626,779,545)
Ending balance	45,466,123,824	416,475,356	463,864,230	46,346,463,410
Net carrying amount				
Beginning balance	10,265,122,595	3,831,697,903	441,823,323	14,538,643,821
Ending balance	20,030,638,907	3,504,915,344	536,738,580	24,072,292,831

The cost of tangible fixed assets that are fully depreciated but still in use as at 30 June 2023 is VND28,978,564,008 (31 December 2022: VND 34,354,859,236).

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

9. INTANGIBLE FIXED ASSETS

	<i>Computer software</i> <i>VND</i>
Cost	
Beginning balance	30,858,921,409
Ending balance	<u>30,858,921,409</u>
Accumulated amortization	
Beginning balance	27,137,685,885
Amortization charged	<u>658,906,970</u>
Ending balance	<u>27,796,592,855</u>
Net carrying amount	
Beginning balance	<u>3,721,235,524</u>
Ending balance	<u>3,062,328,554</u>

The cost of intangible fixed assets that are fully depreciated but in use as at 30 June 2023 is VND24,269,851,709 (31 December 2022: VND24,269,851,709).

10. CONSTRUCTIONS IN PROGRESS

	<i>30 June 2023</i> <i>VND</i>	<i>31 December 2022</i> <i>VND</i>
Software development	486,698,000	2,470,070,190
Office renovation	-	1,533,298,000
	<u>486,698,000</u>	<u>4,003,368,190</u>

11. PREPAID EXPENSES

	<i>30 June 2023</i> <i>VND</i>	<i>31 December 2022</i> <i>VND</i>
Short-term prepaid expenses	11,559,044,287	5,751,854,368
- Prepaid office rental	5,609,364,242	713,545,500
- Information expenses	2,039,642,148	3,175,692,498
- System maintenance	1,511,972,961	1,181,738,327
- Office supplies expense	78,157,174	449,931,267
- Others	2,319,907,762	230,946,776
Long-term prepaid expenses	8,227,029,046	6,081,554,905
- Office renovation	5,971,959,744	4,611,575,902
- System maintenance	2,255,069,302	1,469,979,003
	<u>19,786,073,333</u>	<u>11,833,409,273</u>

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.

Movements of the funds during the period are as follows:

	30 June 2023 VND	31 December 2022 VND
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
	20,000,000,000	20,000,000,000
Clearing fund		
- Initial payment	10,000,000,000	10,000,000,000
- Interest distribution	69,973,386	59,997,750
	10,069,973,386	10,059,997,750
	30,069,973,386	30,059,997,750

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

13. SHORT-TERM BORROWINGS

	31 December 2022 VND	Additional borrowings during the period VND	Repayment during the period VND	30 June 2023 VND
Short-term borrowings	-	1,033,701,000,000	(469,530,000,000)	564,171,000,000

These are unsecured borrowings in foreign currency from foreign organizations bearing interest rate ranging from 7.19% p.a. to 7.45% p.a. Short term borrowings are used to supplement working capital. The Company hedged exchange rate risk for entire balance of these borrowings by currency swap contracts with banks.

14. STATUTORY OBLIGATIONS

Items	31 December 2022 VND	Payable VND	Paid VND	30 June 2023 VND
Corporate income tax	13,772,376,355	37,580,779,446	(37,410,712,477)	13,942,443,324
- Of the Company	12,352,554,329	22,684,481,959	(23,124,949,234)	11,912,087,054
- Of the corporate investors	1,419,822,026	14,896,297,487	(14,285,763,243)	2,030,356,270
Value added tax	54,534,410	546,544,952	(539,352,818)	61,726,544
Personal income tax	10,579,924,429	43,939,258,022	(47,962,169,649)	6,557,012,802
- Of the Company	1,453,416,397	18,781,390,071	(18,749,457,076)	1,485,349,392
- Of the investors	9,126,508,032	25,157,867,951	(29,212,712,573)	5,071,663,410
Foreign contractor withholding tax	240,446,655	1,743,393,326	(1,277,843,203)	705,996,778
Business tax	-	8,000,000	(8,000,000)	-
	24,647,281,849	83,817,975,746	(87,198,078,147)	21,267,179,448

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

15. SHORT-TERM TRADE PAYABLES

	30 June 2023 VND	31 December 2022 VND
Brokerage commission payables	1,146,416,251	1,443,070,987
- To related parties	519,294,238	668,364,305
- To other parties	627,122,013	774,706,682
Office renovation payables	967,066,635	1,192,029,620
Research fee payables	706,931,974	-
Information fee payables	695,610,172	562,877,572
RSOC Security monitoring payables	526,025,021	140,054,998
Internal audit service fee payables	172,652,940	172,652,940
Other payables	1,674,643,433	571,324,067
	5,889,346,426	4,082,010,184

16. SHORT-TERM EXPENSE PAYABLES

	30 June 2023 VND	31 December 2022 VND
Transaction fee payables to Stock Exchanges	3,085,304,801	2,984,237,391
Accrued operating expenses	2,271,818,847	3,359,491,689
Accrued interest expenses	2,061,838,890	-
Professional fees	1,666,482,061	1,565,249,750
Trade & Give - Stay Strong Saigon Fund	1,075,157,051	1,075,157,051
Custody fees	421,356,271	425,081,394
	10,581,957,921	9,409,217,275

17. DEFERRED TAX LIABILITY

	30 June 2023 VND	31 December 2022 VND
Deferred tax liability		
Depreciation of fixed assets	331,022,696	331,022,696

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 period are as follows:

	Statement of financial position		Income statement	
	30 June 2023 VND	31 December 2022 VND	For the six-month period ended 30 June 2023 VND	For the six-month period ended 30 June 2022 VND
Depreciation of fixed assets	331,022,696	331,022,696	-	-

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

18. OWNER'S EQUITY

	Contributed capital VND	Capital supplementary reserve VND	Operational risk and financial reserve VND	Undistributed profit VND	Total VND
Beginning balance					
- Net profit for the period	2,200,000,000,000	40,646,058,094	40,646,058,096	655,933,312,082	2,937,225,428,272
	-	-	-	90,359,024,159	90,359,024,159
Ending balance	<u>2,200,000,000,000</u>	<u>40,646,058,094</u>	<u>40,646,058,096</u>	<u>746,292,336,241</u>	<u>3,027,584,452,431</u>

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

19. DISCLOSURE OF OFF-BALANCE SHEET ITEMS

19.1 Foreign currencies (original currency)

	30 June 2023	31 December 2022
USD	173,252.65	274,080.44

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

	30 June 2023 VND	31 December 2022 VND
Unrestricted financial assets	-	790,000

19.3 Investors' financial assets listed/registered at VSD

	30 June 2023 VND	31 December 2022 VND
Unrestricted and traded financial assets	11,022,665,380,000	10,865,470,540,000
- Shares	11,022,665,380,000	10,865,470,540,000
Restricted and traded financial assets	36,405,310,000	183,998,230,000
Mortgage and traded financial assets	418,058,360,000	373,716,700,000
Blocked financial assets	4,718,180,000	79,675,180,000
Financial assets awaiting settlement	141,115,900,000	80,421,340,000
	11,622,963,130,000	11,583,281,990,000

19.4 Investors' non-traded financial assets deposited at VSD

	30 June 2023 VND	31 December 2022 VND
Unrestricted and non-traded financial assets deposited at VSD	1,261,742,670,000	1,092,724,510,000
Restricted and non-traded financial assets deposited at VSD	43,782,050,000	62,800,020,000
Mortgaged and non-traded financial assets deposited at VSD	108,814,660,000	33,814,660,000
	1,414,339,380,000	1,189,339,190,000

19.5 Investors' financial assets awaiting arrival

	30 June 2023 VND	31 December 2022 VND
Shares	144,548,710,000	77,040,390,000

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

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

19.6 Investors' deposits

	30 June 2023 VND	31 December 2022 VND
Investors' deposits for securities trading activities managed by the Company	450,309,284,420	513,989,341,047
- Domestic investors' deposits	390,251,504,698	456,897,719,134
- Foreign investors' deposits	60,057,779,722	57,091,621,913
Investors' collective deposits for securities trading activities	158,901,414,883	77,893,630,333
- Domestic investors' deposits	155,241,624,080	77,529,253,186
- Foreign investors' deposits	3,659,790,803	364,377,147
Investors' deposits for securities transaction clearing and settlement	112,806,938,057	55,904,121,967
- Domestic investors' deposits	112,240,150,860	55,899,765,114
- Foreign investors' deposits	566,787,197	4,356,853
	722,017,637,360	647,787,093,347

19.7 Payables to investors

	30 June 2023 VND	31 December 2022 VND
Payables to investors - Investors' deposits for securities trading activities managed by the Company	722,017,637,360	647,787,060,537
- Domestic investors	657,737,309,638	590,341,404,624
- Foreign investors	64,280,327,722	57,445,655,913
Dividend, bond principal and interest payables	-	32,810
	722,017,637,360	647,787,093,347

20. OPERATING REVENUE

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

	For the six-month period ended 30 June 2023 VND	For the six-month period ended 30 June 2022 VND
From FVTPL financial assets	3,882,558,760	2,386,006,291
- Interest income from term deposits	3,725,049,310	1,926,767,119
- Dividend	-	882,546
- Others	157,509,450	458,356,626
Loans and receivables	172,673,916,238	184,364,595,744
- Interest from margin loans	170,767,744,753	177,627,698,121
- Interest from advances to customers	1,906,171,485	6,736,897,623
	176,556,474,998	186,750,602,035

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

20. OPERATING REVENUE (continued)

20.2 Revenue other than gain/loss from financial assets

	For the six-month period ended 30 June 2023 VND	For the six-month period ended 30 June 2022 VND
Revenue from brokerage services	77,837,745,176	145,723,711,052
Revenue from securities custodian services	2,649,754,437	1,863,568,066
Other revenue	4,019,509,623	5,362,798,127
- Research fee	4,019,509,623	5,362,798,127
	84,507,009,236	152,950,077,245

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

	For the six-month period ended 30 June 2023 VND	For the six-month period ended 30 June 2022 VND
Provision expense for impairment of loans	7,129,754,677	-
Interest expense	4,568,574,729	18,282,946,610
Currency swap contract fee	-	10,999,273,366
	11,698,329,406	29,282,219,976

22. EXPENSES FOR BROKERAGE SERVICES

	For the six-month period ended 30 June 2023 VND	For the six-month period ended 30 June 2022 VND
Personnel expenses, bonus and welfare expenses	33,058,540,417	62,797,838,688
Transaction fee for brokerage activities	15,156,110,286	27,016,075,535
Commission expense	6,335,146,124	7,015,998,226
Information expense	4,248,575,434	4,045,600,024
Office rental expense	5,669,484,319	3,371,135,521
Social insurance, health insurance, unemployment insurance and union fee	1,443,470,427	1,334,502,220
Depreciation and amortization	448,907,661	558,030,754
Expenses related to instruments and tools	161,472,997	392,342,090
Other expenses	2,462,345,827	2,072,692,397
	68,984,053,492	108,604,215,455

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

23. FINANCE INCOME

	<i>For the six-month period ended 30 June 2023 VND</i>	<i>For the six-month period ended 30 June 2022 VND</i>
Interest income from demand deposits	3,249,381,883	2,277,304,383
Foreign exchange rate differences	176,217,108	-
	3,425,598,991	2,277,304,383

24. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>For the six-month period ended 30 June 2023 VND</i>	<i>For the six-month period ended 30 June 2022 VND</i>
Personnel expenses, bonus and welfare expenses	37,182,318,302	31,132,145,191
Office rental expense	5,185,822,548	4,595,840,869
System maintenance expense	4,963,818,585	5,071,092,025
Social insurance, health insurance, unemployment insurance and union fee	3,465,380,777	2,630,430,254
Depreciation and amortization	3,454,248,225	2,423,105,498
Lease line expenses	1,323,511,285	1,303,363,699
Advisory services expenses	925,463,822	1,595,260,424
Expenses related to instruments and tools	271,623,923	637,480,747
Office supplies expenses	39,250,010	44,701,548
Others	5,730,061,993	5,962,977,762
	62,541,499,470	55,396,398,017

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 period. The taxable profit of the Company for the period 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 periods and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the reporting date.

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

	<i>For the six-month period ended 30 June 2023 VND</i>	<i>For the six-month period ended 30 June 2022 VND</i>
Profit before tax	113,043,506,118	140,200,466,860
CIT at current tax rate (20%)	22,608,701,224	28,040,093,372
Adjustments	75,780,735	268,288,901
- Adjustment of CIT in previous period	24,484,766	268,288,901
- Other adjustments	51,295,969	-
CIT expense	22,684,481,959	28,308,382,273

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

26. OTHER INFORMATION

26.1 Related party transactions

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

Related parties	Relationship	Transactions	For the six-month period ended 30 June 2023 VND	For the six-month period ended 30 June 2022 VND
Maybank IBG Holdings Limited	Parent company	Borrowings Borrowings repayment Interest expenses	1,033,701,000,000 469,530,000,000 4,207,599,863	4,585,807,000,000 5,954,929,360,000 17,818,366,207
Maybank Securities Pte. Ltd.	Subsidiary of Maybank IBG Holdings Limited	Commission fee expenses Brokerage fee received Information fee expenses	4,959,181,257 54,689,583 3,025,246,921	4,883,909,288 38,024,917 2,431,587,917
Maybank Securities (Thailand) Public Company Limited	Subsidiary of Maybank IBG Holdings Limited	Brokerage fee received	102,605,501	495,188,573
Malayan Banking Berhad - Ho Chi Minh Branch	Branch of ultimate parent company	Interest received Bank fee paid	1,621,156,807 11,237,710	28,560,180 1,629,729

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

26. OTHER INFORMATION (continued)

26.1 Related party transactions (continued)

Related parties	Relationship	Transactions	For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022
			VND	VND
Malayan Banking Berhad - Ha Noi Branch	Branch of ultimate parent company	Swap fee expenses	-	7,266,757,548
		Accrued swap fee expenses	-	261,885,152
Maybank Research Pte. Ltd.	Subsidiary of Maybank IBG Holdings Limited	Research fee received	4,019,509,623	5,362,798,127
		Research fee paid	744,138,920	1,010,477,731
Maybank Securities USA Inc.	Subsidiary of Maybank IBG Holdings Limited	Commission fee expenses	1,375,964,867	2,132,088,938
MIB Finance (Hong Kong) Limited	Subsidiary of Maybank IBG Holdings Limited	Capital arrangement fee revenue	624,439,691	-
Maybank Shared Services Sdn Bhd	Branch of ultimate parent company	Security monitoring fee	1,065,425,924	1,650,837,653
Maybank investment bank berhad	Branch of ultimate parent company	Information fee	132,732,600	-
Management		Salary and remuneration	10,623,435,895	17,398,312,440

Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

B09a-CTCK

26. OTHER INFORMATION (continued)

26.1 Related party transactions (continued)

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

Related parties	Relationship	Transactions	30 June 2023 VND	31 December 2022 VND
Maybank IBG Holdings Limited	Parent company	Borrowings Accrued interest	(564,171,000,000) (2,061,838,890)	- -
Maybank Securities Pte. Ltd.	Subsidiary of Maybank IBG Holdings Limited	Commission payables Fidesa information fee payables SAP+BPC maintenance fee payables	(518,275,536) (1,443,309,862) (231,333,571)	(662,693,921) - -
Malayan Banking Berhad - Ho Chi Minh Branch	Branch of subsidiary of ultimate parent company	Term deposits	-	100,000,000,000
Maybank Research Pte. Ltd	Subsidiary of Maybank IBG Holdings Limited	Research fee receivables Research fee payables	4,421,460,586 (706,931,974)	- -
Maybank Investment Bank Berhad	Subsidiary of ultimate parent company	Information fee payables Other receivables	(695,610,172) -	(562,877,572) 15,280,000
Maybank Securities USA Inc.	Subsidiary of Maybank IBG Holdings Limited	Commission payables	-	(4,651,682)
MIB Securities (Hong Kong) Ltd.	Subsidiary of Maybank IBG Holdings Limited	Commission payables	(1,018,702)	(1,018,702)
Maybank Shared Services Sdn Bhd	Branch of subsidiary of ultimate parent company	Security monitoring payables Internal audit fee payables Transfer right of 5 domains fee receivables	(526,025,021) (172,652,940) 1,375,000	(140,054,998) (172,652,940) -

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 period are as follows:

	30 June 2023 VND	31 December 2022 VND
Less than 1 year	22,812,437,152	22,507,173,618
From 1 to 5 years	53,772,123,130	60,798,587,410
	76,584,560,282	83,305,761,028

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 primarily 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 30 June 2023.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2023

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 30 June 2023:

	Neither past due nor impaired VND	Past due but not impaired				Total VND
		Less than 3 months VND	3 - 6 months VND	6 - 12 months VND	Over 1 year VND	
30 June 2023						
Cash at banks	125,055,582,768	-	-	-	-	125,055,582,768
Loans - gross	3,395,328,235,413	-	-	-	7,129,754,677	3,402,457,990,090
Other financial assets	67,653,955,711	-	-	-	-	67,653,955,711
	3,588,037,773,892	-	-	-	7,129,754,677	3,595,167,528,569

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.

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
FINANCIAL ASSETS						
Cash and cash equivalents	-	125,055,582,768	-	-	-	125,055,582,768
Financial assets at fair value through profit and loss	-	-	-	-	-	-
Loans - gross	7,129,754,677	-	-	-	-	-
Receivables and accruals from dividend and interest income	-	-	3,395,328,235,413	-	-	3,402,457,990,090
Receivables from services provided by the Company	-	-	30,698,714,230	-	-	30,698,714,230
Long-term deposits, collaterals and pledges	-	-	1,972,539,170	-	-	1,972,539,170
Other receivables	-	4,912,728,925	-	-	-	4,912,728,925
Deposits to Settlement Assistance Fund	-	30,069,973,386	4,461,950,019	-	-	4,461,950,019
	-	-	-	-	-	30,069,973,386
	7,129,754,677	160,038,285,079	3,432,461,438,832	-	-	3,599,629,478,588
FINANCIAL LIABILITIES						
Short-term borrowings	-	-	564,171,000,000	-	-	564,171,000,000
Payables from securities transaction activities	-	-	6,212,086	-	-	6,212,086
Short-term trade payables	-	-	5,889,346,426	-	-	5,889,346,426
Short-term expense payables	-	-	10,581,957,921	-	-	10,581,957,921
Other liabilities	-	-	257,992,972	-	-	257,992,972
	-	-	580,906,509,405	-	-	580,906,509,405
Net liquidity difference	7,129,754,677	160,038,285,079	2,851,554,929,427	-	-	3,018,722,969,183

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 30 June 2023, ratio available capital of company is 1,602%.

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 interim financial statements of the Company.

Prepared by:



Nguyen Thi Minh Hong
Accountant

Reviewed by:



Tran Thi Ngoc Huong
Chief Accountant

Approved by:



Nguyen Vo Van Ha
Chief Financial
Officer

Approved by:



Kim Thien Quang
Chief Executive Officer



Ho Chi Minh City, Vietnam

8 August 2023