

**Maybank Securities Limited**

Interim financial statements

For the six-month period ended 30 June 2022



# Maybank Securities Limited

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# 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, 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 30 June 2022, the Company's charter capital was VND2,200,000,000,000 and total assets amounted to VND3,625,004,874,028.

#### *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/resignation</i>
Ms. Che Zakiah Binti Che Din	Chairman	Appointed on 15 September 2021
Mr. Rajiv Vijendran	Member	Appointed on 30 December 2019
Mr. Lok Eng Hong	Member	Appointed on 7 August 2020
Mr. Nguyen The Tho	Independence member	Appointed on 25 March 2022
Mr. Mohamad Yasin Bin Abdullah	Member	Resigned on 27 May 2022

### 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</i>
Mr. Kim Thien Quang	Chief Executive Officer	Appointed on 12 August 2015
Ms. Nguyen Thi Thuy	Chief Financial Officer	Appointed on 8 April 2022
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
Mr. Nguyen Bao Toan	Head, Individual Customers	Appointed on 1 April 2021
Mr. Quan Trong Thanh	Head, Institutional Research	Appointed on 1 April 2021
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 2022.

### 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 2022, 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

11 August 2022

Reference: 60994674/66782640-R

## 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 11 August 2022 and set out on pages 6 to 48, which comprise the interim statement of financial position as at 30 June 2022, 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 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***

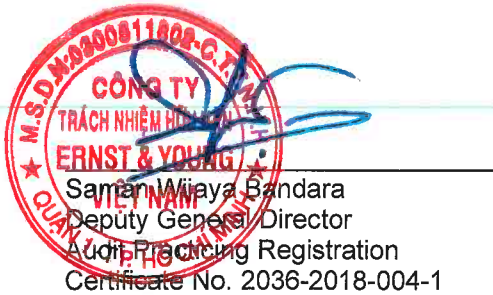
Our responsibility is to express an opinion on the interim financial statements based on our review. We concluded our review in accordance with Vietnamese Standards on Review No. 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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 2022, 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 Practising Registration  
Certificate No. 2036-2018-004-1

Ho Chi Minh City, Vietnam

11 August 2022

1910325/11



# Maybank Securities Limited

INTERIM STATEMENT OF FINANCIAL POSITION  
30 June 2022

B01a-CTCK

Code	Items	Notes	30 June 2022 VND	31 December 2021 VND
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>3,566,234,616,213</b>	<b>4,901,351,898,557</b>
<b>110</b>	<b>I. Financial assets</b>		<b>3,555,019,970,850</b>	<b>4,893,811,347,869</b>
111	1. Cash and cash equivalents	4	241,394,466,054	798,183,574,318
111.1	1.1 Cash		241,394,466,054	798,183,574,318
112	2. Financial assets at fair value through profit and loss (FVTPL)	6.1	104,705,410	50,230,550
114	3. Loans	6.2	3,278,419,245,760	4,062,557,148,079
116	4. Provision for impairment of financial assets and mortgage assets	6.3	-	(1,922,794,815)
117	5. Receivables	7	27,191,843,761	30,167,284,260
117.2	5.1 Receivables and accruals from dividend and interest income		27,191,843,761	30,167,284,260
117.4	5.1.1 Accruals for dividend and interest income		27,191,843,761	30,167,284,260
118	6. Advances to suppliers	7	63,000,000	1,488,454,618
119	7. Receivables from services provided by the Company	7	1,939,325,853	3,281,712,052
122	8. Other receivables	7	5,907,384,012	121,039,202
129	9. Provision for impairment of receivables	7	-	(115,300,395)
<b>130</b>	<b>II. Other current assets</b>		<b>11,214,645,363</b>	<b>7,540,550,688</b>
131	1. Advances		123,355,870	81,884,006
133	2. Short-term prepaid expenses	11	11,091,289,493	7,458,666,682
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>58,770,257,815</b>	<b>56,897,540,772</b>
<b>220</b>	<b>I. Fixed assets</b>		<b>17,289,504,024</b>	<b>13,863,814,174</b>
221	1. Tangible fixed assets	8	12,967,111,530	9,656,145,377
222	- Cost		57,012,618,190	53,696,187,881
223a	- Accumulated depreciation		(44,045,506,660)	(44,040,042,504)
227	2. Intangible fixed assets	9	4,322,392,494	4,207,668,797
228	- Cost		30,803,921,409	29,982,921,409
229a	- Accumulated amortization		(26,481,528,915)	(25,775,252,612)
<b>240</b>	<b>II. Constructions in progress</b>	<b>10</b>	<b>850,025,000</b>	<b>5,571,648,645</b>
<b>250</b>	<b>III. Other non-current assets</b>		<b>40,630,728,791</b>	<b>37,462,077,953</b>
251	1. Long-term deposits, collaterals and pledges		3,720,514,641	6,307,038,378
252	2. Long-term prepaid expenses	11	6,860,353,571	1,115,140,746
254	3. Deposits to Settlement Assistance Fund and Clearing Fund	12	30,049,860,579	30,039,898,829
<b>270</b>	<b>TOTAL ASSETS</b>		<b>3,625,004,874,028</b>	<b>4,958,249,439,329</b>



# Maybank Securities Limited

INTERIM STATEMENT OF FINANCIAL POSITION (continued)  
30 June 2022

B01a-CTCK

Code	Items	Notes	30 June 2022 VND	31 December 2021 VND
<b>300</b>	<b>C. LIABILITIES</b>		<b>783,153,312,936</b>	<b>2,179,989,962,824</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>782,931,613,207</b>	<b>2,179,768,263,095</b>
311	1. Short-term borrowings		718,587,640,000	2,087,710,000,000
312	1.1 Short-term borrowings	13	718,587,640,000	2,087,710,000,000
318	2. Payables for securities transaction activities		18,994,715	23,485,870
320	3. Short-term trade payables	15	6,041,197,938	3,609,056,450
321	4. Short-term advances from customers		280,332,000	280,332,000
322	5. Statutory obligations	14	23,012,995,792	35,671,766,524
323	6. Payables to employees		19,780,608,889	38,763,392,912
325	7. Short-term expense payables	16	14,966,327,741	13,408,075,207
329	8. Other current liabilities		243,516,132	302,154,132
<b>340</b>	<b>II. Non-current liabilities</b>		<b>221,699,729</b>	<b>221,699,729</b>
356	1. Deferred tax liabilities	17	221,699,729	221,699,729
<b>400</b>	<b>D. OWNER'S EQUITY</b>		<b>2,841,851,561,092</b>	<b>2,778,259,476,505</b>
<b>410</b>	<b>I. Owner's equity</b>	<b>18</b>	<b>2,841,851,561,092</b>	<b>2,778,259,476,505</b>
411	1. Contributed capital		2,200,000,000,000	2,200,000,000,000
414	2. Capital supplementary reserve		35,890,779,180	30,282,760,506
415	3. Operational risk and financial reserve		35,890,779,182	30,282,760,507
417	4. Undistributed profit		570,070,002,730	517,693,955,492
417.1	4.1. Realized profit		570,090,828,378	517,696,075,217
417.2	4.2. Unrealized profit		(20,825,648)	(2,119,725)
<b>440</b>	<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>		<b>3,625,004,874,028</b>	<b>4,958,249,439,329</b>

# Maybank Securities Limited

INTERIM STATEMENT OF FINANCIAL POSITION (continued)  
30 June 2022

B01a-CTCK

## OFF-BALANCE SHEET ITEMS

Code	Items	Notes	30 June 2022 VND	31 December 2021 VND
	<b>A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS</b>			
005	1. Foreign currencies (original currency) USD	19.1	1.32	19,991,213.97
008	2. Financial assets listed/registered for trading at Viet Nam Securities Depository ("VSD") of the Company	19.2	29,260,000	10,720,000
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS</b>			
021	1. Investors' financial assets listed/ registered at VSD	19.3	8,931,442,990,000	8,520,475,320,000
021.1	- <i>Unrestricted and traded financial assets</i>		8,407,041,210,000	7,944,884,640,000
021.2	- <i>Restricted and traded financial assets</i>		208,393,770,000	176,720,450,000
021.3	- <i>Mortgaged and traded financial assets</i>		130,716,700,000	82,450,000,000
021.4	- <i>Blocked financial assets</i>		79,675,180,000	4,675,180,000
021.5	- <i>Financial assets awaiting settlement</i>		105,616,130,000	311,745,050,000
022	2. Investors' non-traded financial assets deposited at VSD	19.4	1,652,947,140,000	1,432,028,240,000
022.1	- <i>Unrestricted and non-traded financial assets</i>		1,550,696,960,000	1,338,515,530,000
022.2	- <i>Restricted and non-traded financial assets</i>		68,435,520,000	81,614,050,000
022.3	- <i>Mortgaged and non-traded financial assets</i>		33,814,660,000	11,898,660,000
023	3. Investors' financial assets awaiting arrival	19.5	132,795,070,000	239,686,950,000

# Maybank Securities Limited

INTERIM STATEMENT OF FINANCIAL POSITION (continued)  
30 June 2022

B01a-CTCK

## OFF-BALANCE SHEET ITEMS (continued)

Code	Items	Notes	30 June 2022 VND	31 December 2021 VND
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)</b>			
026	4. Investors' deposits	19.6	783,277,578,497	1,045,740,777,851
027	4.1 Investors' deposits for securities trading activities managed by the Company		523,789,009,097	495,800,124,851
028	4.2 Investors' collective deposits for securities trading activities		168,957,485,267	346,085,329,607
029	4.3 Investors' deposits for securities transaction clearing and settlement		90,531,084,133	203,855,323,393
029.1	- Domestic investors' deposits for securities transaction clearing and settlement		90,520,920,081	203,784,365,004
029.2	- Foreign investors' deposits for securities transaction clearing and settlement		10,164,052	70,958,389
031	5. Payables to investors - investors' deposits for securities trading activities managed by the Company	19.7	783,267,845,980	1,045,740,761,180
031.1	5.1 Domestic investors' deposits for securities trading activities managed by the Company		726,626,633,884	991,457,772,774
031.2	5.2 Foreign investors' deposits for securities trading activities managed by the Company		56,641,212,096	54,282,988,406
035	6. Dividend, bond principal and interest payables	19.7	9,732,517	16,671

Preparer by:



Nguyen Thi Minh Hong  
Accountant

Reviewed by:



Tran Thi Ngoc Huong  
Chief Accountant

Approved by:



Nguyen Thi Thuy  
Chief Financial Officer

Approved by:



Kim Thien Quang  
Chief Executive Officer

Ho Chi Minh City, Vietnam

11 August 2022

# Maybank Securities Limited

INTERIM INCOME STATEMENT  
for the six-month period ended 30 June 2022

B02a-CTCK

Code	Items	Notes	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
	<b>I. OPERATING REVENUE</b>			
01	1. Revenue from financial assets at fair value through profit and loss (FVTPL)	20.1	2,386,006,291	604,019,639
01.1	1.1 Gain from disposal of financial assets at FVTPL		445,867,605	120,378,488
01.2	1.2 Gain from revaluation of financial assets at FVTPL		12,489,021	45,524,024
01.3	1.3 Dividend, interest income from financial assets at FVTPL		1,927,649,665	438,117,127
03	2. Revenue from loans and receivables	20.1	184,364,595,744	111,277,049,431
06	3. Revenue from brokerage services	20.2	145,723,711,052	140,427,304,336
09	4. Revenue from securities custodian services	20.2	1,863,568,066	2,183,218,380
10	5. Revenue from financial advisory services	20.2	-	11,815,222,360
11	6. Other revenue	20.2	5,362,798,127	3,334,766,090
<b>20</b>	<b>Total operating revenue</b>		<b>339,700,679,280</b>	<b>269,641,580,236</b>
	<b>II. OPERATION EXPENSES</b>			
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		69,005,566	6,807,860
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	6,807,860
24	2. Provision expense for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	21	29,282,219,976	13,704,873,672
27	3. Expenses for brokerage services	22	108,604,215,455	102,060,384,924
30	4. Expenses for securities custodian services		3,740,276,351	3,462,694,936
31	5. Expenses for financial advisory services		4,991,995,560	6,336,599,998
<b>40</b>	<b>Total operating expenses</b>		<b>146,687,712,908</b>	<b>125,571,361,390</b>
	<b>III. FINANCE INCOME</b>			
41	1. Realized and unrealized gain from changes in foreign exchange rates		-	112,642,047
42	2. Dividend and interest income from demand deposits		2,277,304,383	2,155,248,911
<b>50</b>	<b>Total finance income</b>	<b>23</b>	<b>2,277,304,383</b>	<b>2,267,890,958</b>

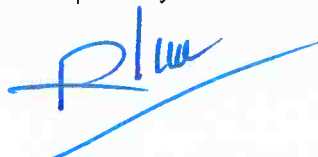
# Maybank Securities Limited

INTERIM INCOME STATEMENT (continued)  
for the six-month period ended 30 June 2022

B02a-CTCK

Code	Items	Notes	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
	<b>IV. FINANCE EXPENSES</b>			
51	1. Realized and unrealized loss from changes in foreign exchange rates		148,587,696	129,213,077
60	<b>Total finance expenses</b>		<b>148,587,696</b>	<b>129,213,077</b>
62	<b>V. GENERAL AND ADMINISTRATIVE EXPENSES</b>	24	<b>55,396,398,017</b>	<b>52,707,406,697</b>
70	<b>VI. OPERATING PROFIT</b>		<b>139,745,285,042</b>	<b>93,501,490,030</b>
	<b>VII. OTHER INCOME AND OTHER EXPENSES</b>			
71	1. Other income		455,181,818	1,419,307,207
80	<b>Total other operating profit</b>		<b>455,181,818</b>	<b>1,419,307,207</b>
90	<b>VIII. PROFIT BEFORE TAX</b>		<b>140,200,466,860</b>	<b>94,920,797,237</b>
91	1. Realized profit		140,221,292,508	94,890,977,028
92	2. Unrealized (loss)/profit		(20,825,648)	29,820,209
100	<b>IX. CORPORATE INCOME TAX (CIT) EXPENSES</b>	25	<b>28,308,382,273</b>	<b>18,940,370,992</b>
100.1	1. Current CIT expenses	25.1	28,308,382,273	18,940,370,992
200	<b>X. PROFIT AFTER TAX</b>		<b>111,892,084,587</b>	<b>75,980,426,245</b>
400	<b>TOTAL COMPREHENSIVE INCOME</b>		<b>111,892,084,587</b>	<b>75,980,426,245</b>

Preparer by:



Nguyen Thi Minh Hong  
Accountant

Reviewed by:



Tran Thi Ngoc Huong  
Chief Accountant

Approved by:



Nguyen Thi Thuy  
Chief Financial Officer

Approved by:



Kim Thien Quang  
Chief Executive Officer



Ho Chi Minh City, Vietnam

11 August 2022



# Maybank Securities Limited

INTERIM STATEMENT OF CASH FLOWS  
for the six-month period ended 30 June 2022

B03b-CTCK

Code	Items	Notes	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>1. Net profit before tax</b>		<b>140,200,466,860</b>	<b>94,920,797,237</b>
02	<b>2. Adjustments for:</b>		<b>422,388,341</b>	<b>(7,602,947,659)</b>
03	- Depreciation and amortization	9,10	2,992,147,992	2,578,815,653
04	- Addition of provisions		-	(1,419,307,207)
07	- Profits from investing activities		(4,204,954,048)	(2,593,366,038)
08	- Accrued interest income		(27,191,843,761)	(19,873,963,739)
09	- Other adjustments		28,827,038,158	13,704,873,672
10	<b>3. Increase in non-monetary expenses</b>		<b>33,315,356</b>	<b>6,807,860</b>
11	Loss from revaluation of financial assets at FVTPL		33,315,356	6,807,860
18	<b>4. Decrease in non-monetary income</b>		<b>(12,489,021)</b>	<b>(45,524,024)</b>
19	Gain from revaluation of financial assets at FVTPL		(12,489,021)	(45,524,024)
30	<b>5. Operating income before changing in working capital</b>		<b>140,643,681,536</b>	<b>87,279,133,414</b>
31	Increase financial assets at FVTPL		(75,301,195)	(89,140,656)
33	Decrease/(increase) in loans		782,215,107,504	(500,756,567,278)
36	Decrease in receivables and accruals from dividend and interest income		30,167,284,260	15,263,556,121
37	Decrease in receivables from services rendered by the Company		1,342,386,199	12,651,007,481
39	Increase in other receivables		(4,476,190,587)	(4,228,412,818)
40	Decrease/(increase) in other assets		2,535,090,123	(28,126,261)
41	(Decrease)/increase in accrued expenses (excluded interest expenses)		(4,437,737,386)	5,022,540,558
42	Decrease in prepaid expenses		(9,377,835,636)	(3,614,275,605)
43	Corporate income tax paid	14	(34,817,558,115)	(17,913,973,399)
44	Interest paid		(23,286,230,056)	(15,685,018,971)
45	Increase in trade payables		2,432,141,488	1,231,150,233
47	(Decrease)/increase in statutory obligations (excluded CIT paid)		(6,149,594,890)	2,158,220,381
48	(Decrease)/increase in payables to employees		(18,982,784,023)	2,261,732,542
50	(Decrease)/increase in other payables		(63,129,155)	149,265,976
60	<b>Net cash from/(used in) operating activities</b>		<b>857,669,330,067</b>	<b>(416,298,908,282)</b>

# Maybank Securities Limited

INTERIM STATEMENT OF CASH FLOWS (continued)  
for the six-month period ended 30 June 2022

B03b-CTCK

Code	Items	Notes	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
61	Purchase and construction of fixed assets		(1,696,214,197)	(1,625,100,000)
62	Receipts from the liquidation, assignment or sale of fixed assets and other long-term assets		455,181,818	-
65	Interest and dividends received		4,204,954,048	2,593,366,038
<b>70</b>	<b>Net cash from investing activities</b>		<b>2,963,921,669</b>	<b>968,266,038</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
71	Proceeds from receiving capital contributions of the owners		-	688,890,000,000
73	Drawdown of borrowings	13	4,585,807,000,000	4,992,013,530,000
73.2	Others		4,585,807,000,000	4,992,013,530,000
74	Repayment of borrowings	13	(5,954,929,360,000)	(4,602,321,810,000)
74.3	Others		(5,954,929,360,000)	(4,602,321,810,000)
76	Cash payments of dividends or profits to owners or shareholders		(48,300,000,000)	-
<b>80</b>	<b>Net cash (used in)/from financing activities</b>		<b>(1,417,422,360,000)</b>	<b>1,078,581,720,000</b>
<b>90</b>	<b>NET (DECREASE)/INCREASE IN CASH DURING THE PERIOD</b>		<b>(556,789,108,264)</b>	<b>663,251,077,756</b>
<b>101</b>	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>4</b>	<b>798,183,574,318</b>	<b>148,463,942,745</b>
101.1	Cash		798,183,574,318	98,463,942,745
101.2	Cash equivalents		-	50,000,000,000
<b>103</b>	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>4</b>	<b>241,394,466,054</b>	<b>811,715,020,501</b>
103.1	Cash		241,394,466,054	811,715,020,501



# Maybank Securities Limited

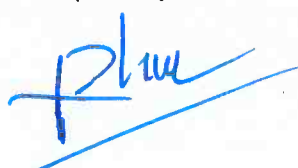
INTERIM STATEMENT OF CASH FLOWS (continued)  
for the six-month period ended 30 June 2022

B03b-CTCK

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

Code	Items	Notes	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
	<b>I. Cash flows from brokerage and trust activities of the customers</b>			
01	1. Cash receipt from disposal of securities to customers		34,806,453,909,771	28,598,170,693,250
02	2. Cash payment for acquisition of securities for customers		(34,249,989,150,343)	(26,104,092,946,656)
07	3. Cash receipt for settlement of securities transactions of customers		37,945,253,026,288	31,362,740,897,780
08	4. Cash payment for settlement of securities transactions of customers		(38,762,317,417,004)	(33,614,354,388,892)
11	5. Custodian fee paid		(1,863,568,066)	(11,815,222,360)
20	<b>Net (decrease)/increase in cash during the period</b>		<b>(262,463,199,354)</b>	<b>230,649,033,122</b>
30	<b>II. Cash and cash equivalents of the customers at the beginning of the period</b>	19.6	<b>1,045,740,777,851</b>	<b>924,693,477,941</b>
31	Cash at banks at the beginning of the period		1,045,740,777,851	924,693,477,941
32	1. Investors' deposits managed by the Company for securities trading activities		495,800,124,851	433,128,339,491
33	2. Investors' collective deposits for securities trading activities		346,085,329,607	215,916,499,562
34	3. Investors' deposits for securities transaction clearing and settlement		203,855,323,393	275,648,638,888
40	<b>III. Cash and cash equivalents of the customers at the end of the period</b>	19.6	<b>783,277,578,497</b>	<b>1,155,342,511,063</b>
41	Cash at banks at the end of the period		783,277,578,497	1,155,342,511,063
42	1. Investors' deposits managed by the Company for securities trading activities		523,789,009,097	645,199,001,263
43	2. Investors' collective deposits for securities trading activities		168,957,485,267	425,075,270,628
44	3. Investors' deposits for securities transaction clearing and settlement		90,531,084,133	85,068,239,172

Preparer by:



Nguyen Thi Minh Hong  
Accountant

Reviewed by:



Tran Thi Ngoc Huong  
Chief Accountant

Approved by:



Nguyen Thi Thuy  
Chief Financial Officer

Approved by:

Kim Thien Quang  
Chief Executive Officer

Ho Chi Minh City, Vietnam

11 August 2022

# Maybank Securities Limited

INTERIM STATEMENT OF CHANGES IN OWNER'S EQUITY  
for the six-month period ended 30 June 2021

B04a-CTCK

ITEMS	Beginning balance		Increase/(decrease)				Ending balance	
	1 January 2021 VND	1 January 2022 VND	Previous period		Current period		30 June 2021 VND	30 June 2022 VND
			Increase VND	Decrease VND	Increase VND	Decrease VND		
<b>I. CHANGES IN OWNER'S EQUITY</b>								
1. Contributed capital	1,056,110,000,000	2,200,000,000,000	688,890,000,000	-	-	-	1,745,000,000,000	2,200,000,000,000
- Regulated capital	250,000,000,000	250,000,000,000	-	-	-	-	250,000,000,000	250,000,000,000
- Supplemental capital	806,110,000,000	1,950,000,000,000	688,890,000,000	-	-	-	1,495,000,000,000	1,950,000,000,000
2. Capital supplementary reserve	20,197,458,918	30,282,760,506	3,796,831,889	-	5,608,018,674	-	23,994,290,807	35,890,779,180
3. Operational risk and financial reserve	20,197,458,919	30,282,760,507	3,796,831,890	-	5,608,018,675	-	23,994,290,809	35,890,779,182
4. Undistributed profit	336,210,648,803	517,693,955,492	75,980,426,245	(7,593,663,779)	111,892,084,587	(59,516,037,349)	404,597,411,269	570,070,002,730
- Realized profit	336,209,264,221	517,696,075,217	75,950,606,036	(7,592,279,197)	111,912,910,235	(59,518,157,074)	404,567,591,060	570,090,828,378
- Unrealized profit	1,384,582	(2,119,725)	29,820,209	(1,384,582)	(20,825,648)	2,119,725	29,820,209	(20,825,648)
<b>TOTAL</b>	<b>1,432,715,566,640</b>	<b>2,778,259,476,505</b>	<b>772,464,090,024</b>	<b>(7,593,663,779)</b>	<b>123,108,121,936</b>	<b>(59,516,037,349)</b>	<b>2,197,585,992,885</b>	<b>2,841,851,561,092</b>

Preparer by:

*Rhue*

Nguyen Thi Minh Hong  
Accountant

Reviewed by:

*Hue*

Tran Thi Ngoc Huong  
Chief Accountant

Approved by:

*IM*

Nguyen Thi Thuy  
Chief Financial Officer



Approved by:

Kim Thien Quang  
Chief Executive Officer

Ho Chi Minh City, Vietnam

11 August 2022

## 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 192 employees as at 30 June 2022 (31 December 2021: 186 employees).

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

#### *Size of operation*

As at 30 June 2022, the Company's charter capital was VND2,200,000,000,000 and total assets amounted to VND3,625,004,874,028.

#### *Investment target*

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

#### *Investment restrictions*

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

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

**2. BASIS OF PREPARATION**

**2.1 Applied accounting standards and system**

The financial statements of the Company expressed in Vietnam Dong ("VND") are prepared in accordance with Vietnamese Enterprise Accounting System, the accounting regulation and guidance applicable to securities companies as set out in Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular No. 334/2016/TT-BTC dated 27 December 2016 amending, supplementing and replacing Appendices No. 02 and No. 04 of Circular No. 210/2014/TT-BTC and Vietnamese Accounting Standard No. 27 - 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 2021 and the Company's interim financial statements for the six-month period ended 30 June 2021, except for the following change in the accounting policies:

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

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

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

Circular 114 takes effect from 1 February 2022.

**3.2 Cash and cash equivalents**

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

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

**3.3 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).

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

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

- b) Upon initial recognition, a financial asset is designated by the entity as at fair value through profit and loss as it meets one of the following criteria:
- The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the asset or recognizing gains or losses on a different basis; or
  - The assets and liabilities are part of a group of financial assets which are managed, and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

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

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

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

**3.4 Loans**

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

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

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

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

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

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

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

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

**3.6 Derecognition of financial assets**

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

- ▶ The rights to receive cash flows from the asset have expired; or
- ▶ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either:
  - The Company has transferred substantially all the risks and rewards of the asset, or
  - The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the initial carrying amount of the asset and the maximum amount that the Company is required to pay.



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

**3.7 Reclassification of financial assets**

*Reclassification when selling financial assets other than FVTPL*

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

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

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

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

**3.8 Receivables**

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

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

The Company has made provision for doubtful receivables in accordance with Circular No. 48/2019/TT-BTC dated 8 August 2020 issued by the Ministry of Finance. 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.14 Payables and accrued expenses**

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

**3.15 Employee benefits**

**3.15.1 Post-employment benefits**

Post-employment benefits are paid to retired employees of the Company by the Social Insurance Agency, which belongs to the Ministry of 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% 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 0% 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 income statement.

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

**3.17 Revenue recognition**

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

*Revenue from brokerage services*

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

*Revenue from trading of securities*

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

*Interest income*

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

*Dividends*

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

*Other revenues from rendering services*

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

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

**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.

***Reserves***

The Company are required to make appropriation of profit after tax to the following reserves:

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

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 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 2022 VND	31 December 2021 VND
Cash on hand	49,335,883	40,552,768
Cash at banks for operation of the Company	241,266,770,445	797,610,501,647
Cash for securities transaction clearing and settlement	78,359,726	532,519,903
	<b><u>241,394,466,054</u></b>	<b><u>798,183,574,318</u></b>

## 5. VALUE AND VOLUME OF TRADING RESULTS IN THE PERIOD

	For the six-month period ended 30 June 2022		For the six-month period ended 30 June 2021	
	Trading volume (unit)	Trading value (VND)	Trading volume (unit)	Trading value (VND)
a. Company				
- Shares	100,654	4,731,239,800	152,720	10,264,905,305
b. Investors				
- Shares	2,198,389,642	68,055,500,106,180	2,704,861,284	55,990,734,631,044
	<b><u>2,198,490,296</u></b>	<b><u>68,060,231,345,980</u></b>	<b><u>2,705,014,004</u></b>	<b><u>56,000,999,536,349</u></b>

## 6. FINANCIAL ASSETS

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

	30 June 2022		31 December 2021	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Listed shares	<b><u>107,675,812</u></b>	<b><u>104,705,410</u></b>	<b><u>32,374,617</u></b>	<b><u>50,230,550</u></b>



# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 6. FINANCIAL ASSETS (continued)

### 6.2 Loans

	30 June 2022			31 December 2021		
	Cost VND	Provision VND	Fair value VND	Cost VND	Provision VND	Fair value VND
Margin loans	3,262,201,968,675	-	3,262,201,968,675	3,972,825,771,840	(1,922,794,815)	3,970,902,977,025
Advances to customers	16,217,277,085	-	16,217,277,085	89,731,376,239	-	89,731,376,239
	<b>3,278,419,245,760</b>	<b>-</b>	<b>3,278,419,245,760</b>	<b>4,062,557,148,079</b>	<b>(1,922,794,815)</b>	<b>4,060,634,353,264</b>

#### Determining the fair value of financial assets

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

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

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

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 6. FINANCIAL ASSETS (continued)

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

	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Beginning balance	1,922,794,815	3,342,102,022
Reversal of provision during the period	-	(1,419,307,207)
Write off bad debt	(1,922,794,815)	-
<b>Ending balance</b>	<b>-</b>	<b>1,922,794,815</b>

## 7. RECEIVABLES

	<i>30 June 2022 VND</i>	<i>31 December 2021 VND</i>
Receivables and accruals from dividend and interest income from financial assets	27,191,843,761	30,167,284,260
- <i>Accrued interest from margin loans</i>	27,179,427,952	30,011,508,703
- <i>Accrued interest from advances to customers</i>	12,415,809	155,775,557
Advances to suppliers	63,000,000	1,488,454,618
Receivables from services provided by the Company	1,939,325,853	3,281,712,052
- <i>Custodian fees receivable from investors</i>	765,637,725	699,904,053
- <i>Brokerage fees receivable</i>	1,173,688,128	2,581,807,999
Other receivables	5,907,384,012	121,039,202
- <i>Custodian fees receivable from investors</i>	5,899,077,940	-
- <i>Brokerage fees receivable</i>	8,306,072	121,039,202
	<b>35,101,553,626</b>	<b>35,058,490,132</b>
Provision for impairment of other receivables	-	(115,300,395)
	<b>35,101,553,626</b>	<b>34,943,189,737</b>

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 8. TANGIBLE FIXED ASSETS

	<i>Office equipment VND</i>	<i>Transportation and vehicles VND</i>	<i>Others VND</i>	<i>Total VND</i>
<b>Cost</b>				
Beginning balance	50,014,790,014	3,052,011,905	629,385,962	53,696,187,881
New purchase	5,205,058,374	-	391,779,468	5,596,837,842
Disposal	(587,644,173)	(1,425,232,360)	(267,531,000)	(2,280,407,533)
Ending balance	<u>54,632,204,215</u>	<u>1,626,779,545</u>	<u>753,634,430</u>	<u>57,012,618,190</u>
<b>Accumulated depreciation</b>				
Beginning balance	40,383,467,054	3,052,011,905	604,563,545	44,040,042,504
Depreciation charge	2,239,007,342	-	46,864,347	2,285,871,689
Disposal	(587,644,173)	(1,425,232,360)	(267,531,000)	(2,280,407,533)
Ending balance	<u>42,034,830,223</u>	<u>1,626,779,545</u>	<u>383,896,892</u>	<u>44,045,506,660</u>
<b>Net carrying amount</b>				
Beginning balance	<u>9,631,322,960</u>	<u>-</u>	<u>24,822,417</u>	<u>9,656,145,377</u>
Ending balance	<u>12,597,373,992</u>	<u>-</u>	<u>369,737,538</u>	<u>12,967,111,530</u>

The cost of tangible fixed assets that are fully depreciated but still in use as at 30 June 2022 is VND30,620,195,543 (31 December 2021: VND32,882,703,076).

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 9. INTANGIBLE FIXED ASSETS

	<i>Computer software</i>
	<i>VND</i>
<b>Cost</b>	
Beginning balance	29,982,921,409
New purchase	<u>821,000,000</u>
Ending balance	<u>30,803,921,409</u>
<b>Accumulated amortization</b>	
Beginning balance	25,775,252,612
Amortization charged	<u>706,276,303</u>
Ending balance	<u>26,481,528,915</u>
<b>Net carrying amount</b>	
Beginning balance	<u>4,207,668,797</u>
Ending balance	<u>4,322,392,494</u>

The cost of intangible fixed assets that are fully depreciated but in use as at 30 June 2022 is VND24,269,851,709 (31 December 2021: VND23,290,802,235).

## 10. CONSTRUCTIONS IN PROGRESS

	<i>30 June 2022</i>	<i>31 December 2021</i>
	<i>VND</i>	<i>VND</i>
Software development	850,025,000	452,850,000
Office renovation	-	<u>5,118,798,645</u>
	<b><u>850,025,000</u></b>	<b><u>5,571,648,645</u></b>

## 11. PREPAID EXPENSES

	<i>30 June 2022</i>	<i>31 December 2021</i>
	<i>VND</i>	<i>VND</i>
Short-term prepaid expenses	11,091,289,493	7,458,666,682
- <i>Prepaid office rental</i>	4,104,130,718	2,818,582,168
- <i>Information expenses</i>	1,877,239,444	2,648,801,305
- <i>System maintenance</i>	1,806,599,864	1,536,196,898
- <i>Health and career insurance</i>	354,278,940	-
- <i>Office supplies expense</i>	51,213,524	52,016,524
- <i>Others</i>	<u>2,897,827,003</u>	<u>403,069,787</u>
Long-term prepaid expenses	6,860,353,571	1,115,140,746
- <i>Office renovation</i>	5,615,053,348	-
- <i>System maintenance</i>	<u>1,245,300,223</u>	<u>1,115,140,746</u>
	<b><u>17,951,643,064</u></b>	<b><u>8,573,807,428</u></b>

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

*Settlement assistance fund*

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

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

*Clearing fund*

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

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

Movements of the funds during the period are as follows:

	<i>30 June 2022</i>	<i>31 December 2021</i>
	<i>VND</i>	<i>VND</i>
Settlement assistance fund		
- Initial payment	120,000,000	120,000,000
- Addition payment	19,875,959,638	19,875,959,638
- Interest distribution	4,040,362	4,040,362
	<b>20,000,000,000</b>	<b>20,000,000,000</b>
Clearing fund		
- Initial payment	10,000,000,000	10,000,000,000
- Interest distribution	49,860,579	39,898,829
	<b>10,049,860,579</b>	<b>10,039,898,829</b>
	<b>30,049,860,579</b>	<b>30,039,898,829</b>

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 13. SHORT-TERM BORROWINGS

	<i>31 December 2021</i> VND	<i>Additional borrowings</i> <i>during the period</i> VND	<i>Repayment</i> <i>during the period</i> VND	<i>30 June 2022</i> VND
Short-term borrowings	<b><u>2,087,710,000,000</u></b>	<b><u>4,585,807,000,000</u></b>	<b><u>(5,954,929,360,000)</u></b>	<b><u>718,587,640,000</u></b>

These are unsecured borrowings in foreign currency from foreign organizations bearing interest rate ranging from 2.85% p.a. to 4.38% 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

<i>Items</i>	<i>31 December 2021</i> VND	<i>Payable</i> VND	<i>Paid</i> VND	<i>30 June 2022</i> VND
Corporate income tax	22,374,584,805	39,848,500,258	(47,634,913,113)	14,588,171,950
- <i>Of the Company</i>	19,630,082,205	28,308,382,273	(34,817,558,115)	13,120,906,363
- <i>Of the corporate investors</i>	2,744,502,600	11,540,117,985	(12,817,354,998)	1,467,265,587
Value added tax	93,076,567	617,558,747	(634,069,846)	76,565,468
Personal income tax	12,519,730,425	61,338,449,470	(66,456,248,673)	7,401,931,222
- <i>Of the Company</i>	3,011,138,215	22,868,307,628	(24,477,943,738)	1,401,502,105
- <i>Of the investors</i>	9,508,592,210	38,470,141,842	(41,978,304,935)	6,000,429,117
Foreign contractor withholding tax	684,374,727	2,540,844,357	(2,278,891,932)	946,327,152
Business tax	-	6,000,000	(6,000,000)	-
	<b><u>35,671,766,524</u></b>	<b><u>104,351,352,832</u></b>	<b><u>(117,010,123,564)</u></b>	<b><u>23,012,995,792</u></b>

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 15. SHORT-TERM TRADE PAYABLES

	30 June 2022 VND	31 December 2021 VND
Brokerage commission payables	5,903,705,501	3,329,256,450
- To related parties	5,377,410,794	2,143,505,320
- To other parties	526,294,707	1,185,751,130
Other payables	137,492,437	279,800,000
	<b>6,041,197,938</b>	<b>3,609,056,450</b>

## 16. SHORT-TERM EXPENSE PAYABLES

	30 June 2022 VND	31 December 2021 VND
Accrued interest expenses	7,646,216,819	1,650,226,899
Transaction fee payables to Stock Exchanges	3,305,985,869	6,050,206,283
Professional fees	1,371,524,789	975,742,598
Accrued operating expenses	1,248,060,465	3,272,157,256
Trade & Give - Stay Strong Saigon Fund	1,075,157,051	1,075,157,051
Custody fees	319,382,748	384,585,120
	<b>14,966,327,741</b>	<b>13,408,075,207</b>

## 17. DEFERRED TAX LIABILITY

	30 June 2022 VND	31 December 2021 VND
<i>Deferred tax liability</i>		
Depreciation of fixed assets	<b>221,699,729</b>	<b>221,699,729</b>

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

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

	<i>Statement of financial position</i>		<i>Income statement</i>	
	30 June 2022 VND	31 December 2021 VND	For the six- month period ended 30 June 2022 VND	For the six- month period ended 30 June 2021 VND
<b>Depreciation of fixed assets</b>	<b>221,699,729</b>	<b>221,699,729</b>	-	-



# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 18. OWNER'S EQUITY

	<i>Contributed capital VND</i>	<i>Capital supplementary reserve VND</i>	<i>Operational risk and financial reserve VND</i>	<i>Undistributed profit VND</i>	<i>Total VND</i>
<b>Beginning balance</b>	<b>2,200,000,000,000</b>	<b>30,282,760,506</b>	<b>30,282,760,507</b>	<b>517,693,955,492</b>	<b>2,778,259,476,505</b>
- Net profit for the period	-	-	-	111,892,084,587	111,892,084,587
- Profit appropriations to reserves	-	5,608,018,674	5,608,018,675	(11,216,037,349)	-
- Dividend paid during the period (*)	-	-	-	(48,300,000,000)	(48,300,000,000)
<b>Ending balance</b>	<b>2,200,000,000,000</b>	<b>35,890,779,180</b>	<b>35,890,779,182</b>	<b>570,070,002,730</b>	<b>2,841,851,561,092</b>

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



# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 19. DISCLOSURE OF OFF-BALANCE SHEET ITEMS

### 19.1 Foreign currencies (original currency)

	<u>30 June 2022</u>	<u>31 December 2021</u>
USD	1.32	19,991,213.97

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

	<u>30 June 2022</u> VND	<u>31 December 2021</u> VND
Unrestricted financial assets	<u>29,260,000</u>	<u>10,720,000</u>

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

	<u>30 June 2022</u> VND	<u>31 December 2021</u> VND
Unrestricted and traded financial assets	8,407,041,210,000	7,944,884,640,000
- Shares	8,407,041,210,000	7,944,884,640,000
Restricted and traded financial assets	208,393,770,000	176,720,450,000
Mortgage and traded financial assets	130,716,700,000	82,450,000,000
Blocked financial assets	79,675,180,000	4,675,180,000
Financial assets awaiting settlement	105,616,130,000	311,745,050,000
	<u>8,931,442,990,000</u>	<u>8,520,475,320,000</u>

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

	<u>30 June 2022</u> VND	<u>31 December 2021</u> VND
Unrestricted and non-traded financial assets deposited at VSD	1,550,696,960,000	1,338,515,530,000
Restricted and non-traded financial assets deposited at VSD	68,435,520,000	81,614,050,000
Mortgaged and non-traded financial assets deposited at VSD	33,814,660,000	11,898,660,000
	<u>1,652,947,140,000</u>	<u>1,432,028,240,000</u>

### 19.5 Investors' financial assets awaiting arrival

	<u>30 June 2022</u> VND	<u>31 December 2021</u> VND
Shares	<u>132,795,070,000</u>	<u>239,686,950,000</u>

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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

### 19.6 Investors' deposits

	30 June 2022 VND	31 December 2021 VND
Investors' deposits for securities trading activities managed by the Company	523,789,009,097	495,800,124,851
- Domestic investors' deposits	469,663,552,001	442,118,201,445
- Foreign investors' deposits	54,125,457,096	53,681,923,406
Investors' collective deposits for securities trading activities	168,957,485,267	346,085,329,607
- Domestic investors' deposits	166,439,194,319	345,555,222,996
- Foreign investors' deposits	2,518,290,948	530,106,611
Investors' deposits for securities transaction clearing and settlement	90,531,084,133	203,855,323,393
- Domestic investors' deposits	90,520,920,081	203,784,365,004
- Foreign investors' deposits	10,164,052	70,958,389
	<b><u>783,277,578,497</u></b>	<b><u>1,045,740,777,851</u></b>

### 19.7 Payables to investors

	30 June 2022 VND	31 December 2021 VND
Payables to investors - Investors' deposits for securities trading activities managed by the Company	783,267,845,980	1,045,740,761,180
- Domestic investors	726,626,633,884	991,457,772,774
- Foreign investors	56,641,212,096	54,282,988,406
Dividend, bond principal and interest payables	9,732,517	16,671
	<b><u>783,277,578,497</u></b>	<b><u>1,045,740,777,851</u></b>

## 20. OPERATING REVENUE

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

	For the six-month period ended 30 June 2022 VND	For the six-month period ended 30 June 2021 VND
From FVTPL financial assets	2,386,006,291	604,019,639
- Interest income from term deposits	1,926,767,119	437,726,027
- Dividend	882,546	391,100
- Others	458,356,626	165,902,512
Loans and receivables	184,364,595,744	111,277,049,431
- Interest from margin loans	177,627,698,121	107,152,760,519
- Interest from advances to customers	6,736,897,623	4,124,288,912
	<b><u>186,750,602,035</u></b>	<b><u>111,881,069,070</u></b>

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
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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 2022</i>	<i>For the six-month period ended 30 June 2021</i>
	<u>VND</u>	<u>VND</u>
Revenue from brokerage services	145,723,711,052	140,427,304,336
Revenue from securities custodian services	1,863,568,066	2,183,218,380
Revenue from financial advisory services	-	11,815,222,360
Other revenue	5,362,798,127	3,334,766,090
- <i>Research fee</i>	<u>5,362,798,127</u>	<u>3,334,766,090</u>
	<b><u>152,950,077,245</u></b>	<b><u>157,760,511,166</u></b>

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

	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
	<u>VND</u>	<u>VND</u>
Interest expense	18,282,946,610	8,947,788,208
Currency swap contract fee	<u>10,999,273,366</u>	<u>4,757,085,464</u>
	<b><u>29,282,219,976</u></b>	<b><u>13,704,873,672</u></b>

## 22. EXPENSES FOR BROKERAGE SERVICES

	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
	<u>VND</u>	<u>VND</u>
Personnel expenses, bonus and welfare expenses	62,797,838,688	51,319,542,504
Transaction fee for brokerage activities	27,016,075,535	24,207,468,491
Commission expense	7,015,998,226	14,657,422,326
Information expense	4,045,600,024	4,304,200,131
Office rental expense	3,371,135,521	2,856,051,774
Social insurance, health insurance, unemployment insurance and union fee	1,334,502,220	1,032,724,131
Depreciation and amortization	558,030,754	544,297,304
Expenses related to instruments and tools	392,342,090	25,048,335
Other expenses	<u>2,072,692,397</u>	<u>3,113,629,928</u>
	<b><u>108,604,215,455</u></b>	<b><u>102,060,384,924</u></b>

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 23. FINANCE INCOME

	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
	<i>VND</i>	<i>VND</i>
Interest income from demand deposits	2,277,304,383	2,155,248,911
Foreign exchange rate differences	-	112,642,047
	<b><u>2,277,304,383</u></b>	<b><u>2,267,890,958</u></b>

## 24. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
	<i>VND</i>	<i>VND</i>
Personnel expenses, bonus and welfare expenses	31,132,145,191	33,797,918,813
System maintenance expense	5,071,092,025	4,132,804,782
Office rental expense	4,595,840,869	4,037,895,936
Advisory services expenses	1,595,260,424	1,380,892,092
Lease line expenses	1,303,363,699	1,027,561,561
Social insurance, health insurance, unemployment insurance and union fee	2,630,430,254	2,854,364,291
Depreciation and amortization	2,423,105,498	2,023,506,609
Expenses related to instruments and tools	637,480,747	88,487,121
Office supplies expenses	44,701,548	51,499,249
Others	5,962,977,762	3,312,476,243
	<b><u>55,396,398,017</u></b>	<b><u>52,707,406,697</u></b>

## 25. CORPORATE INCOME TAX

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

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

### 25.1 Current corporate income tax

The current tax payable is based on taxable profit for the 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.

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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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 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
<b>Profit before tax</b>	<b>140,200,466,860</b>	<b>94,920,797,237</b>
<b>CIT at current tax rate (20%)</b>	<b>28,040,093,372</b>	<b>18,984,159,447</b>
Adjustments	268,288,901	(43,788,455)
- <i>Adjustment of CIT in previous period</i>	<u>268,288,901</u>	<u>(43,788,455)</u>
<b>CIT expense</b>	<b><u>28,308,382,273</u></b>	<b><u>18,940,370,992</u></b>

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 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 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Maybank IBG Holdings Limited	Parent company	Borrowings	4,585,807,000,000	4,992,013,530,000
		Borrowings repayment	5,954,929,360,000	4,602,321,810,000
		Interest expenses	17,818,366,207	8,598,021,735
Maybank Securities Pte. Ltd.	Subsidiary of Maybank IBG Holdings Limited	Commission fee expenses	4,883,909,288	8,050,779,048
		Brokerage fee received	38,024,917	111,443,248
Maybank Securities (Thailand) Public Company Limited	Subsidiary of Maybank IBG Holdings Limited	Brokerage fee received	495,188,573	392,812,176
Malayan Banking Berhad - Ho Chi Minh Branch	Branch of ultimate parent company	Swap fee expenses	-	3,672,698,102
		Accrued swap fee expenses	-	477,470,401
		Interest received	28,560,180	57,536,779
		Bank fee paid	1,629,729	4,131,245



# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 26. OTHER INFORMATION (continued)

### 26.1 Related party transactions (continued)

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>For the six-month period ended 30 June 2022 VND</i>	<i>For the six-month period ended 30 June 2021 VND</i>
Malayan Banking Berhad - Ha Noi Branch	Branch of ultimate parent company	Swap fee expenses	7,528,642,700	-
Maybank Research Pte. Ltd.	Subsidiary of Maybank IBG Holdings Limited	Research fee received Research fee paid	5,362,798,127 1,010,477,731	3,334,766,090 1,316,445,840
Maybank Securities USA Inc.	Subsidiary of Maybank IBG Holdings Limited	Commission fee expenses	2,132,088,938	6,606,643,278
MIB Finance (Hong Kong) Limited	Subsidiary of Maybank IBG Holdings Limited	Capital arrangement fee revenue	-	417,822,360
Maybank Shared Services Sdn Bhd	Branch of ultimate parent company	Security monitoring fee	1,650,837,653	-
Management		Salary and remuneration	17,398,312,440	10,954,662,461

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 26. OTHER INFORMATION (continued)

### 26.1 Related party transactions (continued)

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>30 June 2022</i> VND	<i>31 December 2021</i> VND
Maybank IBG Holdings Limited	Parent company	Borrowings Accrued interest	(718,587,640,000) (7,235,531,667)	(2,087,710,000,000) (865,635,113)
Maybank Securities Pte. Ltd.	Subsidiary of Maybank IBG Holdings Limited	Commission payables Other payable Sale payables month-end	(2,113,751,201) (268,242,496) -	(885,362,708) - (928,802,175)
Malayan Banking Berhad - Ha Noi Branch	Branch of ultimate parent company	Swap fee payables	(261,885,152)	(477,322,452)
Maybank Research Pte. Ltd.	Subsidiary of Maybank IBG Holdings Limited	Research fee receivables Research fee payables	5,899,077,940 (959,953,844)	- -
Maybank Investment Bank Berhad	Subsidiary of ultimate parent company	Information fee payables	(562,877,572)	(562,877,572)
Maybank Securities USA Inc.	Subsidiary of Maybank IBG Holdings Limited	Commission payables	(317,122,680)	(695,265,040)
Maybank Shared Services Sdn Bhd	Branch of ultimate parent company	Security monitoring payables	(1,155,463,001)	-



# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 26. OTHER INFORMATION (continued)

### 26.2 Operating lease commitments

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

	30 June 2022 VND	31 December 2021 VND
Less than 1 year	16,635,581,810	17,559,372,620
From 1 to 5 years	48,727,024,471	56,505,058,282
	<b>65,362,606,281</b>	<b>74,064,430,902</b>

### 26.3 Purposes and policies of financial risk management

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

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

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

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

#### **Market risk**

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

#### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rate relates primarily to the short-term deposits, loans and borrowings.

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

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

**26. OTHER INFORMATION (continued)**

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

*Currency risk*

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

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

*Equity price risk*

The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities.

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

**Credit risk**

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

*Bank deposits*

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

*Loans and advances to customers*

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

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

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

Apart from financial assets that the Company made provision, the Company's management assessed that all financial assets are neither past due nor impaired as they are related to recognized and credit worthy counterparties as at 30 June 2022.

# Maybank Securities Limited

NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)  
as at and for the six-month period ended 30 June 2022

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## 26. OTHER INFORMATION (continued)

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

#### Credit risk (continued)

The table below summarizes the credit risk related to financial assets as at 30 June 2022:

30 June 2022	Neither past due nor impaired VND	Past due but not impaired				Over 1 year VND	Impaired VND	Total VND
		Less than 3 months VND	3 - 6 months VND	6 - 12 months VND				
Cash at banks	241,345,130,171	-	-	-	-	-	241,345,130,171	
Loans - gross	3,278,419,245,760	-	-	-	-	-	3,278,419,245,760	
Other financial assets	68,808,928,846	-	-	-	-	-	68,808,928,846	
	<b>3,588,573,304,777</b>	-	-	-	-	-	<b>3,588,573,304,777</b>	

#### Liquidity risk

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

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

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.

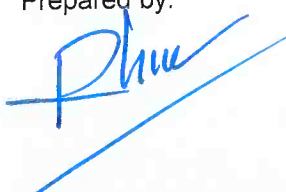
This ratio is calculated and disclosed in the financial safety ratio report on a monthly basis and complied with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratios and remedies applicable to securities companies that fail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

At 30 June 2022, ratio available capital of company is 1,725%.

27. EVENT AFTER THE REPORTING DATE

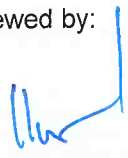
There is no matter or circumstance that has arisen since the balance sheet date that required adjustment or disclosure in the financial statements of the Company

Prepared by:



Nguyen Thi Minh Hong  
Accountant

Reviewed by:



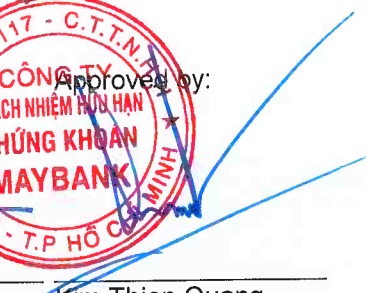
Tran Thi Ngoc Huong  
Chief Accountant

Approved by:



Nguyen Thi Thuy  
Chief  
Financial Officer

Approved by:



Kim Thien Quang  
Chief  
Executive Officer

Ho Chi Minh City, Vietnam

11 August 2022

