

Maybank Kim Eng Securities Limited

Interim financial statements

For the six-month period ended 30 June 2021



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Maybank Kim Eng Securities Limited

GENERAL INFORMATION

THE COMPANY

Maybank Kim Eng Securities Limited ("the Company") was incorporated under License No. 117/GP-UBCK dated 3 January 2014 and Amended License No. 30/GPDC-UBCK dated 17 April 2018, which supersedes License No. 71/UBCK-GP on 14 December 2007.

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

The Company's head office is located at Floor 4A - 15 + 16, Vincom Center Dong Khoi, 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City and its branches are located at Ho Chi Minh City, Ha Noi and other provinces:

- ▶ Cho Lon Branch: Floor 1, 86 Tan Da, Ward 11, District 5, 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 June 2021, the Company's charter capital was VND1,745,000,000,000 and total assets amounted to VND3,511,512,569,800.

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 investments under Article 28, Circular No. 121/2020/TT-BTC dated 31 December 2020 prescribing operation of securities companies.

BOARD OF MEMBERS

Member of the Board of Members of the Company during the period and at the date of this report are as follows:

<u>Name</u>	<u>Title</u>	<u>Date of appointment/resignation</u>
Mr. Mohamad Yasin Bin Abdullah	Chairman	Appointed on 7 August 2020
Mr. Rajiv Vijendran	Member	Appointed on 30 December 2019
Mr. Lok Eng Hong	Member	Appointed on 7 August 2020

Maybank Kim Eng Securities Limited

GENERAL INFORMATION (continued)

SUPERVISORY BOARD

Member of the Supervisory Board of the Company during the period and at the date of this report are as follows:

<i>Name</i>	<i>Title</i>	<i>Date of appointment/resignation</i>
Ms. Che Zakiah Binti Che Din	Chief Supervisor	Appointed on 7 August 2020
Ms. Tran Ngoc Nhu Hien	Member	Re-appointed on 30 December 2019
Ms. Nguyen Tuyet Van	Member	Re-appointed on 30 December 2019

MANAGEMENT

Member of the management and the Chief Accountant of the Company during the period and at the date of this report are as follows:

<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. To Quoc Tuan	Chief Financial Officer	Resigned on 16 July 2021
Mr. Tran Chau Tien	Head, Information Technology	Appointed on 1 April 2019
Mr. Vu Gia Vinh	Head, Investment Banking and Advisory	Appointed on 24 June 2017
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 Kim Eng Securities Limited

REPORT OF MANAGEMENT

Management of Maybank Kim Eng 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 2021.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

Management of the Company is responsible for the interim financial statements of each financial period which give a true and fair view of the interim financial position of the Company, of the results of interim operation, its interim cash flows and its interim changes in owner's equity for the six-month period then ended. 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 interim 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 disclosing, 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 interim financial statements for the six-month period ended 30 June 2021.

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 2021 and of 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 statutory requirements relevant to preparation and presentation of interim financial statements.



Kim Thien Quang
Chief Executive Officer

Ho Chi Minh City, Vietnam

20 July 2021

Reference: 60994674/22687633

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

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

We have reviewed the accompanying interim financial statements of Maybank Kim Eng Securities Limited ("the Company"), as prepared on 20 July 2021 and set out on pages 6 to 46, which comprise the interim statement of financial position as at 30 June 2021, the interim income statement, the interim cash flow of statement and the interim statement of changes in owners' equity for the six-month period then ended and the notes thereto.

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 an opinion 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 2021, 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



Saman Wijaya Bandara
Deputy General Director
Audit Practicing Registration
Certificate No. 2036-2018-004-1

Ho Chi Minh City, Vietnam

20 July 2021

Maybank Kim Eng Securities Limited

INTERIM STATEMENT OF FINANCIAL POSITION
30 June 2021

B01a-CTCK

Code	Items	Notes	30 June 2021 VND	31 December 2020 VND
100	A. CURRENT ASSETS		3,461,634,019,949	2,295,805,218,081
110	I. Financial assets		3,455,168,911,199	2,293,426,289,183
111	1. Cash and cash equivalents	4	811,715,020,501	148,463,942,745
111.1	1.1 Cash		811,715,020,501	98,463,942,745
111.2	1.2 Cash equivalents		-	50,000,000,000
112	2. Financial assets at fair value through profit and loss (FVTPL)	6.1	131,231,850	3,375,030
114	3. Loans	6.2	2,605,156,555,059	2,104,399,987,781
116	4. Provision for impairment of financial assets and mortgage assets	6.3	(1,922,794,815)	(3,342,102,022)
117	5. Receivables	7	19,873,963,739	15,263,556,121
117.1	5.1 Receivables from sale of financial assets		-	517,500
117.2	5.2 Receivables and accruals from dividend and interest income		19,873,963,739	15,263,038,621
117.4	5.2.1 Accruals for dividend and interest income		19,873,963,739	15,263,038,621
118	6. Advances to suppliers	7	221,843,000	38,378,358
119	7. Receivables from services provided by the Company	7	15,858,395,228	28,509,402,709
122	8. Other receivables	7	4,249,997,032	205,048,856
129	9. Provision for impairment of receivables		(115,300,395)	(115,300,395)
130	II. Other current assets	8	6,465,108,750	2,378,928,898
131	1. Advances		50,015,648	33,500,000
133	2. Short-term prepaid expenses		6,415,093,102	2,345,428,898
200	B. NON-CURRENT ASSETS		49,878,549,851	51,276,043,490
220	I. Fixed assets		15,043,821,291	15,894,436,944
221	1. Tangible fixed assets	9	10,437,765,108	10,789,457,133
222	- Cost		54,996,001,392	53,507,801,392
223a	- Accumulated depreciation		(44,558,236,284)	(42,718,344,259)
227	2. Intangible fixed assets	10	4,606,056,183	5,104,979,811
228	- Cost		30,047,134,235	29,807,134,235
229a	- Accumulated amortization		(25,441,078,052)	(24,702,154,424)
240	II. Constructions in progress		40,900,000	144,000,000
250	III. Other non-current assets		34,793,828,560	35,237,606,546
251	1. Long-term deposits, collaterals and pledges		3,255,088,737	3,255,088,737
252	2. Long-term prepaid expenses	11	1,508,942,187	1,964,330,786
254	3. Deposits to Settlement Assistance Fund	12	30,029,797,636	30,018,187,023
270	TOTAL ASSETS		3,511,512,569,800	2,347,081,261,571

Maybank Kim Eng Securities Limited

INTERIM STATEMENT OF FINANCIAL POSITION (continued)
30 June 2021

B01a-CTCK

Code	Items	Notes	30 June 2021 VND	31 December 2020 VND
300	C. LIABILITIES		1,313,926,576,915	914,365,694,931
310	I. Current liabilities		1,313,800,787,532	914,239,905,548
311	1. Short-term borrowings and financial leases		1,245,427,810,000	855,736,090,000
312	1.1 Short-term borrowings	13	1,245,427,810,000	855,736,090,000
318	2. Payables for securities transaction activities		22,741,276	38,042,096
320	3. Short-term trade payables	14	8,051,321,579	6,820,171,346
321	4. Short-term advances from customers		280,332,000	280,332,000
322	5. Statutory obligations	15	24,572,832,629	21,388,214,655
323	6. Payables to employees		24,876,330,800	22,614,598,258
325	7. Short-term expense payables	16	10,380,386,529	7,337,991,270
329	8. Other current liabilities		189,032,719	24,465,923
340	II. Non-current liabilities		125,789,383	125,789,383
356	1. Deferred tax liabilities	17	125,789,383	125,789,383
400	D. OWNER'S EQUITY	18	2,197,585,992,885	1,432,715,566,640
410	I. Owner's equity		2,197,585,992,885	1,432,715,566,640
411	1. Contributed capital		1,745,000,000,000	1,056,110,000,000
414	2. Capital supplementary reserve		23,994,290,807	20,197,458,918
415	3. Financial and operational risks reserve		23,994,290,809	20,197,458,919
417	4. Undistributed profit		404,597,411,269	336,210,648,803
417.1	4.1. Realized profit		404,567,591,060	336,209,264,221
417.2	4.2. Unrealized profit		29,820,209	1,384,582
440	TOTAL LIABILITIES AND OWNER'S EQUITY		3,511,512,569,800	2,347,081,261,571

Maybank Kim Eng Securities Limited

INTERIM STATEMENT OF FINANCIAL POSITION (continued)
30 June 2021

B01a-CTCK

INTERIM OFF-BALANCE SHEET ITEMS

Code	Items	Notes	30 June 2021 VND	31 December 2020 VND
	A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
005	1. Foreign currencies (original currency) USD SGD	19.1	8,259.17 -	175,388.28 811.30
008	2. Financial assets listed/registered for trading at Viet Nam Securities Depository ("VSD") of the Company	19.2	28,020,000	1,120,000
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS			
021	1. Investors' financial assets listed/ registered at VSD	19.3	8,054,715,040,000	8,279,545,180,000
021.1	- Unrestricted financial assets		7,601,997,040,000	7,745,447,510,000
021.2	- Restricted financial assets		182,622,610,000	171,514,750,000
021.3	- Mortgaged financial assets		106,050,000,000	65,450,000,000
021.4	- Blocked financial assets		3,229,750,000	-
021.5	- Financial assets awaiting settlement		160,815,640,000	297,132,920,000
022	2. Investors' non-traded financial assets deposited at VSD	19.4	1,837,573,120,000	1,683,994,910,000
022.1	- Unrestricted and non-traded financial assets deposited at VSD		1,689,708,730,000	1,374,784,600,000
022.2	- Restricted and non-traded financial assets deposited at VSD		76,506,680,000	242,102,600,000
022.3	- Mortgaged and non-traded financial assets deposited at VSD		71,357,710,000	67,107,710,000
023	3. Investors' financial assets awaiting arrival	19.5	197,523,260,000	215,967,440,000

Maybank Kim Eng Securities Limited

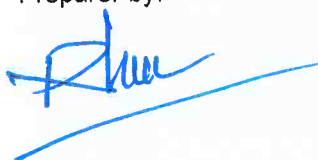
INTERIM STATEMENT OF FINANCIAL POSITION (continued)
30 June 2021

B01a-CTCK

INTERIM OFF-BALANCE SHEET ITEMS (continued)

Code	Items	Notes	30 June 2021 VND	31 December 2020 VND
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)			
026	4. Investors' deposits	19.6	1,155,342,511,063	924,693,477,941
027	4.1 Investors' deposits for securities trading activities managed by the Company		645,199,001,263	433,128,339,491
028	4.2 Investors' collective deposits for securities trading activities		425,075,270,628	215,916,499,562
029	4.3 Investors' deposits for securities transaction clearing and settlement		85,068,239,172	275,648,638,888
029.1	- Domestic investors' deposits for securities transaction clearing and settlement		82,896,768,154	271,976,890,753
029.2	- Foreign investors' deposits for securities transaction clearing and settlement		2,171,471,018	3,671,748,135
031	5. Payables to investors – investors' deposits for securities trading activities managed by the Company	19.7	1,155,342,511,063	924,693,339,597
031.1	5.1 Domestic investors' deposits for securities trading activities managed by the Company		1,096,013,332,679	863,088,914,331
031.2	5.2 Foreign investors' deposits for securities trading activities managed by the Company		59,329,178,384	61,604,425,266
035	6. Dividend, bond principal and interest payables	19.7	-	138,344

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 July 2021

Maybank Kim Eng Securities Limited

INTERIM INCOME STATEMENT
for the six-month period ended 30 June 2021

B02a-CTCK

Code	Items	Notes	For the six-month period ended 30 June 2021 VND	For the six-month period ended 30 June 2020 VND
	I. OPERATING REVENUE			
01	1. Revenue from financial assets at fair value through profit and loss (FVTPL)	20.1	604,019,639	6,051,587,184
01.1	1.1 Gain from disposal of financial assets at FVTPL		120,378,488	267,507,825
01.2	1.2 Gain from revaluation of financial assets at FVTPL		45,524,024	778,620
01.3	1.3 Dividend, interest income from financial assets at FVTPL		438,117,127	5,783,300,739
03	2. Revenue from loans and receivables	20.1	111,277,049,431	83,386,310,446
06	3. Revenue from brokerage services	20.2	140,427,304,336	62,234,637,385
09	4. Revenue from securities custodian services	20.2	2,183,218,380	2,335,949,881
10	5. Revenue from financial advisory services	20.2	11,815,222,360	12,042,867,840
11	6. Other revenue	20.2	3,334,766,090	3,676,740,085
20	Total operating revenue		269,641,580,236	169,728,092,821
	II. OPERATION EXPENSES			
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		6,807,860	1,258,170
21.2	1.1 Loss from revaluation of financial assets at FVTPL		6,807,860	1,258,170
24	2. Provision expense for impairment of financial assets, loss from doubtful receivables and borrowing costs of loans	21	13,704,873,672	13,846,042,399
27	3. Expenses for brokerage services	22	102,060,384,924	50,231,439,030
30	4. Expenses for securities custodian services		3,462,694,936	3,604,148,563
31	5. Expenses for financial advisory services		6,336,599,998	3,939,407,628
40	Total operating expenses		125,571,361,390	71,622,295,790
	III. FINANCE INCOME			
41	1. Realized and unrealized gain from changes in foreign exchange rates		112,642,047	86,799,318
42	2. Dividend and interest income from demand deposits		2,155,248,911	1,884,919,734
50	Total finance income	23	2,267,890,958	1,971,719,052

B02a-CTCK

Code	Items	Notes	For the six-month period ended 30 June 2021 VND	For the six-month period ended 30 June 2020 VND
	IV. FINANCE EXPENSES			
51	1. Realized and unrealized loss from changes in foreign exchange rates		129,213,077	3,996,179
60	Total finance expenses		129,213,077	3,996,179
62	VI. GENERAL AND ADMINISTRATIVE EXPENSES	24	52,707,406,697	46,248,171,515
70	VII. OPERATING PROFIT		93,501,490,030	53,825,348,389
	VIII. OTHER INCOME AND OTHER EXPENSES			
71	1. Other income		1,419,307,207	-
72	2. Other expense		-	7,866,668
80	Total other operating profit		1,419,307,207	(7,866,668)
90	IX. PROFIT BEFORE TAX		94,920,797,237	53,817,481,721
91	1. Realized profit		94,890,977,028	53,802,413,386
92	2. Unrealized profit		29,820,209	15,068,335
100	X. CORPORATE INCOME TAX (CIT) EXPENSES	25	18,940,370,992	10,772,912,925
100.1	1. Current CIT expenses		18,940,370,992	10,772,912,925
200	XI. PROFIT AFTER TAX		75,980,426,245	43,044,568,796
400	TOTAL COMPREHENSIVE INCOME		75,980,426,245	43,044,568,796

Prepared 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 July 2021

Maybank Kim Eng Securities Limited

INTERIM STATEMENT OF CASH FLOWS
for the six-month period ended 30 June 2021

B03b-CTCK

Code	Items	Notes	For the six-month period ended 30 June 2021 VND	For the six-month period ended 30 June 2020 VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Net profit before tax		94,920,797,237	53,817,481,721
02	2. Adjustments for:		(7,602,947,659)	(1,660,957,864)
03	- Depreciation and amortization	9,10	2,578,815,653	3,129,983,401
04	- Addition of provisions		(1,419,307,207)	(89,812,500)
07	- Profits from investing activities		(2,593,366,038)	(7,660,353,805)
08	- Accrued interest income		(19,873,963,739)	(10,976,629,859)
09	- Other adjustments		13,704,873,672	13,935,854,899
10	3. Increase in non-monetary expenses		(6,807,860)	1,258,170
11	Loss from revaluation of financial assets at FVTPL		(6,807,860)	1,258,170
18	4. Decrease in non-monetary income		45,524,024	(778,620)
19	Gain from revaluation of financial assets at FVTPL		45,524,024	(778,620)
30	5. Operating losses before changing in working capital		87,356,565,742	52,157,003,407
31	Increase financial assets at FVTPL		(166,572,984)	(295,000,815,460)
33	(Increase)/decrease in loans		(500,756,567,278)	272,822,245,424
36	Decrease in receivables and accruals from dividend and interest income		15,263,556,121	12,246,429,506
37	Decrease/(increase) in receivables from services rendered by the Company		12,651,007,481	(1,613,370,513)
39	Increase in other receivables		(4,228,412,818)	(3,492,943,040)
40	Decrease/(increase) in other assets		(28,126,261)	2,843,362
41	Increase in accrued expenses (excluded interest expenses)		5,022,540,558	491,700,453
42	Decrease in prepaid expenses		(3,614,275,605)	(2,447,162,643)
43	Corporate income tax paid	15	(17,913,973,399)	(5,715,923,606)
44	Interest paid		(15,685,018,971)	(14,196,662,780)
45	Increase in trade payables		1,231,150,233	6,017,457,913
46	Decrease employee benefits		-	(109,285,893)
47	Increase in statutory obligations (excluded CIT paid)		2,158,220,381	3,395,033,558
48	Increase/(decrease) in payables to employees		2,261,732,542	(4,661,188,050)
50	Increase/(decrease) in other payables		149,265,976	(52,097,540)
60	Net cash (used in)/from operating activities		(416,298,908,282)	19,843,264,098

Maybank Kim Eng Securities Limited

INTERIM STATEMENT OF CASH FLOWS (continued)
for the six-month period ended 30 June 2021

B03b-CTCK

Code	Items	Notes	For the six-month period ended 30 June 2021 VND	For the six-month period ended 30 June 2020 VND
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
61	Purchase and construction of fixed assets		(1,625,100,000)	191,925,000
65	Interest and dividends received		2,593,366,038	9,490,364,310
70	Net cash from investing activities		968,266,038	9,682,289,310
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
71	Proceeds from issuing shares, receiving contributed capital from owners	18	688,890,000,000	-
73	Drawdown of borrowings	13	4,992,013,530,000	3,635,222,720,000
73.2	Others		4,992,013,530,000	3,635,222,720,000
74	Repayment of borrowings	13	(4,602,321,810,000)	(3,612,425,430,000)
74.3	Others		(4,602,321,810,000)	(3,612,425,430,000)
80	Net cash from financing activities		1,078,581,720,000	22,797,290,000
90	NET INCREASE IN CASH DURING THE PERIOD		663,251,077,756	52,322,843,408
101	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4	148,463,942,745	133,946,184,149
101.1	Cash		98,463,942,745	73,946,184,149
101.2	Cash equivalents		50,000,000,000	60,000,000,000
103	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	811,715,020,501	186,269,027,557
103.1	Cash		811,715,020,501	9,269,027,557
103.2	Cash equivalents		-	177,000,000,000

Maybank Kim Eng Securities Limited

INTERIM STATEMENT OF CASH FLOWS (continued)
for the six-month period ended 30 June 2021

B03b-CTCK

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE CUSTOMERS

Code	Items	Notes	30 June 2021 VND	31 December 2020 VND
	I. Cash flows from brokerage and trust activities of the customers			
01	1. Cash receipt from disposal of securities to customers		28,598,170,693,250	10,434,756,653,019
02	2. Cash payment for acquisition of securities for customers		(26,104,092,946,656)	(9,878,572,371,914)
07	3. Cash receipt for settlement of securities transactions of customers		31,362,740,897,780	11,709,058,838,759
08	4. Cash payment for settlement of securities transactions of customers		(33,614,354,388,892)	(11,944,049,646,337)
11	5. Custodian fee paid		(11,815,222,360)	(2,335,949,881)
20	Net increase in cash during the period		230,649,033,122	318,857,523,646
30	II. Cash and cash equivalents of the customers at the beginning of the period	19.6	924,693,477,941	256,563,119,621
31	Cash at banks at the beginning of the period		924,693,477,941	256,563,119,621
32	1. The investors' deposits managed by the Company for securities trading activities		433,128,339,491	131,333,951,021
33	2. The investors' collective deposits for securities trading activities		215,916,499,562	92,957,287,150
34	3. The investors' deposits for securities transaction clearing and settlement		275,648,638,888	32,271,881,450
40	III. Cash and cash equivalents of the customers at the end of the period	19.6	1,155,342,511,063	575,420,643,267
41	Cash at banks at the end of the period		1,155,342,511,063	575,420,643,267
42	1. Investors' deposits managed by the Company for securities trading activities		645,199,001,263	281,141,458,617
43	2. Investors' collective deposits for securities trading activities		425,075,270,628	102,371,592,922
44	3. Investors' deposits for securities transaction clearing and settlement		85,068,239,172	191,907,591,728

Prepared 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 July 2021

Maybank Kim Eng Securities Limited

INTERIM STATEMENT OF CHANGES IN OWNER'S EQUITY
as at 30 Jun 2021 and for the six-month period then ended

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ITEMS	Beginning balance		Increase/(decrease)				Ending balance	
	1 January 2020 VND	1 January 2021 VND	Previous period		Current period		30 June 2020 VND	30 June 2021 VND
A	1	2	3	4	5	6	7	8
I. CHANGES IN OWNER'S EQUITY								
1. Contributed capital	1,056,110,000,000	1,056,110,000,000	-	-	688,890,000,000	-	1,056,110,000,000	1,745,000,000,000
- Charter capital	250,000,000,000	250,000,000,000	-	-	-	-	250,000,000,000	250,000,000,000
- Supplemental capital	806,110,000,000	806,110,000,000	-	-	688,890,000,000	-	806,110,000,000	1,495,000,000,000
2. Capital supplementary reserve	14,952,026,685	20,197,458,918	2,152,692,979	-	3,796,831,889	-	17,104,719,664	23,994,290,807
3. Operational risk and financial reserve	14,952,026,685	20,197,458,919	2,152,692,978	-	3,796,831,890	-	17,104,719,663	23,994,290,809
4. Undistributed profit	241,792,868,600	336,210,648,803	43,044,568,796	(4,305,385,957)	75,980,426,245	(7,593,663,779)	280,532,051,439	404,597,411,269
- Realized profit	241,768,818,230	336,209,264,221	43,029,500,461	(4,281,335,587)	75,950,606,036	(7,592,279,197)	280,516,983,104	404,567,591,060
- Unrealized profit	24,050,370	1,384,582	15,068,335	(24,050,370)	29,820,209	(1,384,582)	15,068,335	29,820,209
TOTAL	1,327,806,921,970	1,432,715,566,640	47,349,954,753	(4,305,385,957)	772,464,090,024	(7,593,663,779)	1,370,851,490,766	2,197,585,992,885

Prepared by:

Phuc

Reviewed by:

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Nguyen Thi Minh Hong
Accountant

Tran Thi Ngoc Huong
Chief Accountant

Kim Thien Quang
Chief Executive Officer

Ho Chi Minh City, Vietnam

20 July 2021

Maybank Kim Eng Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS
as at 30 June 2021 and for the six-month period then ended

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1. CORPORATE INFORMATION

Maybank Kim Eng Securities Limited ("the Company") was incorporated under License No. 117/GP-UBCK dated 3 January 2014 and Amended License No. 30/GPDC-UBCK dated 17 April 2018, which supersedes License No. 71/UBCK-GP on 14 December 2007.

The Company's head office is located at Floor 4A-15+16, Vincom Center Dong Khoi, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, and its branches are located in Ho Chi Minh City, Hanoi and other provinces.

The Company has 176 employees as at 30 June 2021 (31 December 2020: 177 employees).

Main features of operation of the Company

Size of operation

As at 30 June 2021, the Company's charter capital was VND1,745,000,000,000 and total assets amounted to VND3,511,512,569,800.

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 investments under Article 28, Circular No. 121/2020/TT-BTC dated 31 December 2020 prescribing operation of securities companies.

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, Circular No. 146/2014/TT-BTC dated 6 October 2014 providing guidance on financial regime applicable to securities companies and asset management companies and other Vietnamese Accounting Standards promulgated by the Ministry of Finance as per:

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

2. BASIS OF PREPARATION (continued)

2.1 Applied accounting standards and system (continued)

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 and Circular No. 146/2014/TT-BTC dated 6 October 2014 issued by the Ministry of Finance that are not shown in these financial statements indicate nil balance.

2.2 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 Interim financial statements

The Company prepares its interim financial statements for the six-month period from 1 January to 30 June for reporting to the authorities in accordance with requirements of Circular No. 155/2015/TT-BTC dated 6 October 2015 issued by the Ministry of Finance.

2.5 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 interim financial statements are consistent with those followed in the preparation of the Company's financial statements for the year ended 31 December 2020 and the Company's interim financial statements for the six-month period ended 30 June 2020.

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

Loans are recognized initially at cost. 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 (directly or through the use of an allowance account) for impairment or uncollectible (if any).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 *Loans* (continued)

Provision is made for loans based on their overdue status according to Circular No. 48/2019/TT-BTC as presented in *Note 3.8* or estimated loss from the uncertainty in collectability of these 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 provision purpose, market value is determined in accordance with the Circular No.146/2014/TT-BTC and the Circular No.48/2019/TT-BTC.

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. 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 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 Labour and Social Affairs. The Company is required to contribute to these post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 17.5% on an employee's basic monthly salary, salary-related allowances and other supplements. Other than that, the Company has no further obligation relating to post-employment benefits.

3.15.2 Unemployment allowance

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

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 interim 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTINGS POLICIES (continued)

3.17 Revenue recognition (continued)

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 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).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Corporate income tax (continued)

Deferred income tax (continued)

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.

3.20 Owner's equity

Contributed capital from shareholders

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

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 interim 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 interim 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 Kim Eng Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2021 and for the six-month period then ended

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Owner's equity (continued)

Reserves

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

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

Other reserves are created in accordance with the owner's decision.

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.

4. CASH AND CASH EQUIVALENTS

	<u>30 June 2021</u>	<u>31 December 2020</u>
	<u>VND</u>	<u>VND</u>
Cash		
- Cash on hand	45,345,759	56,116,134
- Cash at banks for operation of the Company	801,769,593,419	85,489,687,932
- Cash for securities transaction clearing and settlement	9,900,081,323	12,918,138,679
Cash equivalents		
- Term deposits with maturity of 3 months or less	-	50,000,000,000
TOTAL	<u>811,715,020,501</u>	<u>148,463,942,745</u>

Maybank Kim Eng Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2021 and for the six-month period then ended

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5. VALUE AND VOLUME OF TRADING RESULTS IN THE PERIOD

	For the six-month period ended 30 June 2021		For the six-month period ended 30 June 2020	
	Trading volume (unit)	Trading value (VND)	Trading volume (unit)	Trading value (VND)
a. Company - Shares	152,720	10,264,905,305	3,543,185	84,682,100,460
b. Investors - Shares	2,704,861,284	55,990,734,631,044	1,605,388,672	20,681,835,275,602
TOTAL	2,705,014,004	56,000,999,536,349	1,608,931,857	20,766,517,376,062

6. FINANCIAL ASSETS

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

	30 June 2021		31 December 2020	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Listed shares	91,883,063	131,231,850	2,742,407	3,375,030

6. FINANCIAL ASSETS (continued)**6.2 Loans**

	30 June 2021			31 December 2020		
	Cost VND	Provision VND	Fair value VND	Cost VND	Provision VND	Fair value VND
1. Margin loans	2,511,377,598,183	(1,922,794,815)	2,509,454,803,368	1,920,554,807,820	(3,342,102,022)	1,917,212,705,798
2. Advances to customers	93,778,956,876	-	93,778,956,876	183,845,179,961	-	183,845,179,961
TOTAL	2,605,156,555,059	(1,922,794,815)	2,603,233,760,244	2,104,399,987,781	(3,342,102,022)	2,101,057,885,759

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 sold or liquidated.

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 Kim Eng Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2021 and for the six-month period then ended

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6. FINANCIAL ASSETS (continued)

6.3 Provision for impairment of financial assets and mortgage assets

	For the six- month period ended 30 June 2021 VND	For the six- month period ended 30 June 2020 VND
Beginning balance	3,342,102,022	3,392,102,022
Reversal of provision during the period	(1,419,307,207)	-
Ending balance	1,922,794,815	3,392,102,022

7. RECEIVABLES

	30 June 2021 VND	31 December 2020 VND
Receivables from services provided by the Company	15,858,395,228	28,509,402,709
- Advisory and auction fees receivable	12,551,941,000	25,355,000,000
- Brokerage fees receivable	2,530,135,188	1,215,197,225
- Custodian fees receivable from investors	776,319,040	1,939,205,484
Receivables and accruals from dividend and interest income from financial assets	19,873,963,739	15,263,038,621
- Accrued interest from margin loans	19,834,812,299	14,839,527,980
- Accrued interest from advances to customers	39,151,440	297,264,066
- Accrued interest from term deposits	-	126,246,575
Advances to suppliers	221,843,000	38,378,358
Receivables from sale of financial assets	-	517,500
Other receivables	4,249,997,032	205,048,856
	40,204,198,999	44,016,386,044
Provision for impairment of other receivables	(115,300,395)	(115,300,395)
TOTAL	40,088,898,604	43,901,085,649

8. OTHER CURRENT ASSETS

	30 June 2021 VND	31 December 2020 VND
Advances	50,015,648	33,500,000
Short-term prepaid expenses	6,415,093,102	2,345,428,898
- System maintenance	3,333,412,949	1,856,904,007
- Information expense	1,372,932,384	-
- Health and career insurance	401,851,596	-
- Prepaid rental	209,242,896	234,020,376
- Office supplies expense	54,249,524	44,987,774
- Other short-term prepaid expenses	1,043,403,753	209,516,741
TOTAL	6,465,108,750	2,378,928,898

9. TANGIBLE FIXED ASSETS

	Office equipment VND	Transportation and vehicles VND	Others VND	Total VND
Cost				
Beginning balance	49,501,725,325	3,052,011,905	954,064,162	53,507,801,392
New purchase	1,488,200,000	-	-	1,488,200,000
Ending balance	50,989,925,325	3,052,011,905	954,064,162	54,996,001,392
Accumulated depreciation				
Beginning balance	38,756,043,609	3,052,011,905	910,288,745	42,718,344,259
Depreciation charge	1,830,415,525	-	9,476,500	1,839,892,025
Ending balance	40,586,459,134	3,052,011,905	919,765,245	44,558,236,284
Net carrying amount				
Beginning balance	10,745,681,716	-	43,775,417	10,789,457,133
Ending balance	10,403,466,191	-	34,298,917	10,437,765,108

The cost of tangible fixed assets that are fully depreciated but still in use as at 30 June 2021 is VND35,397,997,587 (31 December 2020: VND35,368,497,587).

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10. INTANGIBLE FIXED ASSETS

	<i>Computer software</i> <i>VND</i>
Cost	
Beginning balance	29,807,134,235
New purchase	240,000,000
Ending balance	30,047,134,235
Accumulated amortization	
Beginning balance	24,702,154,424
Amortization charged	738,923,628
Ending balance	25,441,078,052
Net carrying amount	
Beginning balance	5,104,979,811
Ending balance	4,606,056,183

The cost of intangible fixed assets that are fully depreciated but in use as at 30 June 2021 is VND23,290,802,235 (31 December 2020: VND19,316,946,518).

11. LONG-TERM PREPAID EXPENSES

	<i>30 June 2021</i> <i>VND</i>	<i>31 December 2020</i> <i>VND</i>
System maintenance	1,489,337,127	1,837,281,014
Office renovation	19,605,060	127,049,772
TOTAL	1,508,942,187	1,964,330,786

12. DEPOSITS TO SETTLEMENT ASSISTANCE FUND

Deposits to settlement assistance fund represent amounts deposited to Settlement Assistance Fund and contributed to Clearing Fund at Vietnam Securities Depository.

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.

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 direct clearing members.

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12. DEPOSITS TO SETTLEMENT ASSISTANCE FUND (continued)

Movements of the fund during the period are as follows:

	30 June 2021 VND	31 December 2020 VND
Beginning balance	30,018,187,023	30,000,000,000
Contribution during the period	11,610,613	18,187,023
Ending balance	30,029,797,636	30,018,187,023

13. SHORT-TERM BORROWINGS

	Beginning balance VND	Additional borrowings during the period VND	Repayment during the period VND	Ending balance VND
Short-term borrowings	855,736,090,000	4,992,013,530,000	(4,602,321,810,000)	1,245,427,810,000

Short term loans include unsecured loans in foreign currency from foreign organizations bearing interest rate at 2.09 - 2.13% per annum. Short term loans are used to supplement working capital.

14. SHORT-TERM TRADE PAYABLES

	30 June 2021 VND	31 December 2020 VND
Payables services expenses to related parties	7,525,965,292	6,753,466,002
Other payables	525,356,287	66,705,344
TOTAL	8,051,321,579	6,820,171,346

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15. STATUTORY OBLIGATIONS

No.	Items	Beginning balance VND	Payable VND	Paid VND	Ending balance VND
1	Personal income tax	5,635,598,533	45,764,103,303	(43,135,306,513)	8,264,395,323
	-Of the Company	1,369,758,754	15,193,352,610	(14,523,339,045)	2,039,772,319
	-Of the investors	4,265,839,779	30,570,750,693	(28,611,967,468)	6,224,623,004
2	Foreign contractor withholding tax	1,039,663,566	2,801,667,204	(2,657,466,269)	1,183,864,501
3	Corporate income tax	12,565,595,314	34,332,790,993	(32,923,004,200)	13,975,382,107
	-Of the Company	10,453,409,305	18,940,370,992	(17,913,973,399)	11,479,806,898
	-Of the corporate investors	2,112,186,009	15,392,420,001	(15,009,030,801)	2,495,575,209
4	Business tax	-	8,000,000	(8,000,000)	-
5	Value added tax	2,147,357,242	1,622,617,540	(2,620,784,084)	1,149,190,698
	TOTAL	21,388,214,655	84,529,179,040	(81,344,561,066)	24,572,832,629

16. SHORT-TERM EXPENSE PAYABLES

	30 June 2021 VND	31 December 2020 VND
Transaction costs	4,810,825,897	3,392,845,096
Accrued interest expenses	2,872,584,200	892,438,901
Accrued expenses	1,511,783,243	1,855,394,407
Professional fees	851,296,344	846,850,094
Custody fees	333,896,845	350,462,772
TOTAL	10,380,386,529	7,337,991,270

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as at 30 June 2021 and for the six-month period then ended

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17. DEFERRED TAX LIABILITY

	30 June 2021 VND	31 December 2020 VND
Deferred tax liability		
Depreciation of fixed assets	125,789,383	125,789,383

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:

	<i>Statement of financial position</i>		<i>Income statement</i>	
	30 June 2021 VND	31 December 2020 VND	For the six-month period ended 30 June 2021 VND	For the six-month period ended 30 June 2020 VND
Deferred tax liability				
Depreciation of fixed assets	125,789,383	125,789,383	-	-

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18. OWNER'S EQUITY

	Contributed capital VND	Capital supplementary reserve VND	Operational risk and financial reserve VND	Undistributed profit VND	Total VND
Beginning balance	1,056,110,000,000	20,197,458,918	20,197,458,919	336,210,648,803	1,432,715,566,640
- Capital increase	688,890,000,000	-	-	-	688,890,000,000
- Net profit for the period	-	-	-	75,980,426,245	75,980,426,245
- Profit appropriations to reserves	-	3,796,831,889	3,796,831,890	(7,593,663,779)	-
Ending balance	1,745,000,000,000	23,994,290,807	23,994,290,809	404,597,411,269	2,197,585,992,885

During the period, the Company increased its charter capital from VND 1,056,110,000,000 to VND 1,745,000,000,000 according to Decision No. 02/2021/QĐ-CSH dated 10 June 2021. According to the Adjustment License - License for establishment and operation of a securities company No. 56/GPDC-UBCK issued by the State Securities Commission of Vietnam on 19 July 2021, the Company's charter capital is 1,745,000,000,000 VND.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
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19. DISCLOSURE OF OFF-BALANCE SHEET ITEMS

19.1 Foreign currencies (original currency)

	30 June 2021	31 December 2020
USD	8,259.17	175,388.28
SGD	-	811.30

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

	30 June 2021 VND	31 December 2020 VND
Unrestricted financial assets	28,020,000	1,120,000

19.3 Investors' financial assets listed/registered at VSD

	30 June 2021 VND	31 December 2020 VND
Unrestricted financial assets	7,601,997,040,000	7,745,447,510,000
- Shares	7,601,997,040,000	7,745,447,510,000
Restricted financial assets	182,622,610,000	171,514,750,000
Mortgaged financial assets	106,050,000,000	65,450,000,000
Blocked financial assets	3,229,750,000	-
Financial assets awaiting settlement	160,815,640,000	297,132,920,000
TOTAL	8,054,715,040,000	8,279,545,180,000

19.4 Investors' non-traded financial assets deposited at VSD

	30 June 2021 VND	31 December 2020 VND
Unrestricted and non-traded financial assets deposited at VSD	1,689,708,730,000	1,374,784,600,000
Restricted and non-traded financial assets deposited at VSD	76,506,680,000	242,102,600,000
Mortgaged and non-traded financial assets deposited at VSD	71,357,710,000	67,107,710,000
TOTAL	1,837,573,120,000	1,683,994,910,000

19.5 Investors' financial assets awaiting arrival

	30 June 2021 VND	31 December 2020 VND
Shares	197,523,260,000	215,967,440,000

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

19.6 Investors' deposits

	30 June 2021 VND	31 December 2020 VND
Investors' deposits for securities trading activities managed by the Company	645,199,001,263	433,128,339,491
- Domestic investors' deposits	591,824,892,879	382,817,833,225
- Foreign investors' deposits	53,374,108,384	50,310,506,266
Investors' collective deposits for securities trading activities	425,075,270,628	215,916,499,562
- Domestic investors' deposits	421,180,261,646	207,861,508,697
- Foreign investors' deposits	3,895,008,982	8,054,990,865
Investors' deposits for securities transaction clearing and settlement	85,068,239,172	275,648,638,888
- Domestic investors' deposits	82,896,768,154	271,976,890,753
- Foreign investors' deposits	2,171,471,018	3,671,748,135
TOTAL	1,155,342,511,063	924,693,477,941

19.7 Payables to investors

	30 June 2021 VND	31 December 2020 VND
Payables to investors - Investors' deposits for securities trading activities managed by the Company	1,155,342,511,063	924,693,339,597
- Domestic investors	1,096,013,332,679	863,088,914,331
- Foreign investors	59,329,178,384	61,604,425,266
Dividend, bond principal and interest payables	-	138,344
TOTAL	1,155,342,511,063	924,693,477,941

20. OPERATING REVENUE

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

	For the six-month period ended 30 June 2021 VND	For the six-month period ended 30 June 2020 VND
From FVTPL financial assets	604,019,639	6,051,587,184
- Interest income from term deposits	437,726,027	5,783,280,823
- Dividend for FVTPL financial assets	391,100	19,916
- Others	165,902,512	268,286,445
Loans and receivables	111,277,049,431	83,386,310,446
- Interest from margin loans	107,152,760,519	81,839,304,063
- Interest from advances to customers	4,124,288,912	1,547,006,383
TOTAL	111,881,069,070	89,437,897,630

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20. OPERATING REVENUE (continued)

20.2 Revenue other than gain/loss from financial assets

	<i>For the six-month period ended 30 June 2021 VND</i>	<i>For the six-month period ended 30 June 2020 VND</i>
Revenue from brokerage services	140,427,304,336	62,234,637,385
Revenue from financial advisory services	11,815,222,360	12,042,867,840
Revenue from securities custodian services	2,183,218,380	2,335,949,881
Other revenue	3,334,766,090	3,676,740,085
- Research fee and other fee incomes	3,334,766,090	3,676,740,085
TOTAL	157,760,511,166	80,290,195,191

21. PROVISION EXPENSE FOR IMPAIRMENT OF FINANCIAL ASSETS, LOSS FROM DOUBTFUL RECEIVABLES AND BORROWING COSTS OF LOANS

	<i>For the six-month period ended 30 June 2021 VND</i>	<i>For the six-month period ended 30 June 2020 VND</i>
Interest expense	13,704,873,672	13,935,854,899
Reversal expense for impairment of other receivables	-	(89,812,500)
TOTAL	13,704,873,672	13,846,042,399

22. EXPENSES FOR BROKERAGE SERVICES

	<i>For the six-month period ended 30 June 2021 VND</i>	<i>For the six-month period ended 30 June 2020 VND</i>
Personnel expenses, bonus and welfare expenses	51,319,542,504	23,198,963,499
External services expenses	49,093,787,578	25,735,825,643
Social insurance, health insurance, unemployment insurance and union fee	1,032,724,131	854,889,830
Depreciation and amortization	544,297,304	385,311,506
Office supplies expenses	44,985,072	36,115,432
Expenses related to instruments and tools	25,048,335	20,333,120
TOTAL	102,060,384,924	50,231,439,030

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23. FINANCE INCOME

	<i>For the six-month period ended 30 June 2021 VND</i>	<i>For the six-month period ended 30 June 2020 VND</i>
Interest income from demand deposits	2,155,248,911	1,884,919,734
Foreign exchange rate differences	112,642,047	86,799,318
TOTAL	2,267,890,958	1,971,719,052

24. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>For the six-month period ended 30 June 2021 VND</i>	<i>For the six-month period ended 30 June 2020 VND</i>
Personnel expenses, bonus and welfare expenses	33,797,918,813	28,521,231,486
External services expenses	13,883,456,614	12,242,079,259
Social insurance, health insurance, unemployment insurance and union fee	2,854,364,291	2,600,982,789
Depreciation and amortization	2,023,506,609	2,742,160,155
Expenses related to instruments and tools	88,487,121	89,980,230
Office supplies expenses	51,499,249	43,737,596
Others	8,174,000	8,000,000
TOTAL	52,707,406,697	46,248,171,515

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 interim financial statements can be changed by the final decision of the tax authorities.

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 interim 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.

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25. CORPORATE INCOME TAX (continued)

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

	<i>For the six-month period ended 30 June 2021 VND</i>	<i>For the six-month period ended 30 June 2020 VND</i>
Profit before tax	94,920,797,237	53,817,481,721
CIT at current tax rate (20%)	18,984,159,447	10,763,496,344
Adjustments to increase	(43,788,455)	9,416,581
- Previous period adjustments after finalization	(43,788,455)	9,416,581
CIT expense	18,940,370,992	10,772,912,925

26. OTHER INFORMATION

26.1 Related party transactions

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>For the six-month period ended 30 June 2021 VND</i>	<i>For the six-month period ended 30 June 2020 VND</i>
Maybank Kim Eng Holdings Limited	Parent company	Borrowings	4,992,013,530,000	1,493,117,340,000
		Borrowings repayment	4,602,321,810,000	1,724,461,840,000
		Interest paid	6,520,594,003	3,106,719,141
		Accrued interest	2,077,427,732	322,632,796
Maybank International Labuan Branch	Branch of ultimate parent company	Borrowings	-	2,102,105,380,000
		Borrowings repayment	-	1,867,963,590,000
		Interest paid	-	4,266,501,793
		Accrued interest	-	482,341,820
Maybank Kim Eng Securities Pte. Ltd.	Subsidiary of Maybank Kim Eng Holdings	Commission expense	8,050,779,048	8,403,101,664
		Brokerage income	111,443,248	37,531,043
Maybank Kim Eng Securities (Thailand) Public Company Ltd	Subsidiary of Maybank Kim Eng Holdings	Brokerage fee received	392,812,176	273,575,249

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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>For the six-month period ended 30 June 2021 VND</i>	<i>For the six-month period ended 30 June 2020 VND</i>
Malayan Banking Berhad - Ho Chi Minh Branch	Branch of ultimate parent company	Swap fee expenses	3,672,698,102	4,123,133,103
		Accrued swap fee expenses	477,470,401	350,471,820
		Bank fee paid	57,536,779	46,263,636
		Interest received	4,131,245	1,315,050
Maybank Kim Eng Research Pte. Ltd.	Subsidiary of Maybank Kim Eng Holdings	Research fee received	3,334,766,090	3,676,740,085
		Research fee paid	1,316,445,840	1,482,173,585
Ong Asia Securities (HK) Limited	Related party	Advisory fee	417,822,360	420,367,840
May Bank Kim Eng Securities USA	Subsidiary of Maybank Kim Eng Holdings	Commission expense	6,606,643,278	-
Management		Salary and remuneration	10,954,662,461	11,058,853,564

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>30 June 2021 VND</i>	<i>31 December 2020 VND</i>
Maybank Kim Eng Holdings Limited	Parent company	Borrowings	(1,245,427,810,000)	(855,736,090,000)
		Interest payables	(1,973,556,437)	(804,896,602)
Maybank Kim Eng Securities Pte. Ltd.	Subsidiary of Maybank Kim Eng Holdings	Commission payables	(4,285,083,705)	(5,335,130,532)
		Arrangement fee	-	40,606,959
		Other payable	(800,612,359)	(855,457,898)

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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>30 June 2021 VND</i>	<i>31 December 2020 VND</i>
Malayan Banking Berhad - Ho Chi Minh Branch	Branch of ultimate parent company	Swap fees payable	(477,470,401)	(87,542,299)
Maybank Kim Eng Securities (Thailand) Public Company Ltd	Subsidiary of Maybank Kim Eng Holdings	Sales payables at the end of the month	(132,328,350)	(1,226,241,212)
Maybank Investment Bank Berhad	Branch of ultimate parent company	Information fee payables	(562,877,572)	(562,877,572)
Ong Asia Securities (HK) Limited	Related party	Arrangement fee receivable	459,604,596	-
May Bank Kim Eng Securities USA	Subsidiary of Maybank Kim Eng Holdings	Commission fee payable	(626,768,108)	-

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:

	<i>30 June 2021 VND</i>	<i>31 December 2020 VND</i>
Less than 1 year	4,008,748,665	9,163,585,990
From 1 to 5 years	2,030,823,630	2,480,476,380
TOTAL	6,039,572,295	11,644,062,370

26. OTHER INFORMATION (continued)

26.3 Purposes and policies of financial risk management

Financial liabilities of the Company mainly comprised of loans and 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 loans and borrowings, deposits and securities investments.

Interest rate risk

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

The Company manages interest rate risk by looking at the competitive structure of the market to obtain 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 exposure to interest-rate risk is minimal at the reporting date.

26. OTHER INFORMATION (continued)

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

Market risk (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).

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 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 as illustrated in *Note 4*. 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 as mentioned in *Note 6*, 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 Jun 2021.

26. OTHER INFORMATION (continued)**26.3 Purposes and policies of financial risk management (continued)****Credit risk (continued)**

	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 2021						
Term deposits	811,669,674,742	-	-	-	-	811,669,674,742
Loans	2,603,233,760,244	-	-	-	-	2,605,156,555,059
Other financial assets	40,088,898,604	-	-	-	-	40,204,198,999
TOTAL	3,454,992,333,590	-	-	-	-	3,457,030,428,800

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.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2021 and for the six-month period then ended

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 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						
Financial assets at FVTPL	-	-	131,231,850	-	-	131,231,850
Loans	1,922,794,815	-	2,603,233,760,244	-	-	2,605,156,555,059
Receivables from services provided by the Company	-	-	15,858,395,228	-	-	15,858,395,228
Other receivables	115,300,395	-	24,230,503,376	-	-	24,345,803,771
Cash and cash equivalents	-	811,715,020,501	-	-	-	811,715,020,501
TOTAL	2,038,095,210	811,715,020,501	2,643,453,890,698	-	-	3,457,207,006,409
Financial liabilities						
Short-term borrowings	-	-	1,245,427,810,000	-	-	1,245,427,810,000
Payables from securities transaction activities	-	-	22,741,276	-	-	22,741,276
Short-term trade payables	-	-	8,051,321,579	-	-	8,051,321,579
Short-term expense payables	-	-	10,380,386,529	-	-	10,380,386,529
Other liabilities	-	-	469,364,719	-	-	469,364,719
TOTAL	-	-	1,264,351,624,103	-	-	1,264,351,624,103
Net liquidity difference	2,038,095,210	811,715,020,501	1,379,102,266,595	-	-	2,192,855,382,306

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.

Maybank Kim Eng Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
as at 30 June 2021 and for the six-month period then ended

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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.

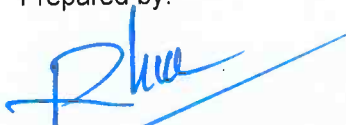
This ratio is calculated and disclosed in the financial safety ratio report on a monthly basis and complied with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratios and remedies applicable to securities companies that fail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

At 30 June 2021, ratio available capital of company is 2894%.

27. EVENT AFTER THE REPORTING DATE

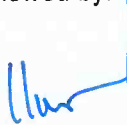
There is no matter or circumstance that has arisen since the balance sheet date that required adjustment or disclosure in the financial statements of the Company.

Prepared 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 July 2021