

**VIETCAP SECURITIES JOINT STOCK COMPANY
(FORMERLY VIET CAPITAL SECURITIES JOINT STOCK COMPANY)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**



VIETCAP SECURITIES JOINT STOCK COMPANY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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VIETCAP SECURITIES JOINT STOCK COMPANY

CORPORATE INFORMATION

Establishment and operation licence	No. 68/UBCK-GP dated 6 November 2007 issued by the State Securities Commission. The Establishment and operation licence was amended several times and the latest amendment No. 58/GPDC-UBCK was issued on 17 July 2023.	
Board of Directors	Ms. Nguyen Thanh Phuong Mr. To Hai Mr. Tran Quyet Thang Mr. Nguyen Hoang Bao Mr. Le Pham Ngoc Phuong Mr. Nguyen Lan Trung Anh Ms. Nguyen Viet Hoa	Chairperson Member Member Member Member Member Member
Board of Supervision	Ms. Mai Thi Thanh Trang Ms. Bui Thi Minh Nguyet Ms. Truong Thi Huyen Trang	Chief Supervisor Member Member
Board of Management	Mr. To Hai Mr. Nguyen Quang Bao Mr. Dinh Quang Hoan	General Director Deputy General Director Deputy General Director
Legal Representative	Mr. To Hai	General Director
Registered office	15th Floor, Bitexco Financial Tower No. 2, Hai Trieu Street, District 1 Ho Chi Minh City, Vietnam	
Auditor	PwC (Vietnam) Limited	

VIETCAP SECURITIES JOINT STOCK COMPANY

STATEMENT BY THE BOARD OF MANAGEMENT

STATEMENT OF RESPONSIBILITY OF THE BOARD OF MANAGEMENT IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of Management of Vietcap Securities Joint Stock Company ("the Company") is responsible for preparing the financial statements which give a true and fair view of the financial position of the Company as at 31 December 2023 and of the results of its operations, cash flows and changes in equity for the year then ended. In preparing these financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and which enable the financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud or errors.

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements as set out on pages 5 to 95 which give a true and fair view of the financial position of the Company as at 31 December 2023 and of the results of its operations, cash flows and changes in equity for the year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on preparation and presentation of financial statements applicable to securities companies operating in Vietnam.

On behalf of the Board of Management



To Hai
General Director

Ho Chi Minh City, Vietnam
20 March 2024



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VIETCAP SECURITIES JOINT STOCK COMPANY

We have audited the accompanying financial statements of Vietcap Securities Joint Stock Company ("the Company") which were prepared on 31 December 2023 and approved by the Board of Management of the Company on 20 March 2024. The financial statements comprise the statement of financial position as at 31 December 2023, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and explanatory notes to the financial statements including significant accounting policies, as set out on pages 5 to 95.

The Board of Management's Responsibility

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these financial statements of the Company in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on preparation and presentation of financial statements applicable to securities companies operating in Vietnam and for such internal control which the Board of Management determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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



Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023, the results of its operations, cash flows and changes in equity for the year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on preparation and presentation of financial statements applicable to securities companies operating in Vietnam.

Other Matter

The independent's auditor report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Tran Thi Thanh Truc
Audit Practising Licence No.
3047-2024-006-1
Authorised signatory

Dao Trong Hoang
Audit Practising Licence No.
5620-2021-006-1

Report reference number: HCM14639
Ho Chi Minh City, 20 March 2024

VIETCAP SECURITIES JOINT STOCK COMPANY
Form B01 – CTCK
STATEMENT OF FINANCIAL POSITION

Code	ITEMS	Note	As at	
			31.12.2023 VND	31.12.2022 VND
	ASSETS			
100	CURRENT ASSETS		17,174,448,616,966	14,157,693,071,824
110	Financial assets		16,979,554,557,451	14,105,852,063,553
111	Cash and cash equivalents	3.1	787,897,819,240	3,423,501,614,803
111.1	Cash		537,897,819,240	2,313,501,614,803
111.2	Cash equivalents		250,000,000,000	1,110,000,000,000
112	Financial assets at fair value through profit or loss ("FVTPL")	3.2(a)	122,137,632,000	665,257,896,316
113	Investments held to maturity ("HTM")	3.2(b)	380,900,000,000	885,888,640,000
114	Loans	3.3	7,992,468,349,969	5,279,279,236,685
115	Available-for-sale financial assets ("AFS")	3.2(c)	6,603,829,152,415	3,734,009,015,450
116	Provisions for impairment loss of financial assets and collaterals	3.3	(2,169,825,587)	(2,169,825,587)
117	Receivables		848,567,540,009	91,374,339,025
117.1	Receivables from disposals of financial assets	3.4	745,348,455,200	31,889,442,000
117.2	Dividend and interest receivables		103,219,084,809	59,484,897,025
117.4	Dividend and interest receivables not yet due	3.4	103,219,084,809	59,484,897,025
118	Prepayments to suppliers	3.5	227,931,442,538	2,306,029,740
119	Service-related receivables	3.4	31,212,896,867	28,333,567,121
129	Provisions for doubtful debts	3.4	(13,220,450,000)	(1,928,450,000)
130	Other current assets		194,894,059,515	51,841,008,271
131	Advances		83,004,284	973,203,243
132	Office tools and supplies		337,024,993	342,890,728
133	Short-term prepaid expenses	3.7(a)	45,268,845,138	4,387,924,500
134	Short-term security deposits		1,948,000,000	-
137	Other current assets	3.8(a)	147,257,185,100	46,136,989,800
200	NON-CURRENT ASSETS		80,686,039,559	85,058,244,998
220	Fixed assets		23,425,609,453	23,496,558,588
221	Tangible fixed assets	3.6(a)	15,725,808,810	22,456,280,125
222	Historical cost		82,737,795,390	80,848,183,754
223a	Accumulated depreciation		(67,011,986,580)	(58,391,903,629)
227	Intangible fixed assets	3.6(b)	7,699,800,643	1,040,278,463
228	Historical cost		58,334,874,042	50,615,835,542
229a	Accumulated amortisation		(50,635,073,399)	(49,575,557,079)
240	Construction in progress	3.6(c)	5,649,600,000	7,359,767,000
250	Other non-current assets		51,610,830,106	54,201,919,410
251	Long-term pledged assets, mortgaged assets, security deposits		8,571,243,684	6,864,190,240
252	Long-term prepaid expenses	3.7(b)	7,943,878,800	13,290,531,600
254	Deposits in the Settlement Support Fund	3.8(b)	24,941,477,252	23,914,928,922
255	Other non-current assets	3.8(c)	10,154,230,370	10,132,268,648
270	TOTAL ASSETS		17,255,134,656,525	14,242,751,316,822

The notes on pages 16 to 95 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
(continued)

Code	ITEMS	Note	As at	
			31.12.2023 VND	31.12.2022 VND
300	LIABILITIES		9,883,905,148,184	7,747,283,145,208
310	Current liabilities		9,465,772,066,243	7,487,464,949,226
311	Short-term borrowings		8,979,275,000,000	6,326,207,142,857
312	<i>Short-term borrowings</i>	3.10	8,979,275,000,000	6,326,207,142,857
316	Short-term issued bonds	3.10	120,000,000,000	547,100,000,000
318	Trading obligations	3.11	13,208,881,699	12,400,167,546
320	Short-term trade payables	3.12	159,638,295,047	16,020,566,000
321	Short-term customers' advances	3.13	378,319,774	221,000,000
322	Taxes and other payables to the State	3.14	30,619,096,071	46,067,330,600
323	Payables to employees		99,745,355,410	112,156,022,703
325	Short-term accrued expenses	3.15	47,274,665,672	110,247,314,968
329	Other short-term payables	3.16	15,632,452,570	317,045,404,552
340	Non-current liabilities		418,133,081,941	259,818,195,982
356	Deferred income tax liabilities	3.17	418,133,081,941	259,818,195,982
	TOTAL LIABILITIES		9,883,905,148,184	7,747,283,145,208
400	OWNERS' EQUITY		7,371,229,508,341	6,495,468,171,614
410	Owners' equity		7,371,229,508,341	6,495,468,171,614
411	Owners' capital		4,388,500,198,000	4,364,499,010,000
411.1	Share capital	3.18	4,375,000,000,000	4,354,999,010,000
411.1a	<i>Ordinary shares with voting rights</i>		4,375,000,000,000	4,354,999,010,000
411.2	<i>Share premium</i>		13,500,198,000	9,500,000,000
412	Revaluation reserve	3.19	1,607,735,798,409	1,030,130,358,576
414	Supplementary capital reserve		67,496,330,852	67,496,330,852
415	Financial risk and operation reserve		-	233,096,330,852
417	Undistributed earnings	3.20	1,307,497,181,080	800,246,141,334
417.1	<i>Realised profits after tax</i>		1,307,134,594,788	791,426,130,951
417.2	<i>Unrealised profits</i>		362,586,292	8,820,010,383
	TOTAL EQUITY		7,371,229,508,341	6,495,468,171,614
440	TOTAL RESOURCES		17,255,134,656,525	14,242,751,316,822

The notes on pages 16 to 95 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
(continued)

OFF STATEMENT OF FINANCIAL POSITION ITEMS

Code	ITEMS	Note	As at	
			31.12.2023	31.12.2022
A	ASSETS OF THE COMPANY AND ASSETS UNDER ENTRUSTMENT			
004	Bad debts written off (VND)	4.1	25,145,170,448	25,145,170,448
005	Foreign currencies (VND equivalent)	4.2	25,168,406,866	21,169,108,717
006	Number of shares in issue (share)	4.3	437,500,000	435,499,901
			Quantity	
008	Securities listed/registered at Vietnam Securities Depository and Clearing Corporation (VSDC)	4.4	148,921,145	56,400,338
010	Securities purchased and awaiting settlement	4.5	6,993,454	509,600
012	Securities not in custody of VSDC	4.6	19,319,544	23,864,101
014	Covered warrants authorised but not yet issued	4.7	62,192,600	14,379,100
B	ASSETS OF AND LIABILITIES TO CUSTOMERS			
021	Securities listed/registered at the Vietnam Securities Depository and Clearing Corporation ("VSDC")		3,284,830,661	3,303,485,792
021.1	<i>Freely traded securities</i>		2,605,486,765	2,651,433,724
021.2	<i>Restricted securities</i>		186,578,330	185,960,814
021.3	<i>Pledged securities</i>		453,340,199	438,337,063
021.4	<i>Suspended securities</i>		1,901,618	1,863,441
021.5	<i>Securities awaiting settlement</i>		37,523,749	25,890,750
023	Securities purchased and awaiting settlement		33,008,464	28,445,780

The notes on pages 16 to 95 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
(continued)

OFF STATEMENT OF FINANCIAL POSITION ITEMS (continued)

Code	ITEMS	As at	
		31.12.2023	31.12.2022
B	ASSETS OF AND LIABILITIES TO CUSTOMERS (continued)		
		Value (VND)	
026	Customers' deposits	2,772,739,733,406	2,215,437,099,227
027	Customers' deposits for securities trading	1,824,604,521,626	1,630,139,522,487
027.1	Customers' deposits at VSDC	389,722,524,982	345,167,970,766
029	Cash blocked for trading settlements	948,135,211,780	585,297,576,740
029.1	Cash blocked for trading settlements of domestic customers	928,422,658,780	562,180,386,740
029.2	Cash blocked for trading settlements of foreign customers	19,712,553,000	23,117,190,000
031	Payables to customers relating to their deposits at the Company for securities trading	1,824,604,521,626	1,630,139,522,487
031.1	Payables to domestic customers relating to their deposits at the Company for securities trading	1,202,561,198,633	1,129,292,077,485
031.2	Payables to foreign customers relating to their deposits at the Company for securities trading	622,043,322,993	500,847,445,002

Nguyen Thi Lan
Preparer

Doan Minh Thien
Chief Accountant



To Hai
General Director
20 March 2024

The notes on pages 16 to 95 are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

Code	ITEMS	Note	For the year ended	
			31.12.2023 VND	31.12.2022 VND
	OPERATING INCOME			
01	Income from FVTPL financial assets		943,098,378,624	1,201,683,322,439
01.1	Realised gains on disposal of FVTPL financial assets	5.1	856,242,542,821	1,431,873,905,175
01.2	Increase/(decrease) in upward revaluation of FVTPL financial assets	5.2	303,727,732	(272,875,074,860)
01.3	Dividends and interest income from FVTPL financial assets	5.3	95,800,494,711	66,985,745,980
01.4	Downward revaluation of covered warrants liabilities	5.2	(9,248,386,640)	(24,301,253,856)
02	Income from HTM financial assets		78,126,606,229	64,247,120,862
03	Interest income from loans and receivables		688,950,403,598	708,154,429,982
04	Dividend income from AFS financial assets	5.3	174,362,031,840	107,410,888,493
06	Brokerage fee income		535,380,417,043	1,011,221,765,817
08	Investment consultancy service income		12,789,147,936	7,479,717,052
09	Custody service income		12,037,768,532	10,997,351,336
10	Financial consultancy service income		26,551,350,000	44,665,254,181
11	Other operating income		1,164,439,595	382,886,183
20	TOTAL OPERATING INCOME		2,472,460,543,397	3,156,242,736,345
	OPERATING EXPENSES			
21	Losses from FVTPL financial assets		(496,357,513,119)	(900,399,312,647)
21.1	Realised losses on disposal of FVTPL financial assets	5.1	(494,191,661,413)	(936,490,470,685)
21.2	(Increase)/decrease in downward revaluation of FVTPL financial assets	5.2	(1,627,121,206)	25,213,517,094
21.3	Purchasing transaction costs of FVTPL financial assets		(538,730,500)	(1,037,861,000)
21.4	Upward revaluation of covered warrants liabilities	5.2	-	11,915,501,944
26	Proprietary trading expenses		(40,216,162,257)	(19,503,078,747)
27	Brokerage expenses		(437,073,497,170)	(429,270,571,569)
30	Custody service expenses		(17,353,982,525)	(20,168,782,538)
31	Financial consultancy service expenses		(72,595,946,454)	(29,189,433,977)
40	TOTAL OPERATING EXPENSES		(1,063,597,101,525)	(1,398,531,179,478)

The notes on pages 16 to 95 are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME
(continued)

Code	ITEMS	Note	For the year ended	
			31.12.2023 VND	31.12.2022 VND
	FINANCIAL INCOME			
41	Realised foreign exchange gains		17,099,000,000	28,280,000,000
42	Dividend income and interest income from demand deposits		6,597,152,009	7,268,432,639
50	TOTAL FINANCIAL INCOME		23,696,152,009	35,548,432,639
	FINANCIAL EXPENSES			
51	Realised and unrealised foreign exchange losses	5.4	(131,085,812,227)	(116,511,865,797)
52	Interest expense	5.4	(562,553,033,255)	(477,360,036,322)
55	Other financial expenses	5.4	(46,522,320,559)	(106,578,173,967)
60	TOTAL FINANCIAL EXPENSES		(740,161,166,041)	(700,450,076,086)
62	GENERAL AND ADMINISTRATIVE EXPENSES	5.5	(122,388,199,025)	(76,767,476,142)
70	OPERATING RESULT		570,010,228,815	1,016,042,437,278
	OTHER INCOME AND EXPENSES			
71	Other income	5.6	132,390,105	44,543,029,091
72	Other expenses		(3,978,786)	(846,752,984)
80	NET OTHER INCOME		128,411,319	43,696,276,107
90	NET ACCOUNTING PROFIT BEFORE TAX		570,138,640,134	1,059,738,713,385
91	Realised profit		580,710,420,248	1,319,786,023,063
92	Unrealised loss		(10,571,780,114)	(260,047,309,678)
100	CORPORATE INCOME TAX	5.7	(78,233,980,740)	(190,760,527,583)
100.1	Corporate income tax – current		(64,320,454,739)	(250,981,079,495)
100.2	Corporate income tax – deferred		(13,913,526,001)	60,220,551,912
200	NET PROFIT AFTER TAX		491,904,659,394	868,978,185,802

The notes on pages 16 to 95 are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME
(continued)

Code	ITEMS	Note	For the year ended	
			31.12.2023 VND	31.12.2022 VND
300	OTHER COMPREHENSIVE INCOME/(LOSS), NET OF TAX		577,605,439,833	(635,523,328,875)
301	Gain/(loss) from revaluation of AFS financial assets	3.19	577,605,439,833	(635,523,328,875)
400	TOTAL OTHER COMPREHENSIVE INCOME/(LOSS)		577,605,439,833	(635,523,328,875)
500	EARNINGS PER SHARE			
501	Basic earnings per share (VND/share)	5.8	1,127	1,999
502	Diluted earnings per share (VND/share)	5.8	1,127	1,999

 Nguyen Thi Lan
 Preparer

 Doan Minh Thien
 Chief Accountant



 To Hai
 General Director
 20 March 2024

STATEMENT OF CASH FLOWS
(Indirect method)

Code	ITEMS	Note	For the year ended	
			31.12.2023 VND	31.12.2022 VND
	Cash flows from operating activities			
01	Net profit before tax		570,138,640,134	1,059,738,713,385
02	Adjustments for:		480,305,547,717	427,676,933,455
03	Depreciation and amortisation		9,679,599,271	9,647,191,174
04	Provisions		11,292,000,000	-
06	Interest expenses	5.4	562,553,033,255	477,360,036,322
07	Losses from investing activities		-	154,602,984
08	Accrued interest income		(103,219,084,809)	(59,484,897,025)
10	Changes in non-cash expenses		1,627,121,206	(25,213,517,094)
11	Increase/(decrease) in downward revaluation of financial assets	5.2(a)	1,627,121,206	(25,213,517,094)
18	Changes in non-cash income		(303,727,732)	272,875,074,860
19	(Increase)/decrease in upward revaluation of financial assets	5.2(a)	(303,727,732)	272,875,074,860
30	Changes in working capital		(5,407,321,967,895)	2,006,811,362,129
31	Decrease in FVTPL financial assets		541,796,870,842	308,597,015,353
32	Decrease/(increase) in HTM financial assets		504,988,640,000	(132,169,640,000)
33	(Increase)/decrease in loans		(2,713,189,113,284)	2,421,957,894,794
34	(Increase)/decrease in AFS financial assets		(2,147,813,337,174)	954,277,924,687
35	(Increase)/decrease in receivables from disposals of financial assets		(713,459,013,200)	156,405,365,000
36	Decrease in dividend and interest receivables		59,484,897,025	47,852,123,094
37	(Increase)/decrease in service-related receivables		(2,879,329,746)	2,489,469,963
40	(Increase)/decrease in other assets		(103,901,145,772)	101,913,636,579
41	Increase in accrued expenses (excluding interest expenses)		4,324,296,126	13,776,432,504
42	Decrease in prepaid expenses		(35,534,267,838)	(4,401,545,826)
43	Corporate income tax paid	3.14	(78,029,953,342)	(329,207,669,171)
44	Interest paid		(629,849,978,677)	(453,800,839,637)
45	Decrease trade payables		(82,007,683,751)	(553,314,226,661)
46	Decrease in employee welfare benefits		-	(140,272,500)
47	Decrease in tax and other payables to the State (excluding corporate income tax paid)		(1,738,735,926)	(192,216,769,962)
48	Decrease in payables to employees		(12,410,667,293)	(214,689,950,074)
50	Increase/(decrease) in other payables		3,923,102,445	(119,194,100,124)
52	Other payments for operating activities		(1,026,548,330)	(1,323,485,890)
60	Net cash (outflows for)/inflows from operating activities		(4,355,554,386,570)	3,741,888,566,735
	Cash flows from investing activities			
61	Purchases of fixed assets		(7,898,483,136)	(22,377,694,322)
62	Proceeds from disposals of fixed assets		-	685,000,000
70	Net cash outflows for investing activities		(7,898,483,136)	(21,692,694,322)

The notes on pages 16 to 95 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS
(Indirect method)
(continued)


Code	ITEMS	Note	For the year ended	
			31.12.2023 VND	31.12.2022 VND
	Cash flows from financing activities			
71	Proceeds from issuance of shares	7.1	24,001,188,000	25,000,000,000
73	Proceeds from borrowings	6.1	20,322,010,000,000	15,126,047,142,857
74	Repayments of borrowings	6.2	(18,096,042,142,857)	(16,579,490,000,000)
76	Payment of dividends	3.16	(522,119,971,000)	-
80	Net cash inflows from/(outflows for) financing activities		1,727,849,074,143	(1,428,442,857,143)
90	Net (decrease)/increase in cash and cash equivalents		(2,635,603,795,563)	2,291,753,015,270
101	Cash and cash equivalents at beginning of year		3,423,501,614,803	1,131,748,599,533
101.1	Cash		2,313,501,614,803	1,131,748,599,533
101.2	Cash equivalents		1,110,000,000,000	-
103	Cash and cash equivalents at end of year	3.1	787,897,819,240	3,423,501,614,803
103.1	Cash		537,897,819,240	2,313,501,614,803
103.2	Cash equivalents		250,000,000,000	1,110,000,000,000

Additional information relating to the statement of cash flows is presented in Note 6.

STATEMENT OF CASH FLOWS
(continued)

CASH FLOWS OF BROKERAGE AND ENTRUSTMENT ACTIVITIES

Code	ITEMS	For the year ended	
		31.12.2023 VND	31.12.2022 VND
	Cash flows of brokerage and entrustment activities		
01	Brokerage trading proceeds	224,803,526,247,710	215,091,700,373,791
02	Brokerage trading payments	(253,901,091,021,099)	(283,568,027,341,637)
07	Receipts for settlement of customers' transactions	29,627,666,835,877	67,269,386,371,230
07.1	Net movement in customers' margin accounts at VSDC for derivative trading	44,554,554,216	306,517,359,828
11	Payments for custody fees of customers	(17,353,982,525)	(20,168,782,538)
20	Net increase/(decrease) in customers' deposits	557,302,634,179	(920,592,019,326)
30	Customers' deposits at beginning of year	2,215,437,099,227	3,136,029,118,553
31	Cash at bank	2,215,437,099,227	3,136,029,118,553
32	Customers' deposits for securities trading under managed by the Company	1,630,139,522,487	1,427,063,444,480
34	Cash blocked for clearing and settlement	585,297,576,740	1,708,965,674,073
40	Customers' deposits at end of year	2,772,739,733,406	2,215,437,099,227
41	Cash at bank	2,772,739,733,406	2,215,437,099,227
42	Customers' deposits for securities trading under managed by the Company	1,824,604,521,626	1,630,139,522,487
44	Cash blocked for clearing and settlement	948,135,211,780	585,297,576,740



Nguyen Thi Lan
Preparer



Doan Minh Thien
Chief Accountant



To Hai
General Director
20 March 2024

The notes on pages 16 to 95 are an integral part of these financial statements.

VIETCAP SECURITIES JOINT STOCK COMPANY

Form B04 – CTCK

STATEMENT OF CHANGES IN EQUITY

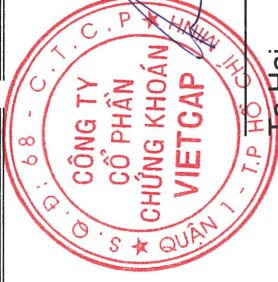
Items	As at		For the year ended		For the year ended		As at	
	1.1.2022	1.1.2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31.12.2022	31.12.2023
			Increase	Decrease	Increase	Decrease		
I. Changes in equity								
1. Owners' capital	3,334,500,000,000	4,364,499,010,000	1,029,999,010,000	-	24,001,188,000	-	4,364,499,010,000	4,388,500,198,000
1.1 Ordinary shares with voting rights	3,330,000,000,000	4,354,999,010,000	1,024,999,010,000	-	20,000,990,000	-	4,354,999,010,000	4,375,000,000,000
1.2 Share premium	4,500,000,000	9,500,000,000	5,000,000,000	-	4,000,198,000	-	9,500,000,000	13,500,198,000
1.3 Treasury shares	-	-	-	-	-	-	-	-
2. Supplementary capital reserve	67,496,330,852	67,496,330,852	-	-	-	-	67,496,330,852	67,496,330,852
3. Financial risk and operation reserve	233,096,330,852	233,096,330,852	-	-	-	(233,096,330,852)	233,096,330,852	-
4. Revaluation reserve	1,665,653,687,451	1,030,130,358,576	-	(635,523,328,875)	577,605,439,833	-	1,030,130,358,576	1,607,735,798,409
5. Undistributed earnings	1,241,116,896,232	800,246,141,334	1,077,016,033,544	(1,517,886,788,442)	733,458,414,337	(226,207,374,591)	800,246,141,334	1,307,497,181,080
5.1 Realised profits after tax	1,024,259,038,107	791,426,130,951	1,077,016,033,544	(1,309,848,940,700)	733,458,414,337	(217,749,950,500)	791,426,130,951	1,307,134,594,788
5.2 Unrealised profits	216,857,858,125	8,820,010,383	-	(208,037,847,742)	-	(8,457,424,091)	8,820,010,383	362,586,292
Total	6,541,863,245,387	6,495,468,171,614	2,107,015,043,544	(2,153,410,117,317)	1,335,065,042,170	(459,303,705,443)	6,495,468,171,614	7,371,229,508,341



Nguyen Thi Lanh
Preparer



Doan Minh Thien
Chief Accountant



To Hai
General Director
20 March 2024

The notes on pages 16 to 95 are an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 GENERAL INFORMATION

Vietcap Securities Joint Stock Company ("the Company") is a joint stock company incorporated in Vietnam under Establishment and operation licence No. 68/UBCK – GP dated 6 November 2007 issued by the State Securities Commission. The Establishment and operation licence was amended several times and the latest amendment No. 58/GPDC-UBCK was issued on 17 July 2023.

The Company changed its name to "Vietcap Securities Joint Stock Company" in accordance with the Resolution No. 01/2023/NQ-DHDCD.VCSC of the Annual General Meeting of Shareholders dated 30 March 2023 and the amended Establishment and operation licence No. 26/GCN-UBCK issued on 12 April 2023.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange in accordance with Decision No. 233/QD-SGDHCM issued by the Ho Chi Minh City Stock Exchange on 30 June 2017 with the stock code VCI.

Headquarter and contact information

The Company is headquartered in Ho Chi Minh City, at 15th floor of Bitexco Financial Tower, 2 Hai Trieu Street, District 1.

Contact point:
Email: info@vietcap.com.vn
Telephone: (+84) 28 3914 3588

Articles of association

The Company's Articles of association was approved on 19 April 2017 and last modified on 22 June 2023.

Headcount

As at 31 December 2023, the Company had 382 employees (as at 31 December 2022: 374 employees).

Capital position

	As at 31 December 2023 ("the reporting date") VND
Charter capital	4,375,000,000,000
Total owners' equity	7,371,229,508,341
Total assets	<u>17,255,134,656,525</u>

Principal activities

The principal activities of the Company include provision of securities brokerage service, proprietary securities trading, underwriting and securities custodian services, securities investment consultancy service and corporate finance consultancy service, margin lending service and derivatives trading.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****1 GENERAL INFORMATION (continued)*****Investment objectives and investment restrictions***

The investment objectives of the Company are to maximise earnings. The Company's investment activities shall align to the Company's strategies and comply with applicable securities regulations.

Network of operation

As at the reporting date, the Company had 1 branch and 3 transaction offices in Vietnam.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System, Circular 210/2014/TT-BTC dated 30 December 2014 ("Circular 210/2014/TT-BTC"), Circular 334/2016/TT-BTC dated 27 December 2016 ("Circular 334/2016/TT-BTC"), Official Letter No. 6190/BTC-CĐKT dated 12 May 2017 ("Official Letter 6190/BTC-CĐKT") and Circular 23/2018/TT-BTC dated 12 March 2018 ("Circular 23/2018/TT-BTC"), all issued by the Ministry of Finance, and prevailing regulations on preparation and presentation of financial statements applicable to securities companies operating in Vietnam.

The accompanying financial statements are not intended to present financial position, results of operations, cash flows and changes in equity in accordance with accounting principles generally accepted in jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets at fair value through profit or loss ("FVTPL") and available-for-sale financial assets ("AFS") based on market value or fair value (in case market value is not available).

The financial statements in Vietnamese are the official statutory financial statements of the Company. The financial statements in English have been translated from the Vietnamese version.

2.2 Critical accounting estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on preparation and presentation of financial statements applicable to securities companies operating in Vietnam requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the financial year.

The areas involving significant estimates and assumptions are as follows:

- Market value/fair value of financial assets (Note 2.7 and Note 3.2);
- Provisions for impairment loss of HTM financial assets and loans (Note 2.7, Note 3.2 and Note 3.3);
- Provision for doubtful debts (Note 2.8 and Note 3.4);

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Form of records applied

The Company uses the accounting software tailored in general journal to record its transactions.

2.4 Fiscal year

The Company's fiscal year is from 1 January to 31 December.

2.5 Currency

The financial statements are presented in Vietnamese Dong ("VND"), which is also the Company's functional currency.

Transactions arising in foreign currencies are translated at exchange rates prevailing at the transaction dates. Foreign exchange differences arising from these transactions are recognised in profit or loss of the statement of comprehensive income.

Monetary assets and liabilities denominated in foreign currencies at the reporting date, except borrowings and liabilities whose foreign exchange risk exposure has been hedged, are respectively translated at the buying and selling exchange rates at the reporting date of the commercial bank where the Company regularly trades. Foreign currencies deposited in bank at the reporting date are translated at the buying exchange rate of the commercial bank where the Company opens the foreign currency accounts. Foreign exchange differences arising from these translations are recognised as income or expenses in profit or loss of the statement of comprehensive income.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank of the Company, security deposit for covered warrants issued and other short-term investments with maturity within three (3) months since purchase, which are highly liquid, readily convertible to cash and subject to an insignificant risk of conversion.

Cash of customers for securities trading activities and cash of issuers are accounted for off statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.7 Financial assets****(a) Classification and measurement***(i) Financial assets measured at fair value through profit or loss (“FVTPL”)*

Financial assets at fair value through profit or loss are financial assets held for trading or designated by the Board of Management at initial recognition at fair value through profit or loss.

A financial asset is classified as held for trading if meeting one of the following conditions:

- It is purchased or created for resale/repurchase in the short term; or
- At initial recognition, it constitutes a part of an identified portfolio of financial instruments which are traded for short-term profits; or
- It is a derivative (except those defined as financial guarantees or effective hedges).

At initial recognition, the Board of Management designates a financial asset at fair value through profit or loss if such designation promotes the fairness of its presentation due to one of the following reasons:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency (also called as “accounting mismatch”) that would otherwise arise due to different bases; or
- It gives rise to a group of financial assets whose performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy and internally disseminated to the Company’s key management (as defined in Vietnamese Accounting Standard on Related party disclosures) such as Board of Directors, Board of Management and major shareholders.

Financial assets at fair value through profit or loss are initially recorded at cost exclusive of transaction costs. Transaction costs related to purchases of FVTPL financial assets are expensed off immediately.

Financial assets at fair value through profit or loss are subsequently measured at market value or fair value (in case market value is not available). Those shares, including derivatives to be settled in shares, that not traded on active market or those whose fair value is not reliably determined are accounted at cost.

All gains or losses arising from change in fair value of FVTPL financial assets are recognised in profit or loss of the statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.7 Financial assets (continued)****(a) Classification and measurement (continued)***(i) Held-to-maturity financial assets (“HTM”)*

HTM financial assets are non-derivative financial assets with the following characteristics:

- Payments are fixed or determinable;
- Maturity is fixed; and
- The Company has positive intention and ability to hold those assets to maturity.

The following assets are excluded from HTM financial assets:

- Non-derivatives classified as FVTPL financial assets at initial recognition;
- Non-derivatives classified as available-for-sale (“AFS”) financial assets; and
- Non-derivatives qualifying conditions to be classified as loans and receivables.

A financial asset shall not be classified as held-to-maturity if the Company has, during the current financial year or during the two preceding financial years, sold or reclassified more than an insignificant amount of HTM financial assets before maturity (more than insignificant in relation to the total amount of HTM financial assets) other than sales or reclassifications that:

- are so close to maturity or the financial asset's call date (less than three months before maturity) that changes in the market rate of interest would not have a significant effect on the financial asset's fair value;
- occur after the Company has collected substantially all of the financial asset's original principal through scheduled payments or prepayments; or
- are attributable to an isolated event that is beyond the Company's control, is non-recurring and could not have been reasonably anticipated by the Company.

HTM financial assets are initially recorded at cost inclusive of directly attributable purchase costs, subsequently measured at amortised cost using effective interest rate method (“EIR”).

Effective interest method is a method used in calculating the amortised cost of an HTM financial asset or a group of HTM financial assets and in the allocation and recognition of the interest revenue or interest expense in profit or loss over the relevant period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.7 Financial assets (continued)****(a) Classification and measurement (continued)***(ii) Held-to-maturity financial assets (continued)*

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the financial instrument's expected life, or a shorter period where appropriate, to the net present value of a financial asset or a financial liability.

Amortised cost of HTM financial assets is determined at historical cost less principal received plus (or less) accumulated amortisation using effective interest rate method between historical cost and maturity value, less impairment loss (if any).

At the reporting date, HTM investments are provided for impairment loss when there is any objective evidence of impairment or uncollectibility as a result of one or more events that occurred subsequently to initial recognition and affected estimated future cash flows of HTM investments. Objective evidence of impairment may include:

- Significant financial difficulty of the issuer or the obligor;
- A breach of contract, such as default or delinquency in interest or principal payments;
- The lender, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- It is becoming probable that the borrower will enter bankruptcy or another financial reorganisation;
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including:

- (i) Adverse changes in the payment status of borrowers in the group; or
- (ii) National or local economic conditions that correlate with defaults on the assets in the group;

Provision for impairment of HTM financial assets is determined at the difference of the estimated recoverable amount and the carrying value of HTM financial assets at the reporting date. Provision/reversal of provision for such impairment is debited/credited to expenses in profit or loss of the statement of comprehensive income.

HTM financial assets are classified as current and non-current assets in the statement of financial position based on their remaining maturity as at the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.7 Financial assets (continued)****(a) Classification and measurement (continued)***(iii) Loans*

Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

In the reporting year, the Company had the following types of loans:

- Margin loans: the amounts lent to customers for their purchases of listed securities in accordance with Decision 87/QĐ-UBCK issued by the State Securities Commission on 25 January 2017. According to this regulation, the initial margin (ratio of net equity to market value of security to be purchased on margin as at trading date) is set by the Company but shall be not lower than 50%. The margin loans are collateralised by securities eligible for margin lending; and
- Trading advances: the amounts advanced to customers at the trading date and/or the immediately following day. These amounts are repaid within two (2) trading days.

Loans are initially recorded at cost and subsequently measured at amortised cost using the effective interest rate method ("EIR").

Amortised cost of loans is determined at historical cost less principal received plus (or less) accumulated amortisation using effective interest rate between historical cost and maturity value, less impairment loss (if any).

As at reporting date, loans are provided for impairment loss when there is any objective evidence of impairment. Provision for impairment of loans is determined at the difference of market value of collateral and the carrying value of loans at the reporting date. Provision/(reversal of provision) for such impairment is debited/credited to expenses in profit or loss of the statement of comprehensive income.

(iv) Available-for-sale financial assets ("AFS")

Available-for-sale financial assets are non-derivative financial assets that are not classified as FVTPL, HTM, nor loans and receivables.

Available-for-sale financial assets are initially recorded at cost inclusive of directly attributable purchase cost.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.7 Financial assets (continued)****(a) Classification and measurement (continued)***(iv) Available-for-sale financial assets ("AFS") (continued)*

At the reporting date, AFS financial assets are measured at fair value. Shares not traded on active market or those whose fair value is not reliably determined are accounted at cost.

All gains or losses from revaluation of AFS financial assets are accounted for directly in equity (other comprehensive income) through the statement of changes in equity, exclusive of impairment losses. Such recognition is applied until the asset is de-recognised.

At derecognition, accumulated gains or losses in equity are recognised in profit or loss of the statement of comprehensive income as a reclassification. Gains using effective interest method is recognised in profit or loss of the statement of comprehensive income in accordance with the accounting standard on revenue recognition.

At the reporting date, AFS financial assets are provided for impairment loss when there is any objective evidence of impairment.

Objective evidence of impairment for debt instruments may include those identified as for HTM financial instruments.

Objective evidence of impairment for equity instruments may include:

- Significant changes which adversely affect the issuer's operations as a result of their impacts on the technological, market, economic or legal environment, and indicates that the cost of the equity instrument may not be recovered;
- A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost;

Provision for impairment is determined at the difference of the estimated recoverable amount and the carrying value of AFS financial assets at the reporting date.

Impairment loss of AFS financial asset is recorded directly to previously recognised revaluation gain in equity (if any). When there is objective evidence that the AFS financial asset is impaired, accumulated revaluation loss in equity is reclassified to profit or loss of the statement of comprehensive income despite that asset is yet derecognised.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.7 Financial assets (continued)****(b) Reclassification***(i) Reclassification of non-FVTPL financial assets upon disposal*

Non-FVTPL financial assets are reclassified to FVTPL financial assets before disposal. Accumulated revaluation of AFS financial assets in equity will be recorded in the statement of comprehensive income as a reclassification.

(ii) Reclassification due to change in intention/ability to hold the financial assets

Reclassification of financial assets due to change in intention/ability to hold the assets is permitted, provided that:

- Non-derivative FVTPL financial assets that are not required to be classified as FVTPL at initial recognition may be reclassified as loans and receivables in limited circumstances or cash and cash equivalents if meeting certain conditions for reclassification. Gains and losses from revaluation of FVTPL financial assets arising before the reclassification are not reversed.
- If the change in intention/ability to hold a financial asset results in it being inappropriately reclassified as an HTM asset, that asset must be reclassified as AFS and re-measured at fair value. Difference between its carrying value and fair value is recognised in profit or loss of the statement of comprehensive income as a reclassification.

(c) Recognition/de-recognition

Purchases and sales of financial assets are recognised on trade date – the date on which the Company becomes a party to the contractual provisions of the instruments.

Financial assets are de-recognised when the right to receive cash flows from the financial assets has expired or the Company has transferred substantially all risks and rewards of ownership of those financial assets.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement but has neither transferred substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.7 Financial assets (continued)****(d) *Initial recognition***

FVTPL financial assets are initially recognised at purchase cost exclusive of transaction costs. Other financial assets are initially recorded at historical cost including directly attributable purchase cost.

Bonus issues and stock dividends are initially recognised as financial assets at nil cost.

(e) *Determination of market value/fair value*

The Company applies valuation bases for financial assets in accordance with Circular 91/2020/TT-BTC on 13 November 2020 regarding capital adequacy ratio of securities trading entities ("Circular 91/2020/TT-BTC") in determining the market value/fair value of financial assets, in particular:

(i) *Shares listed on stock exchanges, shares of public companies registered for trading on the Unlisted Public Company Market ("UPCoM")*

These shares are revalued at the closing price of the latest trading date prior to the valuation date. Shares trading on UPCoM are revalued based on the reference price of the latest trading day prior to reporting date.

(ii) *Other shares*

Other shares are revalued based on the Company's valuation techniques. Shares without sufficient trading information and whose fair value cannot be reliably measured are stated at cost.

(iii) *Bonds listed on stock exchanges*

These bonds are revalued based on quoted price (clean price) of outright transactions on stock exchanges at the latest trading date up to the valuation date plus accrued interests.

Bonds that are not traded for more than two (2) weeks prior to the valuation date are revalued at purchase price plus accrued interests.

(iv) *Unlisted bonds*

Unlisted bonds are revalued at purchase price plus accrued interests.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets (continued)

(e) Determination of market value/fair value (continued)

(v) Certificates of open-ended funds/exchange traded fund (“ETF”)

Certificates of open-ended funds/ETF are revalued at net asset value per one (1) fund unit on their latest valuation date up to the reporting date of the Company.

(vi) Delisted shares, shares suspended for trading, shares paused for trading from sixth day onwards

These shares are revalued at their book value on the latest reporting date.

(vii) Certificates of deposit

Certificates of deposit are revalued at purchase price plus accrued interest up to the reporting date of the Company.

(f) Recognition of gains/(losses)

Purchase transaction costs

Transaction costs related to purchases of FVTPL financial assets are expensed off in profit or loss of the statement of comprehensive income, while transaction costs related to purchases of other financial assets are included in the cost of these assets.

Selling transaction costs

Selling transaction costs are expensed off in profit or loss of the statement of comprehensive income.

Gain/(loss) on disposal

Gain/(loss) on disposal of financial assets are accounted for as income/(expenses) in profit or loss of the statement of comprehensive income. Costs of disposed financial assets are determined using the weighted average method up to the end of trading dates.

Provision/(reversal of provision) for impairment of financial assets

Provision/(reversal of provision) for impairment of financial assets is debited/(credited) to expenses in profit or loss of the statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.8 Receivables**

Receivables comprise receivables from disposal of financial assets, dividend and interest receivable, service-related receivables, receivables from trading errors and other receivables. Receivables are recorded on an accrual basis and presented at cost less provision for impairment (if any).

Receivables are classified as current and non-current assets in the statement of financial position based on their remaining maturity as at the reporting date.

Provision for doubtful debts is made for each outstanding amount based on number of days past due according to initial payment commitment (without considering any mutually agreed extension) or based on the estimated loss that may arise. Bad debts are written off when identified.

Provision/(reversal of provision) for impairment is debited/credited to expenses in profit or loss of the statement of comprehensive income.

2.9 Futures

Futures are listed derivatives in which the parties commit to:

- Buy or sell a volume of underlying asset at a pre-determined price on a pre-determined future date; or
- Settle the difference between the pre-determined transaction price and the price of the underlying asset on the pre-determined future date.

The Company accounts for futures in accordance with guidance of the Official Letter 6190/BTC-CĐKT, in particular:

Proprietary trading activities

Deposit for derivative trading activities is accounted for as 'Other current assets' in the statement of financial position.

Securities deposited for derivative trading activities are not de-recognised but rather monitored under sub-accounts of the same type of financial assets and separately disclosed in the financial statements.

Gain (or loss) on futures position is determined and settled on a daily basis at the difference between the closing settlement price on accounting date and that on the latest trading date. Gain (or loss) on futures position is accounted as realised income (or expense) in the statement of comprehensive income under item 'Gain (or loss) on disposal of FVTPL financial assets.'

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.9 Futures (continued)*****Proprietary trading activities (continued)***

Interest arising on deposit for derivative trading activities is accounted for as a financial income in the statement of comprehensive income under item 'Dividend income and interest income from demand deposits'.

Brokerage activities

Deposit in Derivative Clearing Fund is accounted for as 'Other non-current assets' in the statement of financial position.

Revenue from futures brokerage is accounted for in the statement of comprehensive income under item 'Brokerage fee income'.

Cash and securities deposited for derivative trading activities of customers is accounted for off statement of financial position under item 'Customers' deposits for derivative trading' and 'Customers' deposits at VSDC'.

2.10 Accounting treatments for pledged investments

During the year, the Company had pledged certain investments to secure its contractual obligations.

According to the provisions of the respective contracts, during the contract terms, the Company may not use the pledged assets to sell, transfer, enter into sale and repurchase agreements or swap contracts with any other third party.

If the Company fails to fulfil its obligations, the pledgees have the right to use the pledged assets as means to secure the Company's obligations after a stipulated point of time since which the obligations become past due.

Pledged assets are presented in the statement of financial position following accounting policies applied to the type of assets into which they are classified.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.11 Fixed assets***Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes all costs necessary to bring the assets to working condition for their intended use. Subsequent expenditures can be capitalised only if they result in probable future economic benefits from using the assets. Unqualified expenditures are immediately expensed off.

Depreciation and amortisation

Fixed assets are depreciated/amortised using the straight-line method to write off the depreciable amount of the fixed assets over their estimated useful lives. The principal annual rates used are:

Motor vehicles	16.67%
Office equipments	33.33%
Computer software	33.33% - 50%

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the statement of comprehensive income.

Construction in progress

Construction in progress represents the cost of assets in the course of completion for operation or administrative purposes, including all necessary costs for qualifying assets. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

2.12 Leased assets

Leases where a significant portion of the risks and rewards incidental to the asset ownership is retained by the lessor are classified as operating leases. Operating lease payments are charged to the statement of comprehensive income on a straight-line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.13 Prepaid expenses**

Prepaid expenses include short-term and long-term prepayments on the balance sheet. Short-term prepaid expenses represent prepayments for goods and services; or tools that do not meet the recognition criteria for fixed assets for a period not exceeding 12 months or a business cycle from the date of prepayment. Long-term prepaid expenses represent prepayments for goods and services; or tools, which do not meet the recognition criteria for fixed assets for a period exceeding 12 months or more than one business cycle from the date of prepayment. Prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

2.14 Pledged assets, mortgaged assets, security deposits

Short-term/long-term security deposits are recognised when the Company makes its payments in accordance with the contractual terms and are classified as other current/non-current assets.

2.15 Liabilities**(a) Recognition/de-recognition**

Liabilities are recognised when the Company has an obligation as a result of receipts of assets, commits or becomes a party to the contractual provisions. Liabilities are de-recognised when such obligations are fully discharged. Liabilities are recognised on an accrual basis and on prudence concept.

(b) Classification

Classifications of liabilities are based on the type of transactions on which they arise as follows:

- Borrowings;
- Issued bonds;
- Trading obligations;
- Covered warrant liabilities;
- Trade payables arising from purchases of financial assets, goods or services;
- Advances from customers; and
- Other payables including non-trade payables and those not arising from purchases of financial assets, goods and services.

Liabilities are classified as current and non-current liabilities in the statement of financial position based on their remaining year from the reporting date to their maturity dates.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.16 Offsetting financial instruments**

Financial liabilities are contractual obligations to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company, or contracts that may be settled in the Company's own equity instruments.

Financial assets and liabilities are offset, and the net amount is presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and the Company has an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.17 Borrowings

Borrowings include borrowings from banks, financial institutions, finance companies and other entities. Borrowings are stated at cost as at reporting date.

Borrowings are classified as current and non-current liabilities in the statement of financial position based on their remaining year from the reporting date to their maturity dates.

2.18 Issued bonds

Issued bonds are initially recognised at their issuance prices. Premiums/(discounts) are determined at issuance and allocated to borrowing costs or capitalised during the bond tenors using straight-line method.

Issued bonds balances are presented on a net basis (par values plus unallocated premiums or minus unallocated discounts at the reporting date).

Issued bonds are classified as current and non-current liabilities in the statement of financial position based on their tenors.

2.19 Covered warrants

Covered warrant is a collateralised security issued by securities companies that gives the holders the right to buy from (call warrant) or sell to (put warrant) the warrant issuer an underlying asset at a pre-determined price, at or by a pre-determined point of time, or receive an amount of cash at the difference between exercise price and price of the underlying asset on exercise date. The securities companies issuing covered warrants are required to deposit cash and financial assets, or obtain bank guarantees to secure their obligations to the warrant holders.

The Company accounts for covered warrants in accordance with guidance of the Circular 23/2018/TT-BTC, in particular:

Covered warrants issued by the Company

Proceeds from issuance of warrants are accounted as covered warrant liabilities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.19 Covered warrants (continued)*****Covered warrants issued by the Company (continued)***

When the Company buys back covered warrants it issued for market-making purpose, or when the covered warrants are delisted and buybacks are mandatory, positive (or negative) differences between buyback price and carrying value of covered warrants are recognised as loss (or gain) in the statement of comprehensive income.

All costs incurred for buybacks and issuance of covered warrants are expensed off immediately. Indemnifications for customers due to late payments are accounted as other expenses.

As at reporting date, covered warrants are fair valued. Increase (or decrease) in fair value of covered warrants is recognised in loss (or gain) in the statement of comprehensive income.

Gain (or loss) on expiry of covered warrant is recognised as gain (or loss) on disposal of FVTPL financial assets in the statement of comprehensive income.

Authorised quantity of covered warrants, issued quantity of covered warrants and buyback quantity of covered warrants are monitored off the statement of financial position. Such quantities as at reporting date are disclosed in off statement of financial position items.

Securities used as hedges against covered warrants

Securities used as hedges against position of covered warrants are monitored under separate accounts and revalued at reporting date. Revaluation result is accounted similarly to FVTPL and AFS financial assets.

Proprietary trading of covered warrants

When the Company purchases covered warrants issued by other issuers for investing purpose, such covered warrants are accounted for similarly to FVTPL financial assets.

2.20 Income tax paid on behalf of investors

According to the prevailing taxation regulations in Vietnam, the Company is required to withhold foreign contractor tax of 0.1% on trading proceeds of foreign institutional investors and pay on their behalf. For individual investors (both residents and non-residents), the Company is required to withhold personal income tax of 0.1% on their trading proceeds. The Company will declare and make tax payment on behalf of these investors. For local institutional investors, the Company is not responsible for withholding tax as these entities are responsible for their own tax payments and declarations.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.21 Accrued expenses**

Accrued expenses include liabilities for goods and services received in the period but not yet paid due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses of the year.

2.22 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligations. If the time value of money is material, provisions will be measured at the present value using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the obligations. The increases in the provision due to passage of time are recognised as financial expenses.

Changes in the provision balances during the year are debited or credited to operating expenses.

2.23 Equity**(a) Owners' capital**

Owners' capital is recorded according to the actual amounts contributed and is recorded according to the par value of the shares.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Treasury shares are shares issued and repurchased by the Company but not yet cancelled at the reporting date. Treasury shares are recorded at cost and deducted from equity. The Company does not account for gains/(losses) from purchase/sale, issuance/cancellation of its equity instruments.

- Treasury shares repurchased before the effective date of Securities Law 2019 (1 January 2021) are shares issued and repurchased by the Company, but these are not cancelled and may be re-issued subsequently in accordance with the Law on Securities.
- Treasury shares repurchased after 1 January 2021 will be cancelled and adjusted to reduce equity. The Company has no transaction to repurchase treasury shares after 1 January 2021 until the report issuance date.

(b) Revaluation reserve

Revaluation reserve reflects the differences arising on revaluation of AFS.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.23 Equity (continued)****(c) *Financial and operational risk reserve and supplementary capital reserve***

From 1 February 2022, Circular 114/2021/TT-BTC issued by the Ministry of Finance on 17 December 2021 is effective, accordingly:

- The financial regimes applicable to securities companies stipulated in Circular 146/2014/TT-BTC issued by the Ministry of Finance on 6 October 2014 are revoked in full.
- The balance of Supplementary capital reserve made in accordance with Circular 146/2014/TT-BTC shall be added to the Company's charter capital in line with Securities Law 2019, the related guidelines and the Company's charter.
- The balance of Financial risk and operation reserve made in accordance with Circular 146/2014/TT-BTC shall be added to the Company's charter capital or utilised in line with resolution of Annual General Meeting of shareholders, Securities Law 2019 and related guidelines, the Company's charter, while ensuring financial safety ratio pursuant to securities regulations.

Before 1 February 2022:

- According to Circular 146/2014/TT-BTC, securities companies and fund management companies are required to make annual appropriation to the financial and operational risk reserve and supplementary capital reserve at 5% of the post-tax profit for each reserve in each of its profitable years until the accumulated balance of each reserve reaches 10% of the charter capital.
- Financial and operational risk reserve is made to compensate the residual losses and damages arising in operation beyond the indemnification received from the parties causing damages and insurance companies and the utilisation of indemnity funds and the relevant provisions made.
- Supplementary capital reserve serves as a financial resource to increase charter capital.

(d) *Undistributed earnings*

Undistributed earnings represent cumulative undistributed post-tax profits at the reporting date including cumulative realised profits and cumulative unrealised profits.

Unrealised profit/(loss) for the year is the total difference between gain and loss arising from revaluation of financial assets at FVTPL or other financial assets charged into the statement of comprehensive income and deferred income tax arising from such revaluation.

Realised profit during the year is the difference between total revenue, income and total expenses in the statement of comprehensive income, except for gain or loss arising from revaluation of financial assets recognised in unrealised profit/(loss).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.24 Dividend**

The Company's dividend declaration is recognised as a liability in the financial statements when the dividend is approved in the General Meeting of Shareholders or when the Board of Directors declares dividends in accordance with the Company's Charter and prevailing regulations.

Earnings distributable to shareholders comprise post-tax realised profits. Prior to 1 February 2022 (effective date of Circular 114/2021/TT-BTC), earnings distributable to shareholders comprise post-tax realised profits after deducting the amounts appropriated to financial and operational risk reserve and supplementary capital reserve.

2.25 Assets of customers and liabilities to customers

Assets of customers and liabilities to customers are presented as off statement of financial position including:

- Customers' deposits for securities trading, cash of securities issuers and related liabilities; and
- Financial assets of customers.

2.26 Revenue and income recognition**(a) Revenue from provision of services to investors**

Revenue from provision of services to investors comprises securities brokerage fees, securities underwriting fees, investment consultancy fees, financial consultancy fees, securities custody service and entrustment service fees.

Revenue from the provision of services is recognised in the statement of comprehensive income when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from the provision of services is only recognised when all four following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The percentage of completion of the transaction at the reporting date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of a service delivery transaction cannot be ascertained, revenue is recognised in proportion to the recognised and recoverable cost.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.26 Revenue and income recognition (continued)****(a) *Revenue from provision of services to investors (continued)***

Revenue deductions include price discounts. Revenue deductions incurred in the same period of the related revenue are recorded as a deduction from the revenue of that period.

Revenue deductions incurred after the reporting date but before the issuance of the financial statements are recorded as a deduction from the revenue of the reporting period.

(b) *Income from proprietary trading of financial assets*

Income from proprietary trading of financial assets comprises gain/(loss) from sales or disposal of financial assets and dividend income.

Gain/(loss) from sales or disposal of financial assets is measured as difference between selling price before selling costs and costs of securities disposed. Costs of securities disposed are determined using the weighted average method up to the end of trading dates.

Dividend income is recognised in the statement of comprehensive income when the Company's right to receive dividend is established, except for scrip dividends whose quantity is added to the Company's securities portfolio and is not recognised as income.

(c) *Income from working capital management*

Income from working capital management comprises interest income from deposits at bank, income from HTM investments, income from margin loans and trading advances. This income is recognised on an accrual basis unless collectability is in doubt.

(d) *Other income*

Other income includes non-recurring income generated from activities other than those generating the revenue and income described above.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.27 Expenses****(a) Recognition**

Expenses are recognised on an accrual basis, matching with revenue and on prudence concept.

(b) Classification

Expenses are classified by function as follows:

- Operating expenses;
- Financial expenses;
- General and administrative expenses; and
- Other expenses.

2.28 Financial income

Financial income reflects income from investment activities arising during the year mainly including interest income from bank deposits and foreign exchange gains.

2.29 Financial expenses

Financial expenses are expenses incurred in the year for financial activities mainly including interest expenses and foreign exchange losses.

The company hedges against foreign exchange risk for borrowings denominated in foreign currencies by entering into forward contracts and cross currency swap contracts with local commercial banks. The cost of hedging arising with these contracts are allocated on a straight-line basis over their contract term and recognised as financial expense in the statement of comprehensive income.

Expenses directly attributable to obtaining syndicated loan facilities (except interest expenses) that are payable to the syndicated lenders at the time of loan origination are recognised as a prepayment and allocated into financial expenses over the loan tenor.

2.30 General and administrative expenses

General and administrative expenses represent expenses for administrative purposes which mainly include salary expenses, outside services, stationery expenses, depreciation expenses, transportation expenses, rental and other administrative expenses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.31 Current and deferred income tax**

Income taxes include all income taxes which are based on taxable profits. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current period taxable profit at the current tax rates. Current and deferred income tax should be recognised as an income or an expense and included in profit or loss for the year, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.32 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including the Board of Directors and the Board of Management of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationship with each party, the Company considers the substance of the relationship, and not merely the legal form.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.33 Segment reporting

A segment is a separable component of the Company engaged in providing services and investing (business segment) or providing services and investing within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Company's business segment.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Company financial statements in order to enable users of financial statements to understand and evaluate the Company's operations in a comprehensive way.

2.34 Nil items

Items required by Circular 334/2016/TT-BTC, Official Letter 6190/BTC-CĐKT and Circular 23/2018/TT-BTC that are not presented in these financial statements indicate nil items.

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION

3.1 Cash and cash equivalents

	As at	
	31.12.2023	31.12.2022
	VND	VND
Cash		
Cash on hand	476,310,684	209,635,507
Cash at bank	537,421,508,556	2,313,291,979,296
	537,897,819,240	2,313,501,614,803
Cash equivalents		
Term deposits with an original maturity of three (3) months or less (*)	250,000,000,000	1,110,000,000,000
	787,897,819,240	3,423,501,614,803

(*) Cash equivalents comprised term deposits with original maturity of three (3) months or less bearing interest rates ranging from 4% to 4.75% (2022: from 5% to 6%) per annum. Details of term deposits pledged for short-term bank borrowings at the reporting date (Note 3.9) are as follows:

Counterparty	Issue date	Maturity date	Par value	Interest rate p.a.
Domestic bank	25.12.2023	25.1.2024	100,000,000,000	4%

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.2 Financial assets

(a) Financial assets measured at fair value through profit or loss (“FVTPL”)

As at 31 December 2023	Comparison to market price or fair value			Market value/ fair value VND
	Cost VND	Gain VND	Loss VND	
Listed shares and shares traded on UPCoM	125,069,081,721	801,838,837	(3,733,288,558)	122,137,632,000
Total	125,069,081,721	801,838,837	(3,733,288,558)	122,137,632,000

As at 31 December 2022	Comparison to market price or fair value			Market value/ fair value VND
	Cost VND	Gain VND	Loss VND	
Listed shares and shares traded on UPCoM	68,273,489,947	498,111,105	(2,106,167,352)	66,665,433,700
Unlisted bonds (*)	598,592,462,616	-	-	598,592,462,616
Total	666,865,952,563	498,111,105	(2,106,167,352)	665,257,896,316

(*) The fair values of these financial instruments are determined as purchase price plus accrued interests.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.2 Financial assets (continued)

(a) Financial assets measured at fair value through profit or loss (“FVTPL”) (continued)

	As at 31 December 2023		As at 31 December 2022	
	Cost VND	Market value/ fair value VND	Cost VND	Market value/ fair value VND
Listed shares and shares traded on UPCoM				
Vietnam Joint Stock Commercial Bank for Industry and Trade (CTG)	125,069,081,721	122,137,632,000	68,273,489,947	66,665,433,700
Hoa Phat Group Joint Stock Company (HPG)	56,704,805,186	54,568,560,000	1,360,872,462	1,362,500,000
Others	-	-	4,023,040,501	3,963,600,000
	68,364,276,535	67,569,072,000	62,889,576,984	61,339,333,700
Unlisted bonds				
Phat Dat Real Estate Development Corp (PDRH2123010)	-	-	598,592,462,616	598,592,462,616
Phat Dat Real Estate Development Corp (PDRH2123008)	-	-	151,283,043,984	151,283,043,984
PC1 Group Joint Stock Company (PC1H2227001)	-	-	74,559,176,056	74,559,176,056
Masan Group Corporation (MSNH2227004)	-	-	234,488,113,962	234,488,113,962
Others	-	-	125,105,128,614	125,105,128,614
	-	-	13,157,000,000	13,157,000,000
Total	125,069,081,721	122,137,632,000	666,865,952,563	665,257,896,316

VIETCAP SECURITIES JOINT STOCK COMPANY

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.2 Financial assets (continued)

(b) Held-to-maturity financial assets (“HTM”)

	As at 31.12.2023		As at 31.12.2022	
	Amortised cost VND	Provisions VND	Amortised cost VND	Provisions VND
Term deposits	310,000,000,000	-	867,288,640,000	-
Security deposit for covered warrants issued	66,500,000,000	-	18,600,000,000	-
Transferable certificates of deposit	4,400,000,000	-	-	-
Total	380,900,000,000	-	885,888,640,000	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.2 Financial assets (continued)

(b) Held-to-maturity financial assets (“HTM”) (continued)

Details of held-to-maturity financial assets at the reporting date are as follows:

Issuers/counterparties	Issue date	Maturity date	Par value VND	Interest rate p.a.
<i>Transferable certificate of deposits, unsecured</i>				
Domestic finance company	17.08.2023	19.02.2024	4,400,000,000 4,400,000,000	11%
<i>Term deposits</i>				
Foreign bank (*)	15.11.2023	25.11.2024	310,000,000,000 310,000,000,000	6%
<i>Security deposit for covered warrants issued (**)</i>				
Domestic commercial bank			66,500,000,000 66,500,000,000	3.7% - 5%

(*) These deposits were being pledged for short-term borrowings as at 31 December 2023 as presented in Note 3.10.

(**) This represents security deposit at custodian banks in relation to covered warrants issued by the Company with maturity over 3 months. This deposit is blocked during the effective period of the covered warrants at least 50% of the value of the issued covered warrants, excluding those delisted covered warrants in accordance with Circular 107/2016/TT-BTC issued by Ministry of Finance on 29 June 2016.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.2 Financial assets (continued)

(c) Available-for-sale financial assets (“AFS”)

As at 31 December 2023

	Cost VND	Comparison to market price or fair value		Market value/ fair value VND
		Gain VND	Loss VND	
Listed shares and shares traded on UPCoM	3,920,371,868,215	1,894,005,062,783	(71,764,223,096)	5,742,612,707,902
Underlying assets designated as hedges for covered warrants	8,376,960,476	130,263,143	(301,354,819)	8,205,868,800
Unlisted and unregistered shares	665,410,575,713	187,600,000,000	-	853,010,575,713
Carried at cost (*)	257,170,575,713	-	-	257,170,575,713
Carried at fair value (**)	408,240,000,000	187,600,000,000	-	595,840,000,000
Total	4,594,159,404,404	2,081,735,325,926	(72,065,577,915)	6,603,829,152,415

As at 31 December 2022

	Cost VND	Comparison to market price or fair value		Market value/ fair value VND
		Gain VND	Loss VND	
Listed shares and shares traded on UPCoM	1,736,090,790,598	1,271,393,607,326	(171,152,014,987)	2,836,332,382,937
Underlying assets designated as hedges for covered warrants	5,550,850,919	104,690,744	(283,334,863)	5,372,206,800
Unlisted and unregistered shares	704,704,425,713	187,600,000,000	-	892,304,425,713
Carried at cost (*)	296,464,425,713	-	-	296,464,425,713
Carried at fair value (**)	408,240,000,000	187,600,000,000	-	595,840,000,000
Total	2,446,346,067,230	1,459,098,298,070	(171,435,349,850)	3,734,009,015,450

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.2 Financial assets (continued)

(c) Available-for-sale financial assets (“AFS”) (continued)

	As at 31.12.2023		As at 31.12.2022	
	Cost VND	Market value/ fair value VND	Cost VND	Market value/ fair value VND
Listed shares and shares traded on UPCoM				
International Dairy Products Joint Stock Company (IDP)	3,920,371,868,215	5,742,612,707,902	1,736,090,790,598	2,836,332,382,937
Khang Dien House Trading and Investment Joint Stock Company (KDH)	440,985,822,375	2,166,246,145,000	440,985,822,375	1,617,938,299,327
Military Commercial Joint Stock Bank (MBB)	944,389,587,724	1,019,022,849,800	510,303,079,578	357,034,042,700
Masan Group Corporation (MSN)	238,561,756,602	246,635,899,250	-	-
Phu Nhuan Jewelry Joint Stock Company (PNJ)	282,606,909,165	236,322,065,000	161,855,588,508	176,103,312,000
FPT Corporation (FPT)	222,485,963,573	234,066,200,000	1,782,504,506	1,905,880,000
Sai Gon Thuong Tin Commercial Joint Stock Bank (STB)	172,031,976,677	174,563,151,400	1,726,779,805	1,574,758,200
Others	112,073,429,707	109,167,110,000	-	-
	1,507,236,422,392	1,556,589,287,452	619,437,015,826	681,776,090,710
Underlying assets designated as hedges for covered warrants				
FPT Corporation (FPT)	8,376,960,476	8,205,868,800	5,550,850,919	5,372,206,800
Masan Group Corporation (MSN)	3,257,526,323	3,305,455,600	288,555,547	263,151,800
Others	569,268,807	476,035,000	138,128,877	150,288,000
	4,550,165,346	4,424,378,200	5,124,166,495	4,958,767,000
Unlisted and unregistered shares				
National Payment Corporation of Vietnam (NAPAS) (**)	665,410,575,713	853,010,575,713	704,704,425,713	892,304,425,713
VPBank SMBC Finance Company Limited (*)	408,240,000,000	595,840,000,000	408,240,000,000	595,840,000,000
Others (*)	161,294,370,000	161,294,370,000	161,294,370,000	161,294,370,000
	95,876,205,713	95,876,205,713	135,170,055,713	135,170,055,713
Total	4,594,159,404,404	6,603,829,152,415	2,446,346,067,230	3,734,009,015,450

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.2 Financial assets (continued)

(c) Available-for-sale financial assets (“AFS”) (continued)

(*) These shares do not have listed prices on the market and their fair value cannot be reliably measured. Hence, their fair value is stated at cost.

(**) The fair value of equity investment in NAPAS is estimated based on management’s valuation models following multiples approach. The fair value is determined as the simple average of two values derived from price-to-earning (PE) ratio model and price-to-book (PB) ratio model. The fair value of equity investment is determined at each reporting period. As at 31 December 2023, this fair value is not significantly different from the reporting fair value of this investment.

The value of AFS shares being pledged for short-term borrowings as at 31 December 2023 is presented in Note 3.9.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.3 Loans and provisions

(a) Loans

	As at 31.12.2023		As at 31.12.2022	
	Amortised cost	Provisions	Amortised cost	Provisions
	VND	VND	VND	VND
Margin loans (*)	7,612,101,283,117	(2,169,825,587)	4,968,026,671,773	(2,169,825,587)
Trading advances	380,367,066,852	-	311,252,564,912	-
Total	7,992,468,349,969	(2,169,825,587)	5,279,279,236,685	(2,169,825,587)

(*) Securities purchased on margin are held by the Company as collaterals for margin loans. The market value of collateral assets as at 31 December 2023 was VND22,924,532,921,010 (as at 31 December 2022: VND27,202,388,205,950).

(b) Provisions for impairment loss of financial assets and collaterals

The movement in provisions for impairment loss of financial assets and collaterals during the year is as follows:

	Opening balance	Provided	Reversed	Closing balance
	VND	VND	VND	VND
Margin loans	2,169,825,587	-	-	2,169,825,587

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.4 Receivables

	As at 31.12.2023		As at 31.12.2022	
	Carrying value VND	Doubtful amount VND	Carrying value VND	Doubtful amount VND
Receivables from disposals of financial assets				
Receivables from disposals of listed equities	745,348,455,200	-	31,888,215,000	-
Receivables from disposals of covered warrants	-	-	1,227,000	-
	745,348,455,200	-	31,889,442,000	-
Dividend and interest receivables				
Dividend and interest receivables not yet due	103,219,084,809	-	59,484,897,025	-
Service-related receivables				
Service fee receivables	31,212,896,867	13,220,450,000	28,333,567,121	1,928,450,000
	879,780,436,876	13,220,450,000	119,707,906,146	1,928,450,000

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

Movement in provisions for doubtful debts during the year is as follows:

3.5 Prepayment to suppliers

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.6 Fixed assets

(a) *Tangible fixed assets*

	Vehicles VND	Office equipment VND	Total VND
Historical cost			
As at 1.1.2023	12,657,406,382	68,190,777,372	80,848,183,754
New purchases	-	1,889,611,636	1,889,611,636
As at 31.12.2023	<u>12,657,406,382</u>	<u>70,080,389,008</u>	<u>82,737,795,390</u>
Accumulated depreciation			
As at 1.1.2023	3,865,171,129	54,526,732,500	58,391,903,629
Charge for the period	1,753,580,820	6,866,502,131	8,620,082,951
As at 31.12.2023	<u>5,618,751,949</u>	<u>61,393,234,631</u>	<u>67,011,986,580</u>
Net book value			
As at 1.1.2023	<u>8,792,235,253</u>	<u>13,664,044,872</u>	<u>22,456,280,125</u>
As at 31.12.2023	<u>7,038,654,433</u>	<u>8,687,154,377</u>	<u>15,725,808,810</u>

As at 31 December 2023, the Company had no outstanding commitments to purchase or sell tangible fixed assets.

Historical cost of fully depreciated tangible fixed assets but still in use as at 31 December 2023 was VND53,721 million (as at 31 December 2022: VND48,603 million).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.6 Fixed assets (continued)

(b) *Intangible fixed assets*

	Computer software VND
Historical cost	
As at 1.1.2023	50,615,835,542
New purchase	3,101,918,500
Transfer from construction in progress (Note 3.6(c))	4,617,120,000
	<hr/>
As at 31.12.2023	58,334,874,042
	<hr/>
Accumulated amortisation	
As at 1.1.2023	49,575,557,079
Charge for the year	1,059,516,320
	<hr/>
As at 31.12.2023	50,635,073,399
	<hr/>
Net book value	
As at 1.1.2023	1,040,278,463
	<hr/>
As at 31.12.2023	7,699,800,643
	<hr/>

As at 31 December 2023, the Company's commitments to purchase intangible fixed assets are disclosed in Note 12.

Historical cost of fully amortised intangible fixed assets but still in use as at 31 December 2023 was VND49,981 million (as at 31 December 2022: VND VND42,484 million).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.6 Fixed assets (continued)

(c) Construction in progress

Movements in construction in progress during the year are as follows:

	For the year ended	
	31.12.2023 VND	31.12.2022 VND
Opening balance	7,359,767,000	5,809,600,000
Increase	4,755,474,089	12,419,675,060
Transfer to tangible fixed assets	-	(280,000,000)
Transfer to intangible fixed assets (Note 3.6(b))	(4,617,120,000)	(585,404,000)
Transfer to prepaid expenses	(1,848,521,089)	(10,004,104,060)
Closing balance	5,649,600,000	7,359,767,000

3.7 Prepaid expenses

(a) Short-term prepaid expenses

	As at	
	31.12.2023 VND	31.12.2022 VND
Syndicated loan upfront fees	39,680,599,856	-
IT costs	5,418,348,407	3,305,769,131
Office rental	169,896,875	1,082,155,369
	45,268,845,138	4,387,924,500

(b) Long-term prepaid expenses

	As at	
	31.12.2023 VND	31.12.2022 VND
Leasehold improvements	7,943,878,800	10,784,479,307
Office rental	-	2,506,052,293
	7,943,878,800	13,290,531,600

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.8 Other assets

(a) Other current assets

	As at	
	31.12.2023	31.12.2022
	VND	VND
Deposits for derivative trading activities (*)	147,257,185,100	46,136,989,800

(*) This is the Company's deposits for its proprietary derivative trading activities in compliance with Decision No. 96/QĐ-VSD dated 23 March 2017 of the Vietnam Securities Depository and Clearing Corporation.

(b) Deposits in the Settlement support fund

According to Decision No. 45/QĐ-VSD dated 22 May 2014 issued by the Vietnam Securities Depository and Clearing Corporation, the Company is required to deposit an initial amount of VND120 million at the Vietnam Securities Depository and Clearing Corporation and an additional annual contribution equivalent to 0.01% of the total value of brokered securities in the previous year up to the maximum limit of VND2.5 billion in any one year. The maximum amount of contribution is VND20 billion.

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Opening balance	23,914,928,922	22,591,443,032
Additional contribution	-	-
Interest accrued	1,026,548,330	1,323,485,890
Closing balance	24,941,477,252	23,914,928,922

As at 31 December 2023 and 31 December 2022, the Company fully contributed the maximum amount.

(c) Other non-current assets

This represents Derivative trading Settlement Fund. According to the Policy on Management and Use of Derivative trading clearing fund issued in conjunction with Decision No. 97/QĐ-VSD dated 23 March 2017 by the Vietnam Securities Depository and Clearing Corporation, the minimum amount of initial contribution applicable to direct clearing members is VND10 billion.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.9 Pledged assets

	As at	
	31.12.2023	31.12.2022
	VND	VND
Cash equivalents		
Term deposits with an original maturity of three (3) months or less (Note 3.1)	100,000,000,000	-
Held-to-maturity financial assets (“HTM”)		
Short-term deposits (Note 3.2(b))	376,500,000,000	727,288,640,000
Listed shares and shares traded on UPCoM		
AFS financial assets (Note 3.2(c))	3,734,210,000,000	1,554,650,000,000
	4,210,710,000,000	2,281,938,640,000

These assets are pledged as collaterals for the Company’s short-term borrowings (Note 3.10).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.10 Short-term borrowings and issued bonds

Details of movements in short-term borrowings and issued bonds during the year are as follows:

	Opening balance VND	Disbursement VND	Repayment VND	Closing balance VND
Short-term borrowings				
Foreign bank (i)	-	1,817,830,000,000	-	1,817,830,000,000
Foreign bank (ii)	-	1,666,000,000,000	-	1,666,000,000,000
Foreign bank (iii)	-	1,064,250,000,000	-	1,064,250,000,000
Domestic bank (iv)	100,000,000,000	2,750,000,000,000	(1,900,000,000,000)	950,000,000,000
Domestic bank (v)	500,000,000,000	2,725,000,000,000	(2,375,000,000,000)	850,000,000,000
Domestic bank (vi)	300,000,000,000	2,126,000,000,000	(1,926,000,000,000)	500,000,000,000
Domestic bank (vii)	-	3,100,000,000,000	(2,600,000,000,000)	500,000,000,000
Domestic bank (viii)	-	600,000,000,000	(300,000,000,000)	300,000,000,000
Domestic joint stock company (ix)	-	300,000,000,000	-	300,000,000,000
Domestic bank (x)	-	200,000,000,000	-	200,000,000,000
Foreign bank (xi)	-	502,320,000,000	(332,465,000,000)	169,855,000,000
Domestic bank (xii)	-	330,000,000,000	(165,000,000,000)	165,000,000,000
Domestic finance company (xiii)	-	730,000,000,000	(580,000,000,000)	150,000,000,000
Foreign bank (xiv)	-	428,460,000,000	(282,120,000,000)	146,340,000,000
Domestic bank (xv)	100,000,000,000	600,000,000,000	(600,000,000,000)	100,000,000,000
Domestic joint stock company (xvi)	-	64,000,000,000	-	64,000,000,000
Domestic joint stock company (xvii)	-	36,000,000,000	-	36,000,000,000
Foreign bank	2,569,707,142,857	-	(2,569,707,142,857)	-
Foreign bank	2,300,000,000,000	-	(2,300,000,000,000)	-
Foreign bank	456,500,000,000	-	(456,500,000,000)	-
Foreign bank	-	482,150,000,000	(482,150,000,000)	-
Domestic joint stock company	-	300,000,000,000	(300,000,000,000)	-
Domestic joint stock company	-	300,000,000,000	(300,000,000,000)	-
Domestic joint stock company	-	200,000,000,000	(200,000,000,000)	-
Total short-term borrowings	6,326,207,142,857	20,322,010,000,000	(17,668,942,142,857)	8,979,275,000,000
Issued bonds (xviii)	547,100,000,000	-	(427,100,000,000)	120,000,000,000
Total	6,873,307,142,857	20,322,010,000,000	(18,096,042,142,857)	9,099,275,000,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.10 Short-term borrowings and issued bonds (continued)

- (i) This is a syndicated loan from a foreign bank under a credit limit of USD75 million open up to 20 November 2024. The Company hedged the foreign exchange rate risk on 100% of the outstanding balances by entering into currency swaps with local commercial banks. The swap term approximates the loan term. This loan is partially secured by term deposits at lending bank (Note 3.9).
- (ii) This is a syndicated loan from a foreign bank under a credit limit of USD100 million open up to 8 August 2024. The Company hedged the foreign exchange rate risk on 100% of the outstanding balances by entering into currency swaps with local commercial banks. The swap term approximates the loan term. This loan is secured by term deposits at lending bank.
- (iii) This is a syndicated loan from a foreign bank under a credit limit of USD45 million open up to 11 July 2024. The Company hedged the foreign exchange rate risk on 100% of the outstanding balances by entering into currency swaps with a local commercial bank. This loan is secured by a guarantee from a local commercial bank.
- (iv) These are drawdowns from a domestic bank under a credit limit of VND1,100 billion open up to 14 November 2023, including an unsecured credit limit of VND900 billion and a secured credit limit of VND200 billion. These loans are secured by the Company's AFS financial assets (Note 3.9).
- (v) These are drawdowns from a domestic bank under a credit limit of VND1,500 billion open up to 10 April 2024, including an unsecured credit limit of VND750 billion and a secured credit limit of VND750 billion.
- (vi) These are drawdowns from a domestic bank with a credit limit of VND1,000 billion and USD 103 million open up to 25 May 2024. These loans are secured by a term deposit at lending bank and the Company's AFS financial assets (Note 3.9)
- (vii) These are drawdowns from a domestic bank under a credit limit of VND700 billion open up to 5 July 2024, including an unsecured credit limit of VND500 billion and a secured credit limit of VND200 billion. The balance as at 31 December 2023 was within the unsecured limit and required no collateral.
- (viii) These are drawdowns from a domestic bank with a credit limit of VND300 billion open up to 4 August 2024. These loans are secured by the Company's AFS financial assets (Note 3.9).
- (ix) These are drawdowns from a domestic joint stock company under an unsecured credit limit of VND300 billion open up to 17 April 2024.
- (x) These are drawdowns from a domestic bank under an unsecured credit limit of VND200 billion open up to 17 October 2024.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.10 Short-term borrowings and issued bonds (continued)

- (xi) These are drawdowns from a branch of foreign bank under a secured credit limit of USD7 billion open up to 22 August 2022 and automatically renewed annually since granting date.
- (xii) These are drawdowns from a branch of foreign bank under a secured credit limit of USD7 million open up to 30 June 2024 and automatically renewed annually since granting date.
- (xiii) These are drawdowns from a domestic finance company under an unsecured credit limit of VND150 billion open up to 31 March 2024.
- (xiv) This is a drawdown from a foreign bank under an unsecured credit limit of USD6 million granted on 11 March 2019 and automatically renewed annually since granting date.
- (xv) These are drawdowns from a domestic bank under a secured credit limit of VND100 billion open up to 31 March 2024.
- (xvi) These are drawdowns from a domestic joint stock company under an unsecured credit limit of VND64 billion open up to 17 April 2024.
- (xvii) These are drawdowns from a domestic joint stock company under an unsecured credit limit of VND36 billion open up to 17 April 2024.
- (xviii) These are registered non-convertible bonds issued privately to individuals and institutions according to the Board of Directors' resolutions. The bonds have a par value of VND100,000,000 and tenor of 1 – 2 years from the issue date. There were classified as short-term issued bonds because the bondholders reserve the right to put the bonds before maturity at any time after 12 months since the issue date. Interest rates are applied depending on the holding period of the bondholders.

As at 31 December 2023, there were no bonds issued to a related party (as at 31 December 2022: none).

All proceeds of borrowings and issued bonds are used to supplement working capital. The borrowings and issued bonds bear interest from 3.0% to 13.5% per annum depending on the time of drawdown/issuance (as at 31 December 2022: from 2.1% to 8.5% per annum).

As at 31 December 2023 and as at 31 December 2023, there were neither borrowings nor issued bonds past due but not yet settled.

As at 31 December 2023 and as at 31 December 2023, there was no doubt on the Company's ability to repay these balances.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.11 Trading obligations

	As at	
	31.12.2023	31.12.2022
	VND	VND
Covered warrant payables (Note 5.2(b))	1,230,557,000	515,216,000
Payable to Ho Chi Minh City Stock Exchange	9,611,578,179	8,988,251,833
Payable to Hanoi Stock Exchange	762,514,615	935,635,208
Payable to Vietnam Securities Depository and Clearing Corporation	1,604,231,905	1,961,064,505
	13,208,881,699	12,400,167,546

As at 31 December 2023 and as at 31 December 2022, there were no trading obligations past due but not yet settled.

As at 31 December 2023 and as at 31 December 2022, there was no doubt on the Company's ability to repay these balances.

3.12 Trade payables

	As at	
	31.12.2023	31.12.2022
	VND	VND
Payables for purchases of listed securities on stock exchanges	157,893,955,000	16,014,895,000
Payables for purchases of covered warrants	6,235,000	1,447,000
Payables for purchases of goods and services	1,738,105,047	4,224,000
	159,638,295,047	16,020,566,000

As at 31 December 2023 and as at 31 December 2022, the Company had no trade payables due to related parties.

As at 31 December 2023 and as at 31 December 2022, there were no payables past due but not yet settled.

As at 31 December 2023 and as at 31 December 2022, there was no doubt on the Company's ability to repay these balances.

3.13 Customers' advances

These balances are mainly advances for service-related activities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.14 Taxes and other payables to the State

	As at	
	31.12.2023	31.12.2022
	VND	VND
Corporate income tax – current	7,570,702,516	21,280,201,119
Personal income tax withheld and paid on behalf of investors	20,545,020,370	22,744,326,132
Personal income tax	2,368,285,570	1,711,434,881
Value added tax	135,087,615	331,368,468
	30,619,096,071	46,067,330,600

Movements in tax and other payables to the State during the year were as follows:

	As at			As at
	1.1.2023	Incurred	Paid	31.12.2023
	VND	VND	VND	VND
Corporate income tax – current	21,280,201,119	64,320,454,739	(78,029,953,342)	7,570,702,516
Personal income tax withheld and paid on behalf of investors	22,744,326,132	272,500,865,985	(274,700,171,747)	20,545,020,370
Personal income tax	1,711,434,881	66,112,964,168	(65,456,113,479)	2,368,285,570
Value added tax	331,368,468	778,004,796	(974,285,649)	135,087,615
	46,067,330,600	403,712,289,688	(419,160,524,217)	30,619,096,071

3.15 Accrued expenses

	As at	
	31.12.2023	31.12.2022
	VND	VND
Interests on borrowings	36,082,868,555	65,786,088,283
Hedging costs	7,727,678,024	40,572,722,940
Others	3,464,119,093	3,888,503,745
	47,274,665,672	110,247,314,968

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.16 Other payables

	As at	
	31.12.2023	31.12.2022
	VND	VND
Operation fund of the Board of Directors (Note 8(b))	8,168,624,110	8,168,624,110
Dividends payable to shareholders (i)	2,768,953,340	307,138,973,840
Other payables	4,694,875,120	1,737,806,602
	15,632,452,570	317,045,404,552

(i) Details of movements in dividends payable to shareholders are as follows:

	For the year ended	For the year ended
	31.12.2023	31.12.2022
	VND	VND
Opening balance (*)	307,138,973,840	2,289,043,140
Cash dividend declared during the year	217,749,950,500	304,849,930,700
<i>In which</i>		
1st interim dividend of 2022 (Note 7.1(iii))	-	304,849,930,700
2nd interim dividend of 2022 (Note 7.1(v))	217,749,950,500	-
Dividend paid	(522,119,971,000)	-
Ending balance	2,768,953,340	307,138,973,840

(*) The balance of dividends of previous years that has not been paid at reporting date is attributable to some shareholders who have not collected the dividends from the Company.

Other than (*), there were no payables past due but not yet settled.

As at 31 December 2023 and as at 31 December 2022, there was no doubt on the Company's ability to repay these balances.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.17 Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority. The offset amounts are as follows:

	As at	
	31.12.2023	31.12.2022
	VND	VND
Deferred income tax assets to be recovered within 12 months (i)	2,565,790,666	8,870,120,954
Deferred income tax liabilities payable within 12 months (ii)	(420,698,872,607)	(268,688,316,936)
	(418,133,081,941)	(259,818,195,982)

Movements in deferred income tax, taking into consideration the offsetting of balances within the same tax jurisdiction, were as follows:

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Opening balance	(259,818,195,982)	(478,919,580,113)
Credited to profit or loss (Note 5.7)	(13,913,526,001)	60,220,551,912
Recognised directly in equity	(144,401,359,958)	158,880,832,219
Closing balance	(418,133,081,941)	(259,818,195,982)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.17 Deferred income tax (continued)

(i) Details of deferred income tax assets are as below:

	As at	
	31.12.2023	31.12.2022
	VND	VND
Deductible temporary differences:		
Hedging costs from swap contracts (Note 3.15)	7,727,678,024	40,572,722,940
Revaluation gains of FVTPL financial assets (Note 5.2(a))	2,931,449,721	1,608,056,247
Provisions for margin loans (Note 3.3)	2,169,825,587	2,169,825,587
	12,828,953,332	44,350,604,774
At tax rate of 20%:		
Deferred income tax assets to be recovered within 12 months	2,565,790,666	8,870,120,954

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

(ii) Details of deferred income tax liabilities are as below:

	As at	
	31.12.2023	31.12.2022
	VND	VND
Taxable temporary differences:		
Accrued interest receivable	90,439,932,443	43,145,567,237
Revaluation gains of AFS financial assets (Note 3.19)	2,009,669,748,011	1,287,662,948,220
Revaluation gains of issued covered warrant (Note 5.2(b))	3,384,682,584	12,633,069,224
	2,103,494,363,038	1,343,441,584,681
At tax rate of 20%:		
Deferred income tax liabilities payable within 12 months	420,698,872,607	268,688,316,936

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.18 Owners' capital

(a) Number of shares

	As at	
	31.12.2023 VND	31.12.2022 VND
Number of shares registered	437,500,000	435,499,901
Number of shares issued	437,500,000	435,499,901
Number of shares repurchased	-	-
Number of shares in issue	437,500,000	435,499,901

As at 31 December 2023 and as at 31 December 2022, all of the Company's shares are ordinary shares. Each ordinary share has a par value of VND10,000. Each share is entitled to one vote at the Company's shareholders' meetings. Shareholders are entitled to dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

(b) Details of shareholding

	As at 31.12.2023		As at 31.12.2022	
	Ordinary shares	%	Ordinary shares	%
Mr. To Hai	98,895,695	22.61	98,695,695	22.66
Mrs. Truong Nguyen Thien Kim	22,838,732	5.22	22,838,732	5.24
Other shareholders	315,765,573	72.17	313,965,474	72.10
Number of shares	437,500,000	100	435,499,901	100

(c) Movement in share capital

	For the year ended	
	31.12.2023 VND	31.12.2022 VND
Opening quantity	435,499,901	333,000,000
New shares issued	2,000,099	102,499,901
Closing quantity	437,500,000	435,499,901

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3.19 Revaluation reserve

	As at	
	31.12.2023	31.12.2022
	VND	VND
Revaluation gains of AFS financial assets (Note 3.2(c))	2,009,669,748,011	1,287,662,948,220
Adjusted for: Deferred tax liabilities	(401,933,949,602)	(257,532,589,644)
	1,607,735,798,409	1,030,130,358,576

The movement in revaluation reserve during the year is as follows:

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Opening balance	1,030,130,358,576	1,665,653,687,451
Recognised in equity	577,605,439,833	(635,523,328,875)
Closing balance	1,607,735,798,409	1,030,130,358,576

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 NOTES TO THE STATEMENT OF FINANCIAL POSITION (continued)

3.20 Undistributed earnings

Movements in undistributed earnings during the year are as follows:

	As at 1.1.2023 VND	Profit for the year VND	Dividend declared (Note 7.1 (v)) VND	Reversal of reserves (Note 7.1 (vi)) VND	As at 31.12.2023 VND
Realised profits after tax	791,426,130,951	500,362,083,485	(217,749,950,500)	233,096,330,852	1,307,134,594,788
Unrealised profits after tax	8,820,010,383	(8,457,424,091)	-	-	362,586,292
Undistributed earning	800,246,141,334	491,904,659,394	(217,749,950,500)	233,096,330,852	1,307,497,181,080

Movements of undistributed earnings during the prior year are as follows:

	As at 1.1.2022 VND	Profit for the year VND	Dividend declared VND	As at 31.12.2022 VND
Realised profits after tax	1,024,259,038,107	1,077,016,033,544	(1,309,848,940,700)	791,426,130,951
Unrealised profits after tax	216,857,858,125	(208,037,847,742)	-	8,820,010,383
Undistributed earning	1,241,116,896,232	868,978,185,802	(1,309,848,940,700)	800,246,141,334

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4 NOTES TO OFF STATEMENT OF FINANCIAL POSITION ITEMS

4.1 Bad debts written off

	As at	
	31.12.2023	31.12.2022
	VND	VND
Margin loans	25,145,170,448	25,145,170,448

Bad debts written off were margin loans in 2011 that were not fully collected due to diminution in value of collateral assets. The Company had made full provision for the uncollected amount before writing them off according to Resolution No. 09/2015/QD-HDTQ.VCSC of the Board of Directors dated 19 October 2015.

4.2 Foreign currencies

Included in cash and cash equivalents are balances held in foreign currencies as follows:

	As at	
	31.12.2023	31.12.2022
Original amount		
US Dollar	915,930	747,217
British Pound	73,956	70,005
Euro	19,661	19,651
VND equivalent		
US Dollar	22,431,973,951	18,521,591,953
British Pound	2,247,595,235	2,158,933,408
Euro	488,837,680	488,583,356
	25,168,406,866	21,169,108,717

4.3 Number of shares in issue

	As at	
	31.12.2023	31.12.2022
Ordinary shares		
Quantity in issue under 1 year	2,000,099	102,499,901
Quantity in issue for 1 year or more	435,499,901	333,000,000
	437,500,000	435,499,901

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4 NOTES TO OFF STATEMENT OF FINANCIAL POSITION ITEMS (continued)

4.4 Securities listed/registered at Vietnam Securities Depository and Clearing Corporation

	As at	
	31.12.2023	31.12.2022
Financial assets (quantity)		
Freely traded securities	67,349,660	46,886,438
Pledged securities	55,200,000	8,500,000
Securities awaiting settlement	26,371,485	1,013,900
	148,921,145	56,400,338

4.5 Securities purchased and awaiting settlement

	As at	
	31.12.2023	31.12.2022
Financial assets (quantity)		
Securities awaiting settlement	6,993,454	509,600

4.6 Securities not in custody of VSDC

	As at	
	31.12.2023	31.12.2022
Financial assets (quantity)		
Freely traded securities	19,319,544	21,126,101
Restricted securities	-	2,738,000
	19,319,544	23,864,101

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4 NOTES TO OFF STATEMENT OF FINANCIAL POSITION ITEMS (continued)

4.7 Covered warrants authorised but not yet issued

				As at 31.12.2023			
Issuance date	Maturity date	Issuance date	Maturity date	Number of covered warrants authorised for issue	Number of unsubscribed covered warrants	Number of covered warrants issued	Number of covered warrants authorised but not yet issued
FPT/VIETCAP/M/Au/T/A6	FPT Corporation (FPT)	11/08/2023	15/02/2024	5,000,000	-	250,500	4,749,500
MSN/VIETCAP/M/Au/T/A6	Masan Group Corporation (MSN)	11/08/2023	15/02/2024	5,000,000	-	1,422,300	3,577,700
MWG/VIETCAP/M/Au/T/A8	Mobile World Investment Corporation (MWG)	11/08/2023	15/02/2024	5,000,000	-	4,968,700	31,300
POW/VIETCAP/M/Au/T/A2	PetroVietnam Power Corporation (POW)	11/08/2023	15/02/2024	5,000,000	-	3,056,500	1,943,500
VNM/VIETCAP/M/Au/T/A4	Viet Nam Dairy Products Joint Stock Company (VNM)	11/08/2023	15/02/2024	5,000,000	-	730,600	4,269,400
VPB/VIETCAP/M/Au/T/A6	Vietnam Prosperity Joint Stock Commercial Bank (VPB)	11/08/2023	15/02/2024	5,000,000	-	291,700	4,708,300
VRE/VIETCAP/M/Au/T/A3	Vincom Retail Joint Stock Company (VRE)	11/08/2023	15/02/2024	5,000,000	-	2,076,100	2,923,900
ACB/VIETCAP/M/Au/T/A3	Asia Commercial Joint Stock Bank (ACB)	15/12/2023	19/06/2024	5,000,000	-	11,000	4,989,000
HPG/VIETCAP/M/Au/T/A6	Hoa Phat Group Joint Stock Company (HPG)	15/12/2023	19/06/2024	5,000,000	-	-	5,000,000
MBB/VIETCAP/M/Au/T/A5	Military Commercial Joint Stock Bank (MBB)	15/12/2023	19/06/2024	5,000,000	-	-	5,000,000
STB/VIETCAP/M/Au/T/A5	Sai Gon Thuong Tin Commercial Joint Stock Bank (STB)	15/12/2023	19/06/2024	5,000,000	-	-	5,000,000
TCB/VIETCAP/M/Au/T/A5	Vietnam Technological and Commercial Joint Stock Bank (TCB)	15/12/2023	19/06/2024	5,000,000	-	-	5,000,000
TPB/VIETCAP/M/Au/T/A2	Tien Phong Commercial Joint Stock Bank (TPB)	15/12/2023	19/06/2024	5,000,000	-	-	5,000,000
VHM/VIETCAP/M/Au/T/A3	Vinhomes Joint Stock Company (VHM)	15/12/2023	19/06/2024	5,000,000	-	-	5,000,000
VIB/VIETCAP/M/Au/T/A2	Vietnam International Commercial Joint Stock Bank (VIB)	15/12/2023	19/06/2024	5,000,000	-	-	5,000,000
				75,000,000	-	12,807,400	62,192,600

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4 NOTES TO OFF STATEMENT OF FINANCIAL POSITION ITEMS (continued)

4.8 Futures

Futures positions which are still open as at reporting date are as follows:

Contract code	First trading date	Last trading date	As at 31.12.2023			As at 31.12.2022		
			Open quantity	Closing settlement price	Open short position	Open quantity	Closing settlement price	Open short position
VN30F2401	17.11.2023	18.01.2024	595	1,134,600	67,508,700,000	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5 NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

5.1 Net realised gain on disposals of FVTPL financial assets and covered warrants

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Realised gains on disposal of FVTPL financial assets	856,242,542,821	1,431,873,905,175
<i>In which:</i>		
<i>Underlying securities</i>	565,964,571,105	896,038,675,708
<i>Derivatives</i>	276,116,465,000	427,232,330,000
<i>Covered warrants redeemed</i>	2,817,232,150	16,218,259,470
<i>Covered warrants expired</i>	11,344,274,566	92,384,639,997
Realised losses on disposal of FVTPL financial assets	(494,191,661,413)	(936,490,470,685)
<i>In which:</i>		
<i>Underlying securities</i>	(254,324,326,537)	(664,733,011,151)
<i>Derivatives</i>	(236,681,333,000)	(267,858,676,000)
<i>Covered warrants redeemed</i>	(1,332,302,687)	(1,080,806,368)
<i>Covered warrants expired</i>	(1,853,699,189)	(2,817,977,166)
	362,050,881,408	495,383,434,490

VIETCAP SECURITIES JOINT STOCK COMPANY

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5 NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME (continued)

5.1 Net realised gain on disposals of FVTPL financial assets and covered warrants (continued)

Details by category are as follows:

	Quantity disposed	Sales proceeds VND	Costs of disposals (*) VND	Realised gains/(losses) in this year VND	Realised gains/(losses) in the comparative year VND
Shares	693,693,142	21,461,754,297,378	21,154,764,158,498	306,990,138,880	169,881,964,897
Bonds	45,958,048	7,721,932,019,247	7,728,535,351,847	(6,603,332,600)	16,988,730,502
Fund certificates	61,158,400	1,262,860,116,413	1,255,906,864,925	6,953,251,488	49,545,668,358
Certificates of deposit	1,490	9,034,400,186,800	9,030,100,000,000	4,300,186,800	(5,110,699,200)
Net realised gain on disposal of underlying securities				311,640,244,568	231,305,664,557
Net realised gain on futures position				39,435,132,000	159,373,654,000
Net gain on redemption of covered warrants issued by the Company				1,484,929,463	15,137,453,102
Net gain on expiry of covered warrants issued by the Company				9,490,575,377	89,566,662,831
				362,050,881,408	495,383,434,490

(*) Costs of underlying securities are determined using the weighted average method up to the end of the respective trading date.

VIETCAP SECURITIES JOINT STOCK COMPANY

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5 NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME (continued)

5.2 Revaluation result of FVTPL financial assets and covered warrants liabilities

(a) *Revaluation result of FVTPL financial assets*

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Increase/(decrease) in upward revaluation	303,727,732	(272,875,074,860)
(Increase)/decrease downward revaluation	(1,627,121,206)	25,213,517,094
	<u>(1,323,393,474)</u>	<u>(247,661,557,766)</u>

Details of revaluation of FVTPL financial assets by category are as follows:

	Cost	Market	Accumulated	Accumulated	Credited/(charged)
	VND	value/fair value	revaluation gains	revaluation gains	to profit or loss
		VND	at as 31.12.2023	as at 31.12.2022	VND
			VND	VND	
Listed shares and shares					
traded on UPCoM	125,069,081,721	122,137,632,000	(2,931,449,721)	(1,608,056,247)	(1,323,393,474)

VIETCAP SECURITIES JOINT STOCK COMPANY

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5 NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME (continued)

5.2 Revaluation result of FVTPL financial assets and covered warrants liabilities (continued)

(b) *Revaluation result of covered warrants liabilities*

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Decrease in downward revaluation (Increase)/decrease in upward revaluation	(9,248,386,640)	(24,301,253,856)
	-	11,915,501,944
	<u>(9,248,386,640)</u>	<u>(12,385,751,912)</u>

Details of revaluation of covered warrants are as follows:

	Cost VND	Market value/fair value VND	Accumulated revaluation gains at as 31.12.2023 VND	Accumulated revaluation gains as at 31.12.2022 VND	Charged to profit or loss VND
Covered warrants	<u>4,615,239,584</u>	<u>1,230,557,000</u>	<u>3,384,682,584</u>	<u>12,633,069,224</u>	<u>(9,248,386,640)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5 NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME (continued)

5.3 Dividends and interest income from FVTPL and AFS financial assets

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Dividends and interest income from FVTPL financial assets	95,800,494,711	66,985,745,980
Dividend income	7,936,542,600	1,303,902,500
Interest income	87,863,952,111	65,681,843,480
Dividend income from AFS financial assets	174,362,031,840	107,410,888,493
Interest income	174,362,031,840	107,410,888,493
	270,162,526,551	174,396,634,473

5.4 Financial expenses

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Exchange rate differences	131,085,812,227	116,511,865,797
<i>Realised</i>	123,358,134,203	75,939,142,857
<i>Unrealised</i>	7,727,678,024	40,572,722,940
Interest expenses	562,553,033,255	477,360,036,322
Syndicated loan arrangement fees	38,478,964,916	88,626,153,205
Other financial expenses	8,043,355,643	17,952,020,762
	740,161,166,041	700,450,076,086

5.5 General and administrative expenses

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Staff costs	52,732,688,269	34,346,040,222
Outsourced services	20,911,947,205	16,429,419,548
Provision for bad debts (Note 3.4)	11,292,000,000	-
Stationery expenses	1,784,975,237	1,605,988,782
Depreciation and amortisation	2,546,848,237	1,957,651,963
Other expenses	33,119,740,077	22,428,375,627
	122,388,199,025	76,767,476,142

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5 NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME (continued)

5.6 Other income

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Reversal of 2021 accrued bonus for the Board of Directors (*)	-	43,900,000,000
Other	132,390,105	643,029,091
	132,390,105	44,543,029,091

- (*) According to the Resolution of the Annual General Meeting of Shareholders on 30 March 2022, the Board of Directors voluntarily agreed to receive a bonus of VND28 billion out of total bonus accrued by the Company in the financial year ended 31 December 2021 which was VND71.9 billion, in order to reduce costs for the Company. Therefore, the remaining forfeited bonus which was VND43.9 billion was reversed in the financial year ended 31 December 2022.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5 NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME (continued)

5.7 Corporate income tax

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Accounting profit before tax	570,138,640,134	1,059,738,713,385
Tax calculated at a rate of 20%:	114,027,728,027	211,947,742,678
Adjustment:		
Non-taxable income	(36,459,714,888)	(21,887,685,199)
Non-deductible expenses	665,967,601	700,470,104
Corporate income tax charge (*)	78,233,980,740	190,760,527,583
Charged/(credited) to profit or loss:		
Corporate income tax – current	64,320,454,739	250,981,079,495
Corporate income tax – deferred (Note 3.17)	13,913,526,001	(60,220,551,912)
	78,233,980,740	190,760,527,583

(*) The corporate income tax charge for the year is based on estimated taxable income and is subject to review and possible adjustment by the tax authorities.

The tax authorities have finalised the Company's corporate income tax up to 31 December 2020.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5 NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME (continued)

5.8 Earnings per share

(a) Basic earnings per share

According to prevailing regulations, basic earnings per share are calculated by dividing the net profit attributable to shareholders after deducting the appropriations to bonus and welfare funds by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares.

Other comprehensive income is not included in earnings to calculate earnings per shares due to the absence of detailed guidance from the authority.

	For the year ended	
	31.12.2023	31.12.2022
Accounting profit after tax attributable to ordinary shareholders (VND)	491,904,659,394	868,978,185,802
Net profit after tax attributable to ordinary shareholders (VND)	491,904,659,394	868,978,185,802
Weighted average number of ordinary shares in issue (share)	436,565,888	434,697,703
Basic earnings per share (VND/share)	1,127	1,999

(b) Diluted earnings per share

The Company did not have potentially diluted ordinary shares during the year.

6 NOTES TO THE STATEMENT OF CASH FLOWS

6.1 Proceeds from borrowings

Proceeds from borrowings are loan drawdowns (Note 3.10).

6.2 Repayments of principals of borrowings

Repayments of borrowings are loan repayments and bond repayments (Note 3.10).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7 NOTES TO THE STATEMENT OF CHANGES IN EQUITY

7.1 Details of changes in equity

Details of changes in equity during the year are as follows:

	Share capital VND	Share premium VND	Revaluation reserve VND	Supplementary capital reserve VND	Financial risk and operation reserve VND	Undistributed earnings VND	Total VND
As at 1.1.2022							
Post-tax profit for the year	3,330,000,000,000	4,500,000,000	1,665,653,687,451	67,496,330,852	233,096,330,852	1,241,116,896,232	6,541,863,245,387
Revaluation of AFS financial assets	-	-	-	-	-	868,978,185,802	868,978,185,802
Shares issued under ESOP programme (i)	20,000,000,000	-	(635,523,328,875)	-	-	-	(635,523,328,875)
Share dividend (ii)	1,004,999,010,000	5,000,000,000	-	-	-	-	25,000,000,000
Interim dividend of the year 2022 (iii)	-	-	-	-	-	(1,004,999,010,000)	-
						(304,849,930,700)	(304,849,930,700)
As at 31.12.2022	4,354,999,010,000	9,500,000,000	1,030,130,358,576	67,496,330,852	233,096,330,852	800,246,141,334	6,495,468,171,614
Post-tax profit for the year	-	-	-	-	-	491,904,659,394	491,904,659,394
Revaluation of AFS financial assets	-	-	577,605,439,833	-	-	-	577,605,439,833
Shares issued under ESOP programme (iv)	20,000,990,000	4,000,198,000	-	-	-	-	24,001,188,000
Final dividend of the year 2022 (v)	-	-	-	-	-	(217,749,950,500)	(217,749,950,500)
Reversal of financial risk and operation reserve (vi)	-	-	-	-	(233,096,330,852)	233,096,330,852	-
As at 31.12.2023	4,375,000,000,000	13,500,198,000	1,607,735,798,409	67,496,330,852	-	1,307,497,181,080	7,371,229,508,341

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****7 NOTES TO THE STATEMENT OF CHANGES IN EQUITY (continued)****7.1 Details of changes in equity (continued)**

- (i) According to the Resolution of the Annual General Meeting of Shareholders on 30 March 2022 and the Resolution of the BOD dated 18 April 2022, the Company issued 2,000,000 ordinary shares under ESOP programme on 27 May 2022. The Company accounted for the difference between the par value of VND10,000 per share and the issue price of VND12,500 as share premium. The issued shares are restricted for one (1) year since issue date.
- (ii) According to the Resolution of the Annual General Meeting of Shareholders on 30 March 2022 and the Resolution of the BOD dated 4 August 2022, the share dividend issue at the ratio of 10 : 3 was approved, in which a shareholder holding 10 existing share would be entitled to 3 new shares. Accordingly, the Company issued 100,499,901 additional shares on 18 August 2022.
- (iii) According to the Resolution of the BOD dated 14 December 2022, the planned dividend rate of 2022 is 30%. Accordingly, the Board of Directors declared the first dividend of 2022 at 7% (equivalent to VND700 per share) of the Company's charter capital of VND4,354,999,010,000 and to be settled in cash to shareholders in the final registry as at 28 December 2022. The settlement date was 9 January 2023.
- (iv) According to the Resolution of the Annual General Meeting of Shareholders on 30 March 2023 and the Resolution of the BOD dated 17 May 2023, the Company issued 2,000,099 ordinary shares under ESOP programme on 20 June 2023 which was confirmed by the State Securities Commission on 31 December 2023 according to Official Letter No. 4196/UBCK-QLKD. The Company accounted for the difference between the par value of VND10,000 per share and the issue price of VND12,000 as share premium. The issued shares are restricted for one (1) year since issue date.
- (v) According to the Resolution of the Annual General Meeting of Shareholders on 27 April 2023, the final dividend for the year 2022 was 5% (equivalent to VND500/share) of the Company's charter capital of VND4,354,999,010,000 and to be settled in cash. Accordingly, the Board of Directors decided to pay final dividend from earnings of 2022 to shareholders in the final registry as at 16 May 2023. The settlement date was 6 June 2023.
- (vi) The Resolution of the Annual General Meeting of Shareholders on 30 March 2023 approved the reversal of financial risk and operation reserve to undistributed profit.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7 NOTES TO THE STATEMENT OF CHANGES IN EQUITY (continued)

7.2 Distributed earnings

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Undistributed earnings brought forward	791,426,130,951	1,024,259,038,107
Realised profits incurred in the year (Note 3.20)	500,362,083,485	1,077,016,033,544
Reversal of:		
Financial risk and operation reserve	233,096,330,852	-
Distributable profits during the year	(217,749,950,500)	(1,309,848,940,700)
Distributable profits to shareholders	<u>1,307,134,594,788</u>	<u>791,426,130,951</u>
Distributable profits during the year	217,749,950,500	1,309,848,940,700
Income tax withheld	(20,231,576,080)	-
Net amount distributed to shareholders	<u>197,518,374,420</u>	<u>1,309,848,940,700</u>

8 RELATED PARTY DISCLOSURES

During the year, the following transactions were carried out with related parties:

Related party	Relationship
Viet Capital Commercial Joint Stock Bank	Under same member of Board of Directors ("BOD")
Viet Capital Asset Management JSC (VCAM)	Under same member of BOD
Viet Capital Balanced Fund	Under same member of BOD
International Dairy Product JSC (IDP)	Under same member of BOD
Board of Directors and Board of Management	Key management

(a) Related party transactions

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Viet Capital Commercial Joint Stock Bank		
Revenue on brokerage services, custody services, consultancy services and other services	<u>933,436,550</u>	<u>4,606,451,976</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

8 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Viet Capital Asset Management JSC		
Revenue on brokerage services and custody services	72,878,348	24,236,261
Viet Capital Balanced Fund		
Revenue on brokerage services	49,895,428	53,931,121
International Dairy Product JSC		
Revenue on brokerage services and consultancy services	12,219,516,400	-
Key management compensation		
Salary and other benefits (*)	8,796,498,000	8,745,666,000

(*) Details of salaries and remunerations of certain key management are as follows:

	For the year ended	
	31.12.2023	31.12.2022
	VND	VND
Remuneration of the Board of Directors (**)		
Mr. Le Pham Ngoc Phuong	240,000,000	240,000,000
Mr. Nguyen Lan Trung Anh	240,000,000	240,000,000
Ms. Nguyen Viet Hoa	240,000,000	240,000,000
Remuneration of the Board of Supervision		
Ms. Bui Thi Minh Nguyet	60,000,000	60,000,000
Ms. Truong Thi Huyen Trang	60,000,000	60,000,000
Ms. Mai Thi Thanh Trang	240,000,000	180,000,000
Mr. Truong Ngoc Hoai Phuong	-	60,000,000
Remuneration of the Board of Management		
Mr. To Hai	2,732,166,000	2,715,222,000
Mr. Dinh Quang Hoan	2,492,166,000	2,475,222,000
Mr. Nguyen Quang Bao	2,492,166,000	2,475,222,000

(**) The non-independent members of the Board of Directors did not receive remuneration.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8 RELATED PARTY DISCLOSURES (continued)

(b) Year-end balances with related parties

	As at	
	31.12.2023	31.12.2022
	VND	VND
Viet Capital Commercial Joint Stock Bank		
Interest receivables	-	213,698,630
Board of Directors		
Operation fund of the Board of Directors (Note 3.16)	8,168,624,110	8,168,624,110

9 SEGMENT REPORTING

The Board of Directors of the Company determines that the management decisions of the Company are based primarily on the types of services provided by the Company. As a result, the primary segment reporting of the Company is presented in respect of the Company's business segments.

(a) Geographical segments

The principal activities of the Company are carried out within Vietnam territory. Risks and returns of the Company are not materially affected by distinctions between geographical areas. On these grounds, the Board of Management determines that the Company has only one geographical segment.

(b) Business segments

Brokerage and services segment generates revenue and incurs expenses related to securities brokerages, underwriting, agency, custody and other securities services.

Proprietary trading segment generates revenue and incurs expenses related to FVTPL financial assets, AFS financial assets, and derivatives.

Lending segment generates revenue and incurs expenses related to margin loans, trading advances and HTM financial assets.

Consulting segment generates revenue and incurs expenses related to financial consultancy service and investment consultancy service.

VIETCAP SECURITIES JOINT STOCK COMPANY

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

9 SEGMENT REPORTING (continued)

(b) Business segments (continued)

Income and expenses based on the Company's business activity segments are as follows:

	For the year ended 31 December 2023				
	Brokerage and services VND	Proprietary trading VND	Lending VND	Consulting VND	Total VND
Revenue and income (*)	548,582,625,170	943,098,378,624	941,439,041,667	39,340,497,936	2,472,460,543,397
Expenses	(454,427,479,695)	(843,799,592,162)	(432,935,249,255)	(72,595,946,454)	(1,803,758,267,566)
<i>In which:</i>					
Direct cash expenses	(409,510,606,348)	(535,555,205,215)	-	(68,536,024,945)	(1,013,601,836,508)
Total amount of significant non-cash expenses, other than depreciation, amortisation and allocation of prepaid expenses	-	-	-	-	-
Total depreciation and amortisation of fixed assets	(6,880,344,978)	-	-	(252,406,056)	(7,132,751,034)
Allocation of long-term and short-term prepaid expenses	(38,036,528,369)	(1,018,470,161)	-	(3,807,515,453)	(42,862,513,983)
Other allocated expenses	-	(307,225,916,786)	(432,935,249,255)	-	(740,161,166,041)
Segment result	94,155,145,475	99,298,786,462	508,503,792,412	(33,255,448,518)	668,702,275,831
Net financial income					23,696,152,009
General and administrative expenses					(122,388,199,025)
Net other income					128,411,319
Operating result					570,138,640,134

(*) All revenue is from services rendered to external customers, and all income is generated from transactions with external partners.

VIETCAP SECURITIES JOINT STOCK COMPANY

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

9 SEGMENT REPORTING (continued)

(b) Business segments (continued)

	For the year ended 31 December 2022				
	Brokerage and services VND	Proprietary trading VND	Lending VND	Consulting VND	Total VND
Revenue and income (*)	1,022,602,003,336	1,201,683,322,439	879,812,439,337	52,144,971,233	3,156,242,736,345
Expenses	(449,439,354,107)	(1,156,648,657,996)	(463,703,809,484)	(29,189,433,977)	(2,098,981,255,564)
<i>In which:</i>					
Direct cash expenses	(412,236,159,902)	(919,016,368,352)	-	(26,103,360,569)	(1,357,355,888,823)
Total amount of significant non-cash expenses, other than depreciation, amortisation and allocation of prepaid expenses	-	-	-	-	-
Total depreciation and amortisation of fixed assets	(7,578,110,624)	(428,104)	-	(111,000,483)	(7,689,539,211)
Allocation of long-term and short- term prepaid expenses	(29,625,083,581)	(885,594,938)	-	(2,975,072,925)	(33,485,751,444)
Other allocated expenses	-	(236,746,266,602)	(463,703,809,484)	-	(700,450,076,086)
Segment result	573,162,649,229	45,034,664,443	416,108,629,853	22,955,537,256	1,057,261,480,781
Net financial income					35,548,432,639
General and administrative expenses					(76,767,476,142)
Net other income					43,696,276,107
Operating result					1,059,738,713,385

(*) All revenue is from services rendered to external customers, and all income is generated from transactions with external partners.

VIETCAP SECURITIES JOINT STOCK COMPANY

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

9 SEGMENT REPORTING (continued)

(b) Business segments (continued)

Assets and liabilities based on the Company's business activity segments are as follows:

	As at 31 December 2023				Total VND
	Brokerage and services VND	Proprietary trading VND	Lending VND	Consulting VND	
Segment assets	74,461,646,878	7,926,901,806,454	8,998,770,861,197	8,683,720,484	17,008,818,035,013
Unallocated assets					246,316,621,512
Total assets					17,255,134,656,525
Segment liabilities	80,312,758,105	5,159,556,793,939	4,149,791,273,415	17,444,874,484	9,407,105,699,943
Unallocated liabilities					476,799,448,241
Total liabilities					9,883,905,148,184
Total expense incurred for purchases of fixed assets					4,991,530,136
<i>In which:</i>					
Fixed assets in segments			-	74,222,822	4,887,821,045
Fixed assets in unallocated assets	4,813,598,223				103,709,091

VIETCAP SECURITIES JOINT STOCK COMPANY

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

9 SEGMENT REPORTING (continued)

(b) Business segments (continued)

As at 31 December 2022					
	Brokerage and services VND	Proprietary trading VND	Lending VND	Consulting VND	Total VND
Segment assets	84,690,381,511	5,627,141,894,771	8,498,303,684,640	14,077,704,313	14,224,213,665,235
Unallocated assets					18,537,651,587
Total assets					14,242,751,316,822
Segment liabilities	122,135,159,056	3,477,579,412,624	3,518,107,107,456	-	7,117,821,679,136
Unallocated liabilities					629,461,466,072
Total liabilities					7,747,283,145,208
Total expense incurred for purchases of fixed assets					20,827,527,322
<i>In which:</i>					
Fixed assets in segments		1,113,070	-	288,601,119	13,375,340,913
Fixed assets in unallocated assets	13,085,626,724				7,452,186,409

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to financial risks including market risk, credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimise the adverse effect of these risks on the Company's performance.

The Board of Management of the Company is responsible for setting the objectives and underlying principles of financial risk management for the Company. The Board of Management establishes the detailed policies such as risk identification and measurement, investment strategy and limits. Risk management policies and systems are reviewed regularly to tackle the changes and align to market trends.

Financial risk management is carried out by finance personnel. The finance personnel measure actual exposures against the limits set and prepare periodical reports for the review of the Board of Management.

The information presented below is based on information received from the Board of Management.

(a) Credit risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered with the Company, resulting in a financial loss to the Company. It arises principally from cash at banks, debt instruments, receivables and other assets.

The maximum exposure to credit risk equals the total of carrying amounts of balances exposed to credit risk before provision, collateral held or other credit enhancements, in particular:

	As at	
	31.12.2023	31.12.2022
	VND	VND
Cash and cash equivalents (Note 3.1)	787,421,508,556	3,423,291,979,296
Demand deposits	537,421,508,556	2,313,291,979,296
Term deposits	250,000,000,000	1,110,000,000,000
Financial assets at fair value through profit or loss ("FVTPL") (Note 3.2(a))	-	598,592,462,616
Corporate bonds	-	598,592,462,616
Held-to-maturity (HTM) investments (Note 3.2(b))	380,900,000,000	885,888,640,000
Term deposits	310,000,000,000	867,288,640,000
Security deposit for covered warrants issued	66,500,000,000	18,600,000,000
Certificates of deposit	4,400,000,000	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10 FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Credit risk exposure (continued)

	As at	
	31.12.2023	31.12.2022
	VND	VND
Loans (Note 3.3)	7,992,468,349,969	5,279,279,236,685
Margin loans (*)	7,612,101,283,117	4,968,026,671,773
Trading advances	380,367,066,852	311,252,564,912
Receivables (Note 3.4)	879,780,436,876	119,707,906,146
Receivables from disposals of financial assets	745,348,455,200	31,889,442,000
Dividends and interest receivable	103,219,084,809	59,484,897,025
Service-related receivables (*)	31,212,896,867	28,333,567,121
Prepayment to suppliers (Note 3.5)	225,192,100,000	-
Prepayment for purchase of listed securities	225,192,100,000	-
Other current assets (Note 3.8(a))	147,257,185,100	46,136,989,800
Deposit for derivative trading	147,257,185,100	46,136,989,800
Other long-term assets	8,571,243,684	6,864,190,240
Pledged assets, mortgaged assets, security deposits in long-term	8,571,243,684	6,864,190,240
Total credit risk exposure	10,421,590,824,185	10,359,761,404,783

(*) Gross of provision for doubtful debts.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****10 FINANCIAL RISK MANAGEMENT (continued)****(a) Credit risk (continued)***(i) Balances with banks and finance companies*

Balances with banks and finance companies include demand deposits, term deposits, escrow accounts, certificates of deposit, and accrued interest.

All bank balances are placed with credit institutions with high creditworthiness or qualified by the State as clearing settlement members. Balances with banks are continuously monitored by treasury function in compliance with the Company's policies and periodically reported to the Board of Management. Credit risk from balances with banks is assessed as low.

As at 31 December 2023 and as at 31 December 2022, there were no balance with banks that were past due nor impaired.

(ii) Corporate bond

Corporate bonds in Company's FVTPL and HTM portfolios are unsecured bonds issued by listed entities with bond issuance plans approved by the State Securities Commission. Investment appraisals related to these debt securities are approved in accordance with the Company's investment policies.

Debt securities portfolio is continuously monitored by treasury function in compliance with the Company's policies and periodically reported to the Board of Management. Credit risk from debt securities is assessed as low.

As at 31 December 2023 and as at 31 December 2022, there was no debt security that exceeded 10% of the Company's equity.

As at 31 December 2023 and as at 31 December 2022, there was no debt security that was past due nor impaired.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****10 FINANCIAL RISK MANAGEMENT (continued)****(b) Credit risk (continued)***(iii) Trading advances and deposit for derivative trading activities*

Trading advances are collected from Vietnam Securities Depository and Clearing Corporation. Deposit for derivative trading activities is also placed with this entity.

Vietnam Securities Depository and Clearing Corporation is a state-owned entity and has no history of payment defaults.

Vietnam Securities Depository and Clearing Corporation requires its members to deposit into the Settlement support fund and the Derivative trading clearing fund to secure their trading obligations.

The securities companies may fulfil customers' securities trading orders only when the customers' balances maintain enough (100%) cash or securities and must carry out further steps to ensure payment ability prior to execution of the trades.

Credit risk from trading advances and deposit for derivative trading activities is assessed as low.

As at 31 December 2023 and as at 31 December 2022, there was no balance with Vietnam Securities Depository and Clearing Corporation that was past due nor impaired.

(iv) Margin loans

Margin loans are secured by eligible securities listed on the stock exchanges. Under the prevailing regulations on margin lending, the loan limit is set at 50% of the eligible securities' value. Ineligible securities are defined by the stock exchanges on a frequent basis. Eligible securities are approved and frequently updated by Margin lending risk management function based on several criteria including volatility and liquidity.

Customer Services department is responsible for the continuous review of margin loan report which includes balances, collateral assets and margin maintenance ratio. When the margin maintenance ratio falls below 40% (regulated level: 30%), the system alerts and the Company makes margin calls. When the margin maintenance ratio falls below 30%, the Company forcibly sells out collateral assets to collect the loans.

The market value of collateral assets as at 31 December 2023 was VND22,924,532,921,010 (as at 31 December 2022: VND27,202,388,205,950).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10 FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk (continued)

(iv) Margin loans (continued)

Analysis of credit quality of margin loans as at reporting date is as follows:

	As at	
	31.12.2023	31.12.2022
	VND	VND
Past due and impaired	2,169,825,587	2,169,825,587
Past due but not impaired	-	-
Neither past due nor impaired	7,609,931,457,530	4,965,856,846,186
Provision made	(2,169,825,587)	(2,169,825,587)
Net balance	7,609,931,457,530	4,965,856,846,186

(v) Receivables

Credit exposure is restricted by transacting with counterparties with high creditworthiness and obtaining security where necessary.

As at 31 December 2023 and as at 31 December 2022, there was no receivable that exceeded 10% of the Company's equity.

Analysis of credit quality of receivables as at reporting date is as follows:

	Past due and impaired VND	Past due but not impaired VND	Neither past due nor impaired VND	Total VND
As at 31.12.2023				
Current	-	-	855,267,986,876	855,267,986,876
Overdue less than 1 month	-	-	-	-
Overdue for more than 3 months	24,512,450,000	-	-	24,512,450,000
	24,512,450,000	-	855,267,986,876	879,780,436,876
Provision made	(13,220,450,000)	-	-	(13,220,450,000)
Net balance	11,292,000,000	-	855,267,986,876	866,559,986,876
As at 31.12.2022				
Current	-	-	117,779,456,146	117,779,456,146
Overdue less than 1 month	-	-	-	-
Overdue for more than 3 months	1,928,450,000	-	-	1,928,450,000
	1,928,450,000	-	117,779,456,146	119,707,906,146
Provision made	(1,928,450,000)	-	-	(1,928,450,000)
Net balance	-	-	117,779,456,146	117,779,456,146

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****10 FINANCIAL RISK MANAGEMENT (continued)****(b) Market risk**

Market risk is the risk that fair value or future cash flows of a financial instrument will fluctuate according to changes in market prices. The Company's market risks include interest rate risk, currency risk and share price risk.

The Company manages this risk through sensitivity analysis of variables that would impact its financial position and performance, diversification of its investment portfolio, critical appraisal of securities within limited exposures, and hedging where necessary.

- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate as a result of changes in market interest rates. The Company is exposed to interest rate risk mainly from its term deposits, certificates of deposit, investments in bonds, loans and borrowings.

The Company manages this risk through analysis of market competition in order to obtain the most favourable interest rate for its intended operations while still staying within limited exposures.

The Company's term deposits, certificates of deposit, investments in bonds, loans and borrowings are at fixed rates and held for short-term purposes, therefore interest rate risk is minimal. The Company's borrowings in USD are at SOFR floating rates and held for short-term purposes, therefore interest rate risk is minimal.

- Market price risk

Shares held by the Company in its financial asset portfolio, open positions in futures, and covered warrants issued by the Company are affected by market risk due to the uncertainty in the future value of these shares. The Company manages its share price risk by setting up investment limits and hedging where necessary. The Investment Committee of the Company also takes part in appraisal and approval of investment in shares and issuance of covered warrants.

As at 31 December 2023, had the prices of securities increased/decreased by 10% with all other variables being held constant (including tax rate), the Company's profit before tax for the year would have been higher/lower by VND5,339,837,500 (as at 31 December 2022: higher/lower by VND66,474,268,032).

- Currency risk

Currency risk is the risk that the value of the Company's financial instruments will be affected by changes in exchange rates. The Company manages its currency risk by continuously monitoring foreign exchange rates and thereby timely updating its forecast of cashflows in foreign currencies and entered into cross currency swaps contracts and currency forward contracts (Note 3.10).

The Company's operations are exposed to risk of certain currencies, mainly the United States Dollar ("USD").

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

- Currency risk (continued)

The Company's currency exposure to the USD is as follows:

	Original currency USD		Equivalent to VND	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Financial assets				
Cash	915,930	747,217	22,431,973,951	18,521,591,953
Financial liabilities				
Borrowings (unhedged portion)	-	-	-	-
Net financial asset	915,930	747,217	22,431,973,951	18,521,591,953
Net currency exposure	915,930	747,217	22,431,973,951	18,521,591,953

As at 31 December 2023, had the USD strengthened/weakened by 10% (estimated % change in exchange rate) against the VND with all other variables being held constant, the Company's profit before tax for the year would have been lower/higher by VND2,243,197,395 respectively (as at 31 December 2022: lower/higher by VND1,852,159,195 respectively) as a result of increase/decrease in foreign exchange losses on translation of USD-denominated financial instruments.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty or fail to perform its financial obligations.

The Company's approach to managing liquidity risk is to ensure that it will always have sufficient reserves of cash to meet its liquidity requirements in the short term and long term.

The Company's assets used as collaterals against its obligations are presented in Note 3.9.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10 FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

The table below presents the Company's financial liabilities at contractual undiscounted cash flows falling due within 1 year:

	As at	
	31.12.2023	31.12.2022
	VND	VND
Short-term borrowings (Note 3.10)	8,979,275,000,000	6,326,207,142,857
Short-term issued bonds (Note 3.10)	120,000,000,000	547,100,000,000
Trading obligation (Note 3.11)	13,208,881,699	12,400,167,546
Short-term trade payables (Note 3.12)	159,638,295,047	16,020,566,000
Short-term accrued expenses (Note 3.15)	47,274,665,672	110,247,314,968
Short-term other payables (Note 3.16)	15,632,452,570	317,045,404,552
Total financial liabilities	9,335,029,294,988	7,329,020,595,923

(d) Capital Adequacy Ratio

Capital Adequacy Ratio ("CAR") is an indicator that measures the Company's financial safety and ability to meet its financial obligations and absorb certain losses resulting from risks arising during its business operation.

CAR is calculated and presented in the Company's monthly capital adequacy ratio report in accordance with Circular 91/2020/TT-BTC issued by the Ministry of Finance on 13 November 2020 ("Circular 91/2020/TT-BTC"). Circular 91/2020/TT-BTC stipulates requirements of capital adequacy ratio applicable to securities trading institutions and sanctions imposed on non-compliance. According to Circular 91/2020/TT-BTC, the Company is required to maintain a prescribed minimum level of CAR of 180%.

As at 31 December 2023, the Company's CAR was 434% (as at 31 December 2022: 415%).

11 OPERATING LEASE COMMITMENTS

The Company is currently renting offices under operating leases. The future minimum lease payments under non-cancellable operating leases were as follows:

	As at	
	31.12.2023	31.12.2022
	VND	VND
Under 1 year	23,280,700,199	23,528,854,616
Between 1 and 5 years	38,319,615,807	56,475,673,320
Total minimum payments	61,600,316,006	80,004,527,936

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12 CAPITAL COMMITMENTS

Capital expenditure contracted for at the reporting date but not recognised in the financial statements was as follows:

	As at	
	31.12.2023	31.12.2022
	VND	VND
Trading platform	8,474,400,000	10,961,640,000

13 VOLUME AND VALUE OF TRANSACTIONS DURING THE YEAR

	Volume of transactions during the year	Value of transactions during the year VND
a) Of the Company		
Shares	1,379,156,222	42,670,976,980,400
Bonds	63,343,482	6,672,439,759,349
Futures	261,477	29,195,677,450,000
Covered warrants	35,291,700	13,873,037,000
b) Of investors		
Shares	14,039,249,850	355,285,260,271,078
Bonds	93,077,116	9,624,929,336,666
Futures	546,178	60,286,404,070,000
Covered warrants	79,677,505	31,456,654,660
	15,690,603,530	503,781,017,559,153

The financial statements were approved by the Board of Management on 20 March 2024.

 Nguyen Thi Lanh
 Preparer

 Doan Minh Thien
 Chief Accountant

 To Hai
 General Director

