

Bao Viet Securities Joint Stock Company

Interim combined financial statements

For the six-month period ended 30 June 2019



Bao Viet Securities Joint Stock Company

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Bao Viet Securities Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Bao Viet Securities Joint Stock Company ("the Company") is a joint-stock company established in Vietnam under Incorporation Licence No. 4640/GP-UB dated 1 October 1999 by the Hanoi People's Committee, Business Licence No. 01/GPHDKD dated 26 November 1999 by the State Securities Commission and Amended Certificate of Securities Operating License No.01/GPHDKD, which was granted under Decision No. 288/UBCK-GP dated 10 December 2009 issued by the State Securities Commission.

As at 30 June 2019, the Company's head office is located at floors 2 and 3, 72 Tran Hung Dao Street, Hoan Kiem District, Ha Noi and its Ho Chi Minh branch is located at Bao Viet Building, No. 233, Dong Khoi Street, District 1, Ho Chi Minh City.

BOARD OF DIRECTORS

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

Mr. Nguyen Hong Tuan	Chairman	Appointed on 29 Nov 2018
Mr. Nguyen Anh Tuan	Member	Appointed on 12 May 2016
Mr. Le Van Binh	Member	Appointed on 15 April 2015
Mr. Nhu Dinh Hoa	Member	Appointed on 15 April 2015
Mr. Nguyen Quang Hung	Member	Appointed on 27 June 2017

BOARD OF SUPERVISION

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

Mr. Nguyen Xuan Hoa	Head of the Board	Appointed on 15 April 2015
Mr. Hoang Giang Binh	Member	Appointed on 15 April 2015
Ms. Nguyen Thi Thanh Van	Member	Appointed on 15 April 2015

MANAGEMENT

Members of the Management during the period and at the date of this report are:

Mr. Nhu Dinh Hoa	Chief Executive Officer	Reappointed on 5 May 2017
Mrs. Nguyen Thi Thanh Thuy	Deputy Chief Executive Officer	Reappointed on 14 July 2016
Mr. Vo Huu Tuan	Deputy Chief Executive Officer cum Director of Ho Chi Minh Branch	Reappointed on 5 May 2017

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr. Nhu Dinh Hoa - Chief Executive Officer.

AUDITORS

The auditors of the Company are Ernst & Young Vietnam Limited

Bao Viet Securities Joint Stock Company

REPORT OF MANAGEMENT

Management of Bao Viet Securities Joint Stock Company ("the Company") is pleased to present this report and the interim combined financial statements of the Company (including its Head Office and Ho Chi Minh Branch) for the six-month period ended 30 June 2019.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM COMBINED FINANCIAL STATEMENTS

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

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the interim financial statements; and
- ▶ prepare the interim combined financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

Management of the Company is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim combined financial position of the Company and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT BY MANAGEMENT

Management of the Company does hereby state that, in its opinion, the accompanying combined interim financial statements give a true and fair view of the interim combined financial position of the Company as at 30 June 2019 and of the interim combined results of its operations, its interim combined cash flows and its interim combined changes in equity for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting regulations and guidance applicable to securities companies and statutory requirements relevant to the preparation and presentation of the interim combined financial statements.

For and on behalf of Management:



Mr. Nhu Dinh Hoa
Chief Executive Officer

Hanoi, Vietnam

13 August 2019

Reference: 60758149/21085188-LR

REPORT ON REVIEW OF INTERIM COMBINED FINANCIAL STATEMENTS

**To: The Shareholders of
Bao Viet Securities Joint Stock Company**

We have reviewed the accompanying interim combined financial statements of Bao Viet Securities Joint Stock Company ("the Company"), as prepared on 13 August 2019 and set out on page 5 to 77 which comprise the interim combined financial position as at 30 June 2019, the interim combined income statement, the interim combined cash flow statement and the interim combined statement of changes in equity for the six-month period then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim combined financial statements do not give a true and fair view, in all material respects, of the interim combined financial position of the Company as at 30 June 2019, and of the interim combined results of its operations, its interim combined cash flows and its interim combined changes in equity for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting regulations and guidance applicable to securities companies and the statutory requirements relevant to the preparation and presentation of interim combined financial statements.

Ernst & Young Vietnam Limited



The stamp contains the following text: M.S.C. 11802-001-C.T.T.N.H. CÔNG TY TNHH ERNST & YOUNG VIỆT NAM CHI NHÁNH HÀ NỘI Q. HOÀN KIẾM - T.P. HÀ NỘI

Dang Phương Ha
Deputy General Director
Audit Practising Registration
Certificate No: 2400-2018-004-1

Hanoi, Vietnam

14 August 2019

INTERIM COMBINED STATEMENT OF FINANCIAL POSITION
as at 30 June 2019

Currency: VND

Code	ITEMS	Notes	30 June 2019	31 December 2018
100	A. CURRENT ASSETS		2,212,963,797,742	2,547,076,962,053
110	I. Financial assets		2,209,597,107,836	2,544,928,394,217
111	1. Cash and cash equivalents	5	90,914,472,053	465,849,247,326
111.1	a. Cash		90,914,472,053	465,849,247,326
112	2. Financial assets at fair value through profit and loss (FVTPL)	7.1	252,268,138,843	252,425,875,043
113	3. Held-to-maturity investment (HTM)	7.3	53,200,000,000	51,600,000,002
114	4. Loans	7.4	1,712,696,526,306	1,682,728,337,545
115	5. Available-for-sale investment (AFS)	7.2	129,123,152,497	128,006,432,497
116	6. Provision for impairment of financial assets and mortgage assets	7.6	(61,824,693,531)	(65,169,527,850)
117	7. Receivables	8	20,056,816,286	20,925,796,544
117.2	7.1. Receivables and accrued dividend and interest		20,056,816,286	20,925,796,544
117.4	7.1.1 Undue accrued dividend and interest		20,056,816,286	20,925,796,544
118	8. Advances to suppliers	8	6,592,225,488	6,514,867,194
119	9. Receivables from services provided by the Company	8	4,105,835,629	6,415,254,928
122	10. Other receivables	8	18,448,363,964	11,615,840,687
129	11. Provision for impairment of receivables	8	(15,983,729,699)	(15,983,729,699)
130	II. Other current assets	9	3,366,689,906	2,148,567,836
131	1. Advances		963,163,410	200,751,380
132	2. Office supplies, materials and tools		161,059,371	388,072,553
133	3. Short-term prepaid expenses		2,242,467,125	1,559,743,903
200	B. NON-CURRENT ASSETS		228,007,581,223	380,084,227,603
210	I. Long-term financial assets		160,556,661,438	306,216,244,096
212	1. Investments		190,164,983,000	333,532,709,546
212.1	1.1. Held-to-maturity investments	7.3	-	142,759,886,546
212.4	1.2. Available for sale investments	7.2	190,164,983,000	190,772,823,000
213	2. Provision for impairment of long-term financial assets	7.6	(29,608,321,562)	(27,316,465,450)
220	II. Fixed assets		16,054,934,056	16,648,055,291
221	1. Tangible fixed assets	10	13,875,514,040	14,126,988,253
222	a. Cost		42,728,168,542	40,799,362,388
223a	b. Accumulated depreciation		(28,852,654,502)	(26,672,374,135)
227	2. Intangible fixed assets	11	2,179,420,016	2,521,067,038
228	a. Cost		14,114,651,090	14,019,651,090
229a	b. Accumulated amortisation		(11,935,231,074)	(11,498,584,052)
250	IV. Other non-current assets		51,395,985,729	57,219,928,216
251	1. Long-term deposits, collaterals and pledges		1,092,282,572	1,169,613,567
252	2. Long-term prepaid expenses	12	30,303,703,157	36,050,314,649
254	3. Deposits to Settlement Assistance Fund	13	20,000,000,000	20,000,000,000
270	TOTAL ASSETS		2,440,971,378,965	2,927,161,189,656

INTERIM COMBINED STATEMENT OF FINANCIAL POSITION (continued)
as at 30 June 2019

Currency: VND

Code	ITEMS	Notes	30 June 2019	31 December 2018
300	C. LIABILITIES		685,070,122,578	1,235,009,147,192
310	I. Current liabilities		364,888,374,618	914,347,334,930
311	1. Short-term borrowings and financial leases		304,190,000,000	129,900,000,000
312	1.1. Short-term borrowings	14	304,190,000,000	129,900,000,000
318	2. Payables for securities transactions	15	2,552,341,133	3,700,362,817
320	3. Short-term trade payables	16	2,668,672,168	2,622,604,004
321	4. Short-term advances from customers		4,494,981,817	2,771,000,000
322	5. Statutory obligations	17	8,235,779,352	8,099,520,084
323	6. Payables to employees		29,998,203,613	43,691,980,762
324	7. Employee benefits		1,565,220,266	967,203,941
325	8. Short-term accrued expenses	18	6,172,132,326	5,082,283,353
329	9. Other short-term payables	19	1,245,032,377	551,293,643,777
331	10. Bonus and welfare fund		3,766,011,566	6,061,490,456
332	11. Payables under bonds repo agreements	20	-	160,157,245,736
340	II. Non-current liabilities		320,181,747,960	320,661,812,262
346	1. Long-term bonds issued	21	312,782,793,662	312,922,170,663
356	2. Deferred tax liability	29.2	7,398,954,298	7,739,641,599
400	D. OWNERS' EQUITY		1,755,901,256,387	1,692,152,042,464
410	I. Capital	22	1,755,901,256,387	1,692,152,042,464
411	1. Share capital		1,332,095,854,220	1,332,095,854,220
411.1	1.1. Contributed capital		722,339,370,000	722,339,370,000
411.1a	1.1.1. Ordinary shares		722,339,370,000	722,339,370,000
411.2	1.2. Share premium		610,253,166,720	610,253,166,720
411.5	1.3. Treasury shares		(496,682,500)	(496,682,500)
412	2. Difference from revaluation of assets at fair value	30	23,588,765,854	23,148,061,854
414	3. Charter capital supplementary reserve		36,121,049,159	36,121,049,159
415	4. Operational risk and financial reserve		36,121,049,159	36,121,049,159
417	5. Undistributed profit		327,974,537,995	264,666,028,072
417.1	5.1. Realized profit after tax		358,132,315,538	294,233,027,901
417.2	5.2. Unrealized profit after tax		(30,157,777,543)	(29,566,999,829)
440	TOTAL LIABILITIES AND OWNERS' EQUITY		2,440,971,378,965	2,927,161,189,656

INTERIM COMBINED STATEMENT OF FINANCIAL POSITION (continued)
as at 30 June 2019

INTERIM COMBINED OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	30 June 2019	31 December 2018
	A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
004	1. Bad debts written off (VND)		390,400,000	390,400,000
006	2. Outstanding shares (number of shares)		72,200,145	72,200,145
007	3. Treasury shares (number of shares)		33,792	33,792
008	4. The Company's Financial assets listed/registered at Vietnam Securities Depository centre ("VSD") (VND)	23.1	200,484,000,000	205,698,370,000
009	5. The Company's non-traded financial assets deposited at VSD (VND)	23.2	3,000,110,000	3,000,040,000
010	6. The Company's awaiting financial assets (VND)	23.3	1,030,000,000	2,213,300,000
012	7. The Company's financial assets which have not been deposited at VSD (VND)	23.4	174,686,470,000	174,686,470,000
	B. ASSETS AND LIABILITIES MANAGED UNDER AGREEMENT WITH INVESTORS			
021	1. Investors' financial assets listed/registered at VSD (VND)	23.5	25,059,583,700,000	24,918,883,010,000
021.1	a. Unrestricted financial assets (VND)		23,985,026,620,000	24,019,054,660,000
021.2	b. Restricted financial assets (VND)		238,389,540,000	279,960,730,000
021.3	c. Mortgage financial assets (VND)		629,936,430,000	312,755,540,000
021.4	d. Blocked financial assets (VND)		92,969,860,000	92,969,860,000
021.5	e. Financial assets awaiting settlement (VND)		113,261,250,000	214,142,220,000

INTERIM COMBINED STATEMENT OF FINANCIAL POSITION (continued)
as at 30 June 2019

INTERIM COMBINED OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	30 June 2019	31 December 2018
	B. ASSETS AND LIABILITIES MANAGED UNDER AGREEMENT WITH INVESTORS (continued)			
022	2. Investors' non-traded financial assets deposited at VSD (VND)	23.6	28,427,770,000	205,695,930,000
022.1	a. <i>Unrestricted and non-traded financial assets deposited at VSD (VND)</i>		23,594,740,000	2,146,660,000
022.2	b. <i>Restricted and non-traded financial assets deposited at VSD (VND)</i>		4,833,030,000	203,549,270,000
023	3. Investors' awaiting financial assets (VND)		186,521,880,000	221,116,530,000
024b	4. Investor's financial assets which have not been deposited at VSD (VND)		1,809,322,700,000	1,809,322,700,000
026	5. Investors' deposits (VND)		574,823,516,460	799,756,495,843
027	a. <i>Investors' deposits for securities trading activities under the Company's management (VND)</i>	23.7	273,164,771,269	558,187,678,624
028	b. <i>Investors' synthesizing deposits for securities trading activities (VND)</i>	23.7	295,771,494,676	235,604,670,445
030	c. <i>Securities issuers' deposits (VND)</i>		5,887,250,515	5,964,146,774

INTERIM COMBINED STATEMENT OF FINANCIAL POSITION (continued)
as at 30 June 2019

INTERIM COMBINED OFF-BALANCE SHEET ITEM (continued)

Code	ITEMS	Notes	30 June 2019	31 December 2018
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)			
031	6. Payables for investors (VND)		574,823,516,460	799,756,495,843
	a. Payables for investors' deposits for securities trading activities under the Company's management (VND)	23.8	559,931,179,577	734,555,769,517
031.1	- Domestic investors' deposits for securities trading activities under the Company's management (VND)		558,762,022,967	733,215,022,591
031.2	- Foreign investors' deposits for securities trading activities under the Company's management (VND)		1,169,156,610	1,340,746,926
032	b. Payables to securities issuers (VND)		3,559,482,425	6,352,246,425
035	c. Dividend, bond principal and interest payables (VND)		11,332,854,458	58,848,479,901



Ms. Vu Thi Thuy Linh
Preparer
Deputy Head of Financial
Accounting Department



Ms. Nguyen Hong Thuy
Approval
Head of Financial
Accounting Department



Mr. Nhu Dinh Hoa
Approval
Chief Executive Officer

Hanoi, Vietnam

13 August 2019

INTERIM COMBINED INCOME STATEMENT
for the six-month period ended 30 June 2019


Currency: VND


Code	ITEMS	Notes	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018
	I. OPERATING REVENUE			
01	1. Gain from financial assets at fair value through profit and loss (FVTPL)		76,594,261,042	62,573,304,816
01.1	1.1. Gain from disposal of financial assets at FVTPL	24.1	21,772,058,859	16,813,034,025
01.2	1.2. Gain from revaluation of financial assets at FVTPL	24.2	28,386,016,851	41,986,149,578
01.3	1.3. Dividend, interest income from financial assets at FVTPL	24.3	26,436,185,332	3,774,121,213
02	2. Gain from held-to-maturity investments (HTM)	24.3	2,921,580,210	10,811,418,987
03	3. Gain from loans and receivables	24.3	94,698,782,397	82,050,222,455
04	4. Gain from available-for-sale (AFS) financial assets	24.3	4,971,727,400	917,148,400
06	5. Revenue from brokerage services	24.4	63,733,574,933	95,529,576,666
07	6. Revenue from underwriting and issuance agency services	24.4	62,602,909	214,765,219
09	7. Revenue from securities custodian services	24.4	2,858,033,344	2,926,044,541
10	8. Revenue from financial advisory services	24.4	2,719,181,817	3,534,477,273
11	9. Revenue from other operating activities	24.4	386,986,749	680,429,345
20	Total operating revenue		248,946,730,801	259,237,387,702
	II. OPERATING EXPENSES			
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		(58,735,118,147)	(61,303,484,338)
21.1	1.1. Loss from disposal of financial assets at FVTPL	24.1	(29,307,460,281)	(6,257,081,481)
21.2	1.2. Loss from revaluation of financial assets at FVTPL	24.2	(29,427,657,866)	(55,046,402,857)
24	2. Provision expense for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	25	1,052,978,207	(878,269,662)
26	3. Expenses for proprietary trading activities		(751,001,199)	(744,105,239)
27	4. Expenses for brokerage services		(50,332,764,589)	(78,769,947,394)
30	5. Expenses for securities custodian services		(5,746,978,676)	(6,390,271,175)
31	6. Expenses for financial advisory services		(3,181,391,199)	(4,276,003,838)
32	7. Expenses for other operating activities		(3,315,944,349)	(3,282,185,413)
40	Total operating expenses		(121,010,219,952)	(155,644,267,059)
	III. FINANCIAL INCOME			
41	1. Realized and unrealized gain from changes in foreign exchange rates		119,046	-
42	2. Received and accrued dividends, non-fixed interest income		11,629,982,126	13,344,705,742
50	Total financial income		11,630,101,172	13,344,705,742

INTERIM COMBINED INCOME STATEMENT (continued)
for the six-month period ended 30 June 2019

Currency: VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018
	IV. FINANCIAL EXPENSES			
51	1. Realized and unrealized foreign exchange differences		-	-
52	2. Borrowing cost	26	(20,720,780,936)	(7,566,480,582)
60	Total financial expenses		(20,720,780,936)	(7,566,480,582)
62	V. GENERAL AND ADMINISTRATIVE EXPENSES	27	(46,453,921,162)	(40,628,679,448)
70	VI. OPERATING PROFIT		72,391,909,923	68,742,666,355
	VII. OTHER INCOME AND EXPENSES			
71	1. Other income	28	-	118,454,545
72	2. Other expenses	28	(255,322,063)	(242,090,000)
80	Net other loss		(255,322,063)	(123,635,455)
90	VIII. PROFIT BEFORE TAX		72,136,587,860	68,619,030,900
91	1. Realized profit		73,178,228,875	81,679,284,179
92	2. Unrealized profit		(1,041,641,015)	(13,060,253,279)
100	IX. CORPORATE INCOME TAX (CIT) EXPENSES	29	(8,828,077,937)	(13,022,051,271)
100.1	1. Current CIT expense		(9,278,941,238)	(13,129,597,979)
100.2	2. Deferred CIT income		450,863,301	107,546,708
200	X. PROFIT AFTER TAX		63,308,509,923	55,596,979,629
300	XI. OTHER COMPREHENSIVE INCOME AFTER TAX	31	440,704,000	2,970,288,960
301	Gain from revaluation of AFS financial assets		440,704,000	2,970,288,960
400	Total other comprehensive income		440,704,000	2,970,288,960
500	XII. NET INCOME PER SHARE			
501	Earnings per share (VND/share)	32.2		902


Ms. Vu Thi Thuy Linh
Preparer
Deputy Head of Financial
Accounting Department


Ms. Nguyen Hong Thuy
Approval
Head of Financial
Accounting Department


Mr. Nhu Dinh Hoa
Approval
Chief Executive Officer



Hanoi, Vietnam

13 August 2019

INTERIM COMBINED CASH FLOW STATEMENT
for the six-month period ended 30 June 2019

Currency: VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Payment for purchase of financial assets		(23,755,864,696,390)	(24,797,587,411,365)
02	2. Proceeds from sale of financial assets		23,891,314,518,077	24,904,636,496,201
04	3. Dividend received		28,313,433,812	3,829,028,213
05	4. Coupon and interest received		98,796,019,006	98,958,537,694
06	5. Interest paid		(18,410,975,342)	(118,981,060)
07	6. Payment to suppliers		(17,223,350,442)	(22,945,376,924)
08	7. Payments to employees		(64,459,002,702)	(68,380,057,753)
09	8. Tax paid		(38,408,041,846)	(53,083,370,624)
11	9. Other cash receipts from operating activities		13,162,735,177,860	7,677,121,501,376
12	10. Other cash payments for operating activities		(13,723,317,217,017)	(6,409,191,361,959)
20	Net cash flows from operating activities		(436,524,134,984)	1,333,239,003,799
	II. CASH FLOW FROM INVESTING ACTIVITIES			
21	1. Payment for purchase and construction of fixed assets, investment properties and other assets		(1,915,406,154)	(755,870,000)
30	Net cash flow used in investing activities		(1,915,406,154)	(755,870,000)

INTERIM COMBINED CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2019

Currency: VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	1. Drawdown of borrowings		578,690,000,000	471,519,971,568
33.2	1.1 Other borrowings		578,690,000,000	471,519,971,568
34	2. Repayment of borrowings		(565,392,200,000)	(267,367,794,522)
34.3	2.1 Repayment of other borrowings		(565,392,200,000)	(267,367,794,522)
36	3. Dividend and profit paid to owner		50,206,965,865	-
40	Net cash flow from/(used in) financing activities		63,504,765,865	204,152,177,046
50	IV. NET INCREASE IN CASH FOR THE PERIOD		(374,934,775,273)	1,536,635,310,845
60	V. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5	465,849,247,326	10,261,178,967
61	Cash		465,849,247,326	10,261,178,967
70	VI. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	90,914,472,053	1,546,896,489,812
71	Cash		90,914,472,053	1,546,896,489,812

INTERIM COMBINED CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2019

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF CUSTOMERS

Currency: VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018
	I. Cash flows from brokerage and trust activities of customers			
01	1. Cash receipt from sale of securities on behalf of customers		24,066,034,424,222	45,362,132,964,125
02	2. Cash payment for acquisition of securities on behalf of customers		(23,067,546,004,217)	(42,807,286,812,530)
07	3. Cash receipt for settlement of securities transactions of customers		10,235,122,553,437	26,809,840,697,830
09	4. Cash payment for custodian fees of customers		(2,050,110,817)	(2,625,367,542)
12	5. Cash receipt from securities issuers		1,579,925,571,373	3,814,468,996,769
13	6. Cash payment to securities issuers		(1,605,515,534,904)	(3,788,128,785,514)
	7. Other cash inflows from brokerage and trust activities of customer		42,850,030,912,770	38,814,284,474,992
	8. Other cash outflows from brokerage and trust activities of customers		(54,280,934,791,247)	(68,022,186,952,261)
20	Net increase in cash for the period		(224,932,979,383)	180,499,215,869
30	II. Cash and cash equivalents of customers at the beginning of the period			
31	Cash at banks at the beginning of the period:		799,756,495,843	737,314,588,699
32	- Investors' deposits under the Company's management	23.7	558,187,678,624	415,638,533,838
34	- Investors' synthesizing deposits for securities trading activities		235,604,670,445	318,869,139,597
35	- Deposits of securities issuers		5,964,146,774	2,806,915,264

INTERIM COMBINED CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2019

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF CUSTOMERS (continued)

Currency: VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018
40	III. Cash and cash equivalents of customers at the end of the period			
41	Cash at banks at the end of the period:			
42	- Investors' deposits under the Company's management	23.7	574,823,516,460	917,813,804,568
43	- Investors' synthesizing deposits for securities trading activities	23.7	273,164,771,269	911,326,410,484
45	- Deposits of securities issuers		295,771,494,676	3,484,129,044
			5,887,250,515	3,003,265,040



Ms. Vu Thi Thuy Linh
Preparer
Deputy Head of Financial
Accounting Department



Ms. Nguyen Hong Thuy
Approval
Head of Financial
Accounting Department



Mr. Nhu Dinh Hoa
Approval
Chief Executive Officer

Hanoi, Vietnam

13 August 2019

Bao Viet Securities Joint Stock Company

B04a-CTCK

INTERIM COMBINED STATEMENT OF CHANGES IN OWNERS' EQUITY for the six-month period ended 30 June 2019

Currency: VND

ITEMS	Notes	Opening balance		Increase/(decrease)			Ending balance	
		1 January 2018	1 January 2019	For the six-month period ended 30 June 2018		For the six-month period ended 30 June 2019		
		1	2	Increase	Decrease	Increase	Decrease	
A	B	3	4	5	6	7	8	
I. CHANGES IN OWNERS' EQUITY								
1. Share capital	22	1,332,095,854,220	1,332,095,854,220	-	-	-	-	1,332,095,854,220
1.1 Ordinary shares		722,339,370,000	722,339,370,000	-	-	-	-	722,339,370,000
1.2 Share premium		610,253,166,720	610,253,166,720	-	-	-	-	610,253,166,720
1.3 Treasury shares		(496,682,500)	(496,682,500)	-	-	-	-	(496,682,500)
2. Charter capital								
supplementary reserves		29,538,463,475	36,121,049,159	-	-	-	-	36,121,049,159
3. Operational risk and financial reserves		29,538,463,475	36,121,049,159	-	-	-	-	36,121,049,159
4. Difference from revaluation of financial assets at fair value	31	25,455,682,334	23,148,061,854	11,116,152,960	(8,145,864,000)	4,008,610,000	(3,567,906,000)	23,588,765,854
5. Undistributed profit		281,475,143,206	264,666,028,072	68,549,686,200	(19,048,241,770)	63,899,287,637	(590,777,714)	327,974,537,995
5.1 Realized profit after tax		282,922,223,792	294,233,027,901	68,549,686,200	(6,095,535,199)	63,899,287,637	-	358,732,315,538
5.2 Unrealized profit/(loss) after tax		(1,447,080,586)	(29,566,999,829)	-	(12,952,706,571)	-	(590,777,714)	(30,157,777,543)
TOTAL		1,698,103,606,710	1,692,152,042,464	79,665,839,160	(27,194,105,770)	67,907,897,637	(4,158,683,714)	1,755,901,256,387

Bao Viet Securities Joint Stock Company

B04a-CTCK

INTERIM COMBINED STATEMENT OF CHANGES IN OWNERS' EQUITY (continued)
for the six-month period ended 30 June 2019

Currency: VND

ITEMS	Notes	Opening balance		Increase/(decrease)				Ending balance	
		1 January 2018	1 January 2019	For the six-month period ended 30 June 2018		June 2019		30 June 2018	30 June 2019
		1	2	Increase	Decrease	Increase	Decrease	7	8
II. OTHER COMPREHENSIVE INCOME									
Gain from revaluation of AFS financial assets	31	25,455,682,334	23,148,061,854	11,116,152,960	(8,145,864,000)	4,008,610,000	(3,567,906,000)	28,425,971,294	23,588,765,854
TOTAL		25,455,682,334	23,148,061,854	11,116,152,960	(8,145,864,000)	4,008,610,000	(3,567,906,000)	28,425,971,294	23,588,765,854



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Approval
Chief Executive Officer

Hanoi, Vietnam
13 August 2019

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS
as at 30 June 2019 and for the six-month period then ended

1. THE COMPANY

Bao Viet Securities Joint Stock Company (“the Company”, “BVSC”) is a joint-stock company established in Vietnam under Incorporation License No. 4640/GP-UB dated 1 October 1999 by the Hanoi People’s Committee, Business License No. 01/GPHDKD dated 26 November 1999 by the State Securities Commission and Amended Certificate of Securities Operating License No.01/GPHDKD, which was granted under Decision No. 36/GPĐC-UBCK dated 2 August 2017 issued by the State Securities Commission.

The current principal activities of the Company are to provide brokerage services, custodian services, proprietary trading, underwriting for securities issues, financial advisory, securities investment advisory services and margin lending activities.

As at 30 June 2019, the Company’s head office is located at floors 2 and 3, 72 Tran Hung Dao Street, Hoan Kiem District, Ha Noi and its Ho Chi Minh branch is located at Bao Viet Building, No. 233, Dong Khoi Street, District 1, Ho Chi Minh City.

The Company has transaction offices as follows:

<i>Name</i>	<i>Address</i>
1. Transaction office at Head Office (Hanoi)	72 Tran Hung Dao, Hoan Kiem District, Hanoi
2. Transaction office No. 1 (Hanoi)	94 Ba Trieu Str., Hoan Kiem Dist., Hanoi
3. Transaction office Thanh Xuan (Hanoi)	Floor 10, Hapulico Tower, No.1 Nguyen Huy Tuong, Thanh Xuan, Ha Noi
4. Transaction office Lang Ha (Hanoi)	Floors 12, 14 Lang Ha Tower, Ba Dinh Dist., Hanoi
5. Transaction office Cao Thang (Ho Chi Minh City)	90 Cao Thang Str., District 3, Ho Chi Minh City
6. Transaction office 11 Nguyen Cong Tru (Ho Chi Minh City)	11 Nguyen Cong Tru Str, District 1, Ho Chi Minh City
7. Transaction office 233 Dong Khoi (Ho Chi Minh City)	233 Dong Khoi Str., District 1, Ho Chi Minh City
8. Transaction office Le Hong Phong (Ho Chi Minh City)	Floors 1 & 2, 174 Le Hong Phong Str. Ward 3, District 5, Ho Chi Minh City

Main features of operation of the Company

Charter capital

As at 30 June 2019, the Company’s charter capital was VND 722,339,370,000; owners’ equity was VND 1,755,901,256,387 and total assets was VND 2,440,971,378,965.

Investment objective

As a listed securities company in the Vietnam stock market, the Company’s current principal business activities are to provide brokerage services, custodian services, proprietary trading, underwriting for securities issues, financial advisory, securities investment advisory services and margin lending activities. The Company aims at contributing to the development of Vietnam Stock market as well as bringing benefit to its clients, its investors and its shareholders.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

1. THE COMPANY (continued)

Main features of operation of the Company (continued)

Investment restrictions

The Company complies with Article 44 of Circular No. 210/2012/TT-BTC dated 30 November 2012 providing guidance on the establishment and operation of securities companies, Circular No. 07/2016/TT-BTC by the Ministry of Finance dated 18 January 2016 amending and supplementing certain articles of Circular No. 210/2012/TT-BTC and other applicable regulations on investment restrictions. The current applicable practices on investment restrictions are as follows:

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

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

2. BASIS OF PRESENTATION

2.1 *Applied accounting standards and system*

The financial statements of the Company (the "Company") expressed in Vietnam dong ("VND") are prepared in accordance with Vietnamese Enterprise Accounting System, the accounting regulation and guidance applicable to securities companies as set out in Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular No.334/2016/TT-BTC dated 27 December 2016 by the Ministry of Finance amending, supplementing and replacing Appendix No. 02 and Appendix No. 04 of Circular No. 210/2014/TT-BTC; Circular No. 146/2014/TT-BTC dated 6 October 2014 providing guidance on financial regime applicable to securities companies, assets management companies; Vietnamese Accounting Standard No. 27 – Interim Financial Reporting and other Vietnamese Accounting Standards as per:

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

2.2 *Applied accounting documentation system*

The Company's applied accounting documentation system is the General Journal Voucher system.

2.3 *Fiscal year*

The Company's fiscal year starts on 1 January and ends on 31 December.

The Company also prepares its interim combined financial statements for the six-month period ended 30 June and its quarterly financial statements for the three-month period ended 31 March, 30 June, 30 September and 31 December each year.

2.4 *Interim combined financial statements*

The Company prepares its interim combined financial statements for its Head Office and Ho Chi Minh branch for the six-month period ended 30 June 2019 to submit to authorities as required by Circular No. 155/2015/TT-BTC dated 6 October 2015 issued by Ministry of Finance. The Company also prepares interim financial statements for the six-month period ended 30 June 2019 for its head office.

2.5 *Accounting currency*

The interim combined financial statements are prepared in VND which is also the Company's accounting currency.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

3. STATEMENT ON THE COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEMS

Management of the Company confirms that the interim combined financial statements is prepared in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting regulations and guidance applicable to securities companies and legal regulations relating to the preparation and presentation of the interim combined financial statements.

Accordingly, the accompanying interim combined financial statements, including their utilization are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the interim combined financial position, the interim combined income statement, the interim combined cash flows and the interim combined changes in equity in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the Company in preparation of the interim combined financial statements are consistent with those followed in the preparation of the Company's annual combined financial statements for the year ended 31 December 2018 and the interim combined financial statements for the six-month period ended 30 June 2018.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of no more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

Cash deposits from customers for securities trading and cash deposits from securities issuers are presented in the interim off-balance sheet.

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

Financial assets at FVTPL are financial assets that satisfy either of the following conditions:

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

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

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

4.3 *Held-to-maturity investments (HTM)*

HTM investments are non-derivative financial assets with determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity other than:

- those that the entity upon initial recognition designates as FVTPL;
- those that the entity designates as AFS;
- those that meet the definition of loans and receivables.

HTM investments are recognized initially at cost plus (+) transaction costs which are directly attributable to the investments such as brokerage fee, trading fee, issuance agent fee and banking transaction fee. After initial recognition, HTM investments are recognized at amortised cost using effective interest method.

Amortized cost of HTM investments is the amount at which the financial asset is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility (if any).

The effective interest rate method is a method of calculating the cost allocation on interest income or interest expense in the year of a financial assets or a group of HTM investments.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset.

HTM investments are subject to an assessment of impairment at the interim financial statement date. Provision is made for an HTM investment when there is any objective evidence that the investment is unrecoverable or there is uncertainty of recoverability, resulting from one or more events that has occurred after the initial recognition of the investment and that event has an impact on the estimated future cash flows of the investment that can be reliably estimated. Objective evidence of impairment may include a drop in the fair value/market value of the investment, indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. When there is any evidence of impairment, provision for an HTM investment is determined as the negative difference between its fair value and amortized cost at the assessment date. Any increase/decrease in the balance of provision is recognized in the interim combined income statement under "Provision expense for diminution in value and impairment of financial assets and doubtful receivables, and borrowing costs of loans".

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 Loans

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

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

Loans are recognized initially at cost. After initial recognition, loans shall be measured at amortised cost using the effective interest rate.

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

Margin lending

Margin lending is the investors' use of credit limits granted by the Company for the purposes of securities investment, pledged by cash or securities purchased. Margin is recognized initially at cost. After initial recognition, margin shall be still measured at cost and be assessed for impairment (if any).

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

4.5 Available-for-sale financial assets (AFS)

AFS financial assets are non-derivative financial assets which are designated as AFS or are not classified as:

- a) Loans and receivables;
- b) HTM investments; or
- c) Financial assets at FVTPL.

AFS financial assets are recognized initially at cost (purchase price plus (+) transaction costs which are directly attributable to the purchase of the financial assets). After initial recognition, AFS financial assets are subsequently measured at fair value.

Difference arising from the revaluation of AFS financial assets in comparison with previous period is recognized under "*Gain/(loss) from revaluation of AFS financial assets*" in "*Other comprehensive income after tax*" which is a part of the interim combined income statement.

As at the interim combined financial statement date, the Company assessed whether there is any objective evidence that an AFS financial asset is impaired. Any increase/decrease in the balance of provision is recognized in the interim combined income statement under "*Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans*".

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 *Available-for-sale financial assets (AFS)* (continued)

- When an equity instrument is classified as available-for-sale, evidence of impairment includes a significant or prolonged decline in the fair value of the investment below its original cost. 'Significant' is to be evaluated against the original cost of the asset and 'prolonged' indicates the period in which the fair value has been below its original cost. When any evidence of impairment exists, provision is determined as the difference between the AFS asset's cost and fair value at the assessment date.
- When a debt instrument is classified as available-for-sale, the assessment of impairment is conducted using the same criteria as those applied for HTM investments. When there is any evidence of impairment, provision for an AFS asset is determined as the negative difference between its fair value and amortized cost at the assessment date.

4.6 *Fair value measurement*

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

- ▶ For securities listed on Hanoi Stock Exchange and Ho Chi Minh City Stock Exchange, their market prices are their closing prices on the trading day preceding the date of setting up the provision.
- ▶ For securities registered for trading on UPCoM, their market prices are their closing prices on the trading day preceding the date of setting up the provision.
- ▶ For the delisted securities and suspended trading securities from the sixth day afterwards, their prices are the book value at the latest financial report date.
- ▶ The market price for unlisted securities and securities unregistered for trading used as a basis for setting up the provision is the average of actual trading prices quoted by 3 securities companies conducting transactions at the latest date within one month preceding the assessment date.

For provision purpose, market value is determined in accordance with the Circular No.146/2014/TT-BTC.

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

4.7 *Derecognition of financial assets*

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is not derecognized. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 *Derecognition of financial assets* (continued)

The continued participant in transferred assets in the form of guarantee will be recognized at smaller value between the initial carrying value of the assets and the maximum amount that the Company is required to pay.

4.8 *Reclassification of financial assets*

Reclassification when selling financial assets other than FVTPL

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

Reclassification due to change in purpose or ability to hold

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

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

4.9 *Recognition of mortgaged financial assets*

During the period, the Company had mortgaged/pledged financial assets which are used as collaterals for financial obligations of the Company.

According to the terms and conditions of the mortgage/pledge contracts, during the valid period of the contracts, the Company is not allowed to sell, transfer or use the mortgaged/pledged assets under repurchase or swap contracts with any other third party.

In case the Company is unable to fulfill its obligations, the mortgagee/pledgee is allowed to use the mortgaged/pledged assets to settle the obligations of the Company after a period specified in the mortgage/pledge contracts, since the obligations due date.

The mortgaged/pledged assets are monitored in the Company's interim combined statement of financial position in accordance with accounting principles relevant to the assets' classification.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.10 Receivables

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

Receivables are subject to review for impairment based on their overdue status or estimated loss arising from undue debts of corporate debtors who have bankruptcy or are under liquidation; or of individual debtors who are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased. Increases or decreases to the allowance balance are recorded as "General and administrative expenses" in the interim combined income statement.

The Company has made allowance for doubtful receivables in accordance with Circular No. 228/2009/TT-BTC dated 7 December 2009 issued by the Ministry of Finance. Accordingly, the allowance rates for overdue receivables are as follows:

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

4.11 Fixed assets

Fixed assets are presented based on subtraction of the cost and the depreciation value/the accumulated depreciation.

The cost of a fixed asset comprises its purchase price and any directly relating costs of bringing the asset to the intended operation.

Expenses for purchasing, upgrading and renovating fixed assets are recorded as increase in the cost of assets. Maintenance and repair costs are recorded into the interim combined income statement when arising.

When fixed assets are sold or liquidated, gains or losses arising from liquidation of assets (the difference between the net revenue from the sale of assets and the remaining value of assets) is recorded in the interim combined income statement.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Depreciation and amortization

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

Machinery and equipment	3 - 8 years
Means of transportation	6 - 8 years
Office equipment	3 - 5 years
Software	3 - 5 years
Others	3 - 5 years

4.13 Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

Rentals under operating leases are charged to the interim combined income statement on a straight-line basis over the lease term.

4.14 Prepaid expenses

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

The following types of expenses are recorded as long-term prepaid expense and are amortized over the period of one (01) to five (05) years to the interim combined income statement:

- ▶ Expenses for office renovation;
- ▶ Office rental fees; and
- ▶ Office equipment.

4.15 Repurchase agreements

Securities sold under the agreements to be repurchased at a specified future date ("repo") are not derecognized from the interim combined statement of financial position. The corresponding cash received is recognized in the interim combined statement of financial position as a liability. The difference between selling price and repurchase price is treated as interest expense and is accrued over the life of the agreement using the straight-line method to the interim combined income statement in all the active time of repurchase agreements.

4.16 Bonds issued

Bonds issued by the Company are initially recorded at its face value and subsequently recognized at amortized cost using effective interest method.

4.17 Payables and accrued expenses

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

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.18 Employee benefits

4.18.1 Post-employment benefits

Post-employment benefits are paid to retired employees of the Company by the Social Insurance Agency, which belongs to the Ministry of Labor and Social Affairs. The Company is required to contribute to these post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 17.5% of an employee's basic salary on a monthly basis. The Company has no further obligation to fund the post-employment benefits of its employees, other than the liability to pay Social Insurance Agency on a monthly basis.

4.18.2 Voluntary resignation benefits

Voluntary resignation benefits: The Company has the obligation, under Article 42 of the Labor Code dated 2 April 2002, to pay an allowance to voluntarily resigning employees, equal to half of one-month's basic salary for each year of employment plus wage allowances (if any) until 31 December 2008. Commencing 1 January 2009, the average monthly salary used in this calculation will be revised at the end of each reporting period based on the average monthly salary of the most recent 6 months up to the reporting date;

Retrenchment benefits: The Company has the obligation, under Article 17 of the Labor Code, to pay an allowance to employees who are retrenched as a result of organizational restructuring or technological changes. In such cases, the Company shall pay to employees an allowance for loss of work equivalent to the aggregate amount of one-month salary for each year of employment, but no less than two-month salary. In accordance with Circular No. 180/2012/TT-BTC issued by the Ministry of Finance on 24 October 2012, since 2012, the Company stopped accruing retrenchment allowance. Payments for retrenchment allowance are recognized as general and administrative expenses in the period in which they are incurred.

4.18.3 Unemployment insurance

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

4.19 Foreign currency transactions

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

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

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

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.20 *Treasury shares*

Equity instruments issued by the Company which are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss upon purchase, sale, issue or cancellation of the Company's own equity instruments.

4.21 *Revenue recognition*

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from brokerage services

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

Revenue from trading of securities

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

Other incomes

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

Interest income

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

Dividends

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

Other revenues from rendering services

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

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

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.22 *Borrowing costs*

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs are recorded as expense during the period in which they are incurred.

4.23 *Cost of securities sold*

The company applies weighted average method of the preceding day to calculate cost of equity securities sold and specific identification method to calculate cost of debt securities sold.

4.24 *Corporate income tax*

Current income tax

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

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

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

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for interim financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

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

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Previously unrecognized deferred income tax assets are re-assessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.24 Corporate income tax (continued)

Deferred tax (continued)

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset realized, or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date. Deferred tax is charged or credited to the interim combined income statement, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxable entity and the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

4.25 Owners' equity

Contributed capital

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

Undistributed profit

Undistributed profit comprises of realized and unrealized undistributed profit.

- ▶ Unrealized profit of the period is the total differences between gain or loss arising from revaluation of FVTPL financial assets or other financial assets through profit and loss in the interim combined income statement.
- ▶ Realized profit during the period is the net difference between total revenue and income, and total expenses in the interim combined income statement of the Company, except for gain or loss arising from revaluation of financial assets recognized in unrealized profit.

Reserves

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

	<u>Percentage of profit after tax</u>	<u>Maximum balance</u>
Charter Capital Supplementary Reserves	5%	10% of charter capital
Operational Risk and Financial Reserves Fund	5%	10% of charter capital

Other reserves are appropriated in accordance with the Resolution of the Annual General Meeting of Shareholders.

4.26 Appropriation of net profits

Net profit after tax is available for appropriation to shareholders based on approval by the Annual General Meeting Shareholders after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.27 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit after tax for the period attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the period.

The company have not caculated and presented the impaired interest of shares because there are none of potential events that impaired interest on shares

4.28 Related parties

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

4.29 Items with nil balances

Items or balances required by Circular No. 334/TT-BTC dated 26 December 2016 and Circular No. 146/2014/TT-NHNN dated 6 October 2014 issued by the Ministry of Finance that are not shown in these interim combined financial statements indicate nil balances.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

5. CASH AND CASH EQUIVALENTS

	<i>30 June 2019</i> <i>VND</i>	<i>31 December 2018</i> <i>VND</i>
Cash	90,914,472,053	465,849,247,326
Cash on hand	216,961,508	390,336,005
Cash at banks for operation of the Company	90,697,510,545	465,458,911,321
Total	90,914,472,053	465,849,247,326

6. VALUE AND VOLUME OF TRADING IN THE PERIOD

	<i>Volume of trading in</i> <i>the period</i> <i>(Unit)</i>	<i>Value of trading</i> <i>in the period</i> <i>(VND)</i>
1. By the Company		
Shares	51,194,776	1,090,938,011,238
Bonds	52,428,096	5,896,345,597,348
Other securities	14,874,000	219,672,633,087
	118,496,872	7,206,956,241,673
2. By investors		
Shares	2,130,990,213	38,150,892,292,822
Bonds	148,417,883	18,081,640,218,561
Other securities	3,188,750	47,204,951,000
	2,282,596,846	56,279,737,462,383

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

7. FINANCIAL ASSETS

7.1 Financial assets at fair value through profit or loss (FVTPL)

	30 June 2019		31 December 2018	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Listed shares	190,420,155,967	164,556,592,240	216,907,980,663	191,652,744,640
TIX	30,661,299,730	28,145,544,000	30,661,299,730	27,140,346,000
TMT	-	-	28,000,153,500	25,732,045,950
Others	159,758,856,237	136,411,048,240	158,246,527,433	138,780,352,690
Unlisted shares	16,201,609,279	12,358,546,603	4,621,482,680	1,351,130,403
BSR	1,380,000,000	1,290,000,000	-	-
HNF	10,200,000,000	9,860,000,000	-	-
PVO	3,318,480,000	1,055,880,000	3,318,480,000	1,206,720,000
Others	1,303,129,279	152,666,603	1,303,002,680	144,410,403
Fund certificates	44,302,388,306	45,353,000,000	28,510,785,394	29,422,000,000
E1VFN30	36,502,388,306	35,525,000,000	18,510,785,394	17,172,000,000
FUESSV50	7,800,000,000	9,828,000,000	10,000,000,000	12,250,000,000
Corporate bonds	30,000,000,000	30,000,000,000	30,000,000,000	30,000,000,000
Hai An Technology Investment and Education Joint Stock Company	30,000,000,000	30,000,000,000	30,000,000,000	30,000,000,000
Total	280,924,153,552	252,268,138,843	280,040,248,737	252,425,875,043

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

	30 June 2019		31 December 2018		Fair value/ Net carrying value (*) VND
	Cost VND	Carrying value VND	Cost VND	Carrying value VND	
7. FINANCIAL ASSETS (continued)					
7.2 Available-for-sale financial assets (AFS)					
SHORT-TERM					
Recognized at fair value	16,576,432,682	38,001,510,000	16,576,432,682	36,842,790,000	36,842,790,000
<i>Fund certificates</i>	16,576,432,682	38,001,510,000	16,576,432,682	36,842,790,000	36,842,790,000
VFMF1	16,576,432,682	38,001,510,000	16,576,432,682	36,842,790,000	36,842,790,000
Recognized at cost	91,121,642,497	91,121,642,497	91,163,642,497	91,163,642,497	43,950,155,786
<i>Others trading investments</i>	18,766,314,253	18,766,314,253	18,808,314,253	18,808,314,253	-
<i>Shares</i>	72,355,328,244	72,355,328,244	72,355,328,244	72,355,328,244	43,950,155,786
Seaprimexco Vietnam	24,000,000,000	24,000,000,000	24,000,000,000	24,000,000,000	7,083,375,000
MBLAND Joint Stock Company	28,800,000,000	28,800,000,000	28,800,000,000	28,800,000,000	24,144,000,000
Others	19,555,328,244	19,555,328,244	19,555,328,244	19,555,328,244	12,722,780,786
Total	107,698,075,179	129,123,152,497	107,740,075,179	128,006,432,497	80,792,945,786

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

7. FINANCIAL ASSETS (continued)

7.2 Available-for-sale financial assets (AFS) (continued)

	30 June 2019		31 December 2018	
	Cost VND	Carrying value VND	Cost VND	Carrying value VND
Long term				
Recognized at fair value	92,000,000,000	100,060,880,000	100,060,880,000	100,668,720,000
Fund certificates	92,000,000,000	100,060,880,000	100,060,880,000	100,668,720,000
Bao Viet Value Investment Fund (BVIF)	80,000,000,000	86,556,080,000	86,556,080,000	87,965,520,000
Bao Viet Prospect Fund (BVPF)	12,000,000,000	13,504,800,000	13,504,800,000	12,703,200,000
Recognized at cost	90,104,103,000	90,104,103,000	60,495,781,438	90,104,103,000
Shares	90,104,103,000	90,104,103,000	60,495,781,438	90,104,103,000
Global Real Estate Investment Joint Stock Company (GPINVEST)	14,150,483,000	14,150,483,000	11,738,980,800	14,150,483,000
Bac Ha Hydropower Joint Stock Company (**)	75,953,620,000	75,953,620,000	48,756,800,638	75,953,620,000
	182,104,103,000	190,164,983,000	160,556,661,438	182,104,103,000
			160,556,661,438	190,772,823,000
				163,456,357,550

(*): For financial assets at AFS recognized at cost, net carrying value is carrying value after deducting allowance for impairment.

(**): On 26 July 2019, the Company transferred all of its shareholdings in Bac Ha Hydropower Joint Stock Company. Accordingly, at 26 July 2019, the Company recognized gain from the sale and reversed all the provision made for this investment on its combined financial statements.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

7. FINANCIAL ASSETS (continued)

7.3 Held-to-maturity investments (HTM)

	30 June 2019 VND	31 December 2018 VND
Short-term		
1. <i>Term deposits</i>	53,200,000,000	51,600,000,002
Term deposits contracts	53,200,000,000	51,600,000,002
Total	53,200,000,000	51,600,000,002
Long-term		
1. <i>Listed bonds</i>	-	52,502,619,425
Government bonds	-	52,502,619,425
2. <i>Unlisted bonds</i>	-	90,257,267,121
Credit Institutions bonds	-	90,257,267,121
Total	-	142,759,886,546

7.4 Loans

		31 December 2018 VND
Margin lending	1,556,034,478,006	1,452,056,655,240
Advance lending	156,662,048,300	230,671,682,305
Total	1,712,696,526,306	1,682,728,337,545

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

7. FINANCIAL ASSETS (continued)

7.5 Change in market values of financial assets

Financial assets	30 June 2019			31 December 2018				
	Cost (VND)	Revaluation difference Increase (VND)	Decrease (VND)	Revaluated value (VND)	Cost (VND)	Revaluation difference Increase (VND)	Decrease (VND)	Revaluated value (VND)
FVTPL								
Short-term	280,924,153,552	7,508,814,163	(36,164,828,872)	252,268,138,843	280,040,248,737	9,763,130,675	(37,377,504,369)	252,425,875,043
Listed shares	190,420,155,967	5,479,337,263	(31,342,900,990)	164,556,592,240	216,907,980,663	7,511,785,775	(32,767,021,798)	191,652,744,640
Unlisted shares	16,201,609,279	1,476,900	(3,844,539,576)	12,358,546,603	4,621,482,680	1,344,900	(3,271,697,177)	1,351,130,403
Listed fund certificates	44,302,388,306	2,028,000,000	(977,388,306)	45,353,000,000	28,510,785,394	2,250,000,000	(1,338,785,394)	29,422,000,000
Bond	30,000,000,000	-	-	30,000,000,000	30,000,000,000	-	-	30,000,000,000
Total	280,924,153,552	7,508,814,163	(36,164,828,872)	252,268,138,843	280,040,248,737	9,763,130,675	(37,377,504,369)	252,425,875,043
AFS recognized at fair value								
Short-term	16,576,432,682	21,425,077,318	-	38,001,510,000	16,576,432,682	20,266,357,318	-	36,842,790,000
Unlisted fund certificates	16,576,432,682	21,425,077,318	-	38,001,510,000	16,576,432,682	20,266,357,318	-	36,842,790,000
Long-term	92,000,000,000	8,060,880,000	-	100,060,880,000	92,000,000,000	8,668,720,000	-	100,668,720,000
Unlisted fund certificates	92,000,000,000	8,060,880,000	-	100,060,880,000	92,000,000,000	8,668,720,000	-	100,668,720,000
Total	108,576,432,682	29,485,957,318	-	138,062,390,000	108,576,432,682	28,935,077,318	-	137,511,510,000

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

7. FINANCIAL ASSETS (continued)

7.6 Provision for impairment of financial assets and mortgage assets

	30 June 2019 VND	31 December 2018 VND
Short-term	61,824,693,531	65,169,527,850
For loans	16,724,661,639	17,956,041,139
- Margin lending	16,724,661,639	17,956,041,139
For AFS financial assets	45,100,031,892	47,213,486,711
- Shares	26,333,717,639	28,405,172,458
- Other trading investments	18,766,314,253	18,808,314,253
Long term	29,608,321,562	27,316,465,450
For AFS	29,608,321,562	27,316,465,450
- Shares	29,608,321,562	27,316,465,450
Total	91,433,015,093	92,485,993,300

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

7. FINANCIAL ASSETS (continued)

7.7 Detail of provision for impairment of financial assets

No.	Financial asset	Quantity	Basis of provision in the current year				Addition/ Reversal allowance for current year (VND)
			Book values (VND)	Marking value as at the reporting date (VND)	Allowance made for the current year (VND)	Allowance made for previous year (VND)	
I	HTM	1	53,200,000,000	52,572,662,535	-	-	-
1	Term deposit	1	53,200,000,000	52,572,662,535	-	-	-
II	Loans	1,712,696,526,306	1,695,971,864,667	(16,724,661,639)	(17,956,041,139)	1,231,379,500	
	Margin lending (Note 25)	1,556,034,478,006	1,539,309,816,367	(16,724,661,639)	(17,956,041,139)	1,231,379,500	
	Advance lending	156,662,048,300	156,662,048,300	-	-	-	
III	AFS	14,781,403	181,225,745,497	106,517,392,043	(74,708,353,454)	(74,529,952,161)	(178,401,293)
1	Short term	7,055,627	91,121,642,497	46,021,610,605	(45,100,031,892)	(47,213,486,711)	2,113,454,819
	Other propriety investment	-	18,766,314,253	-	(18,808,314,253)	42,000,000	
	Shares	7,055,627	72,355,328,244	46,021,610,605	(26,333,717,639)	(28,405,172,458)	2,071,454,819
	Seaprimexco Vietnam	975,000	24,000,000,000	9,727,575,000	(14,272,425,000)	(16,916,625,000)	2,644,200,000
	MBLAND Joint Stock Company	4,800,000	28,800,000,000	24,144,000,000	(4,656,000,000)	(4,656,000,000)	-
	Others	1,280,627	19,555,328,244	12,150,035,605	(7,405,292,639)	(6,832,547,458)	(572,745,181)
2	Long term	7,725,776	90,104,103,000	60,495,781,438	(29,608,321,562)	(27,316,465,450)	(2,291,856,112)
	Shares	7,725,776	90,104,103,000	60,495,781,438	(29,608,321,562)	(27,316,465,450)	(2,291,856,112)
	Bac Ha Hydropower Joint Stock Company	6,095,362	75,953,620,000	48,756,800,638	(27,196,819,362)	(24,904,963,250)	(2,291,856,112)
	Global Real Estate Investment Joint Stock Company (GPINVEST)	1,630,414	14,150,483,000	11,738,980,800	(2,411,502,200)	(2,411,502,200)	-
	Total		1,947,122,271,803	1,855,061,919,245	(91,433,015,093)	(92,485,993,300)	1,052,978,207

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

8. RECEIVABLES AND ADVANCES TO SUPPLIERS

	30 June 2019 VND	31 December 2018 VND
Receivables and accrued dividend and interest	20,056,816,286	20,925,796,544
<i>Dividend</i>	3,301,076,820	4,556,619,400
<i>Accrued interest from demand deposits</i>	856,795,140	-
<i>Accrued interest from margin</i>	15,898,944,326	16,369,177,144
Receivables from services provided by the Company	4,105,835,629	6,415,254,928
Other receivables	18,448,363,964	11,615,840,687
Provision for impairment of receivables (*)	<u>(15,983,729,699)</u>	<u>(15,983,729,699)</u>
	26,627,286,180	22,973,162,460
Advances to suppliers	6,592,225,488	6,514,867,194
<i>Creative Engineering Limited Company (Innotech)</i>	1,574,720,000	1,404,480,000
<i>Nam Nhat Limited Company</i>	2,800,000,000	2,800,000,000
<i>Vietnam Religare Technova Global Solutions Limited Company</i>	1,447,875,000	1,447,875,000
<i>Others</i>	769,630,488	862,512,194
	<u>33,219,511,668</u>	<u>29,488,029,654</u>
Total		

(*) Details of provision for impairment of receivables

	Balance of doubtful debts as at 30 June 2019	Beginning provision	Addition	Reversal	Ending provision
Doubtful debts					
Provision for doubtful debts	15,983,729,699	15,983,729,699	-	-	15,983,729,699
Receivables	11,735,854,699	11,735,854,699	-	-	11,735,854,699
<i>Nguyen Manh Giao</i>	1,780,000,000	1,780,000,000	-	-	1,780,000,000
<i>Ha Thanh Hai</i>	1,685,000,000	1,685,000,000	-	-	1,685,000,000
<i>Nguyen Phuong Nam</i>	4,000,000,000	4,000,000,000	-	-	4,000,000,000
<i>Others</i>	4,270,854,699	4,270,854,699	-	-	4,270,854,699
Advances to suppliers	4,247,875,000	4,247,875,000	-	-	4,247,875,000
<i>Nam Nhat Limited company</i>	2,800,000,000	2,800,000,000	-	-	2,800,000,000
<i>Religare Technova Global Solutions VN Limited company</i>	1,447,875,000	1,447,875,000	-	-	1,447,875,000
Total	<u>15,983,729,699</u>	<u>15,983,729,699</u>	<u>-</u>	<u>-</u>	<u>15,983,729,699</u>

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

9. OTHER SHORT-TERM ASSETS

	<i>30 June 2019</i>	<i>31 December 2018</i>
	<i>VND</i>	<i>VND</i>
Advances	963,163,410	200,751,380
Office supplies, materials and tools	161,059,371	388,072,553
Short-term prepaid expenses	2,242,467,125	1,559,743,903
<i>Healthcare insurance expense</i>	1,260,405,501	472,253,636
<i>Software maintenance expense</i>	333,156,703	691,348,303
<i>Others</i>	648,904,921	396,141,964
Total	<u>3,366,689,906</u>	<u>2,148,567,836</u>

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

10. TANGIBLE FIXED ASSETS

	<i>Machines and equipment</i> VND	<i>Means of transportation</i> VND	<i>Office equipment</i> VND	<i>Others</i> VND	<i>Total</i> VND
Cost					
1 January 2019	36,229,668,161	4,264,275,167	248,648,500	56,770,560	40,799,362,388
Purchase during the period	1,928,806,154	-	-	-	1,928,806,154
30 June 2019	38,158,474,315	4,264,275,167	248,648,500	56,770,560	42,728,168,542
Accumulated depreciation					
1 January 2019	22,654,936,452	3,781,075,419	192,995,869	43,366,395	26,672,374,135
Depreciation for the period	2,067,548,653	90,599,952	12,670,002	9,461,760	2,180,280,367
30 June 2019	24,722,485,105	3,871,675,371	205,665,871	52,828,155	28,852,654,502
Net carrying amount					
1 January 2019	13,574,731,709	483,199,748	55,652,631	13,404,165	14,126,988,253
30 June 2019	13,435,989,210	392,599,796	42,982,629	3,942,405	13,875,514,040

Cost of fully depreciated tangible fixed asset but still in use as at 30 June 2019 is VND 22,926,289,266 (31 December 2018: VND 21,060,645,266).

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

11. INTANGIBLE FIXED ASSETS

	<i>Software VND</i>	<i>Others VND</i>	<i>Total VND</i>
Cost			
1 January 2019	11,051,862,834	2,967,788,256	14,019,651,090
Increase for the period	95,000,000	-	95,000,000
30 June 2019	<u>11,146,862,834</u>	<u>2,967,788,256</u>	<u>14,114,651,090</u>
Accumulated amortization			
1 January 2019	8,530,795,796	2,967,788,256	11,498,584,052
Amortization for the period	436,647,022	-	436,647,022
30 June 2019	<u>8,967,442,818</u>	<u>2,967,788,256</u>	<u>11,935,231,074</u>
Net carrying amount			
1 January 2019	<u>2,521,067,038</u>	-	<u>2,521,067,038</u>
30 June 2019	<u>2,179,420,016</u>	-	<u>2,179,420,016</u>

Cost of fully depreciated intangible fixed asset but still in use as at 30 June 2019 is VND 10,470,716,440 (31 December 2018: VND 10,470,716,440).

12. LONG-TERM PREPAID EXPENSES

	<i>30 June 2019 VND</i>	<i>31 December 2018 VND</i>
Office rental	23,574,266,610	28,289,119,938
Office equipment	2,636,979,390	2,351,650,457
Office renovation expenses	3,064,388,856	4,282,694,730
Expenses for bond issuance	677,841,437	1,018,655,567
Others	350,226,864	108,193,957
Total	<u>30,303,703,157</u>	<u>36,050,314,649</u>

13. DEPOSITS TO SETTLEMENT ASSISTANCE FUND

Movements of the deposits to settlement assistance fund during the period are as follows:

	<i>VND</i>
As at 1 January 2018	21,158,480,060
Interest received for the year	(1,158,480,060)
As at 31 December 2018	20,000,000,000
Interest received for the period	-
As at 30 June 2019	<u>20,000,000,000</u>

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

14. SHORT TERM BORROWING

	<i>Beginning balance</i>	<i>Additional borrowings during the period</i>	<i>Repayment during the period</i>	<i>Ending balance</i>
Bank overdraft	49,900,000,000	124,400,000,000	124,400,000,000	49,900,000,000
Short-term borrowings	80,000,000,000	454,290,000,000	280,000,000,000	254,290,000,000
	129,900,000,000	578,690,000,000	404,400,000,000	304,190,000,000

15. PAYABLES FOR SECURITIES TRANSACTIONS

	<i>30 June 2019 VND</i>	<i>31 December 2018 VND</i>
Payable to Stock Exchanges	2,040,363,405	3,019,395,567
Payable to Vietnam Securities Depository	511,977,728	680,967,250
Total	2,552,341,133	3,700,362,817

16. SHORT-TERM TRADE PAYABLES

	<i>30 June 2019 VND</i>	<i>31 December 2018 VND</i>
Payables to related parties (<i>Note 32.1</i>)	2,300,900,768	464,497,916
Financial Software Solutions Joint Stock Company	-	779,933,200
FPT Information System Company Limited	20,000,000	1,054,655,820
Others	347,771,400	323,517,068
Total	2,668,672,168	2,622,604,004

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

17. STATUTORY OBLIGATIONS

No.	Items	Beginning balance VND	Payable for the period VND	Payment made for the period VND	Ending balance VND
1	Personal income tax - Of the Company's employees - Of investors	4,328,876,828 1,003,114,722 3,325,762,106	29,202,153,356 9,479,875,513 19,722,277,843	(30,393,994,747) (10,195,031,215) (20,198,963,532)	3,137,035,437 287,959,020 2,849,076,417
2	Corporate income tax (Note 29.1)	3,050,875,694	9,278,941,238	(7,389,175,312)	4,940,641,620
3	Value added tax	241,098,515	501,781,975	(686,360,101)	56,520,389
4	Other taxes	478,669,047	1,846,372,931	(2,223,460,072)	101,581,906
	Total	8,099,520,084	40,829,249,500	(40,692,990,232)	8,235,779,352

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

18. SHORT-TERM ACCRUED EXPENSES

	<i>30 June 2019</i> <i>VND</i>	<i>31 December 2018</i> <i>VND</i>
Accrued expenses for customers introduction commission	356,998,674	321,438,297
Accrued expenses for external services	4,267,758,172	4,206,896,928
Accrued borrowing Interest for financial institutions	1,547,375,480	553,948,128
	<u>6,172,132,326</u>	<u>5,082,283,353</u>

19. OTHER SHORT-TERM PAYABLES

	<i>30 June 2019</i> <i>VND</i>	<i>31 December 2018</i> <i>VND</i>
Deposit for bond brokerage	-	500,000,000,000
Dividend payable to owners	-	50,245,777,925
Others	1,245,032,377	1,047,865,852
	<u>1,245,032,377</u>	<u>551,293,643,777</u>

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

20. PAYABLES UNDER BOND REPO AGREEMENTS

	As at 1 January 2019 VND	Sold during the period VND	Repurchased during the period VND	Allocated repo expense during the period VND	As at 30 June 2019 VND	Face value of bond under repo agreement as at 30 June 2019 VND
Repo contracts:						
Repo with credit institutions	160,157,245,736	-	(160,992,200,000)	834,954,264	-	-

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

21. LONG-TERM BONDS ISSUED

	<i>30 June 2019</i> VND	<i>31 December 2018</i> VND
Principal	300,000,000,000	300,000,000,000
Accrued interest using effective interest method	12,782,793,662	12,922,170,663
Total	<u>312,782,793,662</u>	<u>312,922,170,663</u>

BVSC_BOND_2018 bonds are non-convertible bonds issued in June 2018 under Resolution No. 04/2018/NQ-HĐQT of the Company's Board of Director dated 26 March 2018. Number of bonds issued was 3,000,000 bonds with par value of each bond is being 100,000 VND. The bonds issued by the Company were secured bonds with term of two (2) years and fixed interest at rate of 8.5% p.a. The secured assets for bonds issued are receivables from margin lending services of the Company.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

22. OWNERS' EQUITY

	Share capital VND	Share premium VND	Treasury shares VND	Charter capital supplementary reserve VND	Operational risk and financial reserve VND	Difference from revaluation of assets at fair value VND	Undistributed profit VND	Total VND
Beginning balance	722,339,370,000	610,253,166,720	(496,682,500)	36,121,049,159	36,121,049,159	23,148,061,854	264,666,028,072	1,692,152,042,464
Revaluation of financial assets at fair value	-	-	-	-	-	440,704,000	-	440,704,000
Profit after tax for the period	-	-	-	-	-	-	63,308,509,923	63,308,509,923
Ending balance	722,339,370,000	610,253,166,720	(496,682,500)	36,121,049,159	36,121,049,159	23,588,765,854	327,974,537,995	1,755,901,256,387

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

22. OWNERS' EQUITY (continued)

Details of the Company's share capital as at 30 June 2019 are as follows:

	<i>Number of shares (*)</i> <i>Unit</i>	<i>Par value (*)</i> <i>VND</i>	<i>Ownership</i> <i>%</i>
Bao Viet Holdings	43,281,193	432,811,930,000	59.9%
Other shareholders	28,918,952	289,189,520,000	40.1%
	72,200,145	722,001,450,000	100%

(*) Excluded treasury shares.

Details of the Company's shares are as follows:

	<i>30 June 2019</i> <i>Unit</i>	<i>31 December 2018</i> <i>Unit</i>
Authorized shares	72,233,937	72,233,937
<i>Common shares</i>	72,233,937	72,233,937
Issued and fully paid shares	72,233,937	72,233,937
<i>Common shares</i>	72,233,937	72,233,937
Repurchased shares (Treasury shares)	33,792	33,792
<i>Common shares</i>	33,792	33,792
Outstanding shares	72,200,145	72,200,145
<i>Common shares</i>	72,200,145	72,200,145

23. DISCLOSURE OF INTERIM COMBINED OFF-BALANCE SHEET ITEMS

23.1 *The Company's financial assets listed/registered at VSD*

	<i>30 June 2019</i> <i>VND</i>	<i>31 December 2018</i> <i>VND</i>
Unrestricted financial assets	193,481,080,000	202,839,450,000
Restricted financial assets	152,220,000	1,105,620,000
Financial assets awaiting settlement	6,850,700,000	1,753,300,000
Total	200,484,000,000	205,698,370,000

23.2 *The Company's non-traded financial assets deposited at VSD*

	<i>30 June 2019</i> <i>VND</i>	<i>31 December 2018</i> <i>VND</i>
Unrestricted and non-traded financial assets deposited at VSD	3,000,110,000	3,000,040,000
Total	3,000,110,000	3,000,040,000

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

23 DISCLOSURE OF INTERIM COMBINED OFF-BALANCE SHEET ITEMS (continued)

23.3 The Company's awaiting financial assets

	30 June 2019 VND	31 December 2018 VND
Shares	1,030,000,000	2,213,300,000
Bonds	-	-
Total	1,030,000,000	2,213,300,000

23.4 The Company's financial assets which have not been deposited at VSD

	30 June 2019 VND	31 December 2018 VND
Shares	82,686,470,000	72,686,470,000
Fund certificates	92,000,000,000	102,000,000,000
Total	174,686,470,000	174,686,470,000

23.5 Investors' financial assets listed/registered at VSD

	30 June 2019 VND	31 December 2018 VND
Unrestricted financial assets	23,985,026,620,000	24,019,054,660,000
Restricted financial assets	238,389,540,000	279,960,730,000
Pledged financial assets	629,936,430,000	312,755,540,000
Blocked financial assets	92,969,860,000	92,969,860,000
Financial assets awaiting settlement	113,261,250,000	214,142,220,000
Total	25,059,583,700,000	24,918,883,010,000

23.6 Investors' non-traded financial assets deposited at VSD

	30 June 2019 VND	31 December 2018 VND
Unrestricted and non-traded financial assets deposited at VSD	23,594,740,000	2,146,660,000
Restricted and non-traded financial assets deposited at VSD	4,833,030,000	203,549,270,000
Total	28,427,770,000	205,695,930,000

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

23 DISCLOSURE OF INTERIM COMBINED OFF-BALANCE SHEET ITEMS (continued)

23.7 *Investor's deposits*

	30 June 2019 VND	31 December 2018 VND
Investors' deposits for securities trading activities under the Company's management	273,164,771,269	558,187,678,624
- of domestic investors	260,142,395,421	545,908,007,029
- of foreign investors	13,022,375,848	12,279,671,595
Investors' synthesizing deposits for securities trading activities	295,771,494,676	235,604,670,445
Total	568,936,265,945	793,792,349,069

23.8 *Payables to investors*

	30 June 2019 VND	31 December 2018 VND
Payables for investors' deposits for securities trading activities under the Company's management		
- of domestic investors	558,762,022,967	733,215,022,591
- of foreign investors	1,169,156,610	1,340,746,926
Total	559,931,179,577	734,555,769,517

23.9 *Investor's payables to the Company for securities services*

	30 June 2019 VND	31 December 2018 VND
Securities brokerage fee payables	2,106,682,384	2,783,270,970
Securities custodian fee payables	304,870,161	349,507,676
Total	2,411,552,545	3,132,778,646

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

24 OPERATING INCOME

24.1 Gain/loss from disposal of financial statements at FVTPL

No.	Financial assets	Quantity Unit	Average selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Gain/(loss) from disposal over the current period VND	Gain/(loss) from disposal over the previous period VND
I	GAIN						
1	Listed shares	6,030,900		114,421,651,895	109,283,652,024	5,137,999,871	13,670,924,956
	HPG	450,130	32,617	14,681,939,940	13,332,326,422	1,349,613,518	-
	TMT	2,800,000	10,600	29,680,000,000	28,000,103,500	1,679,896,500	-
	Others	2,780,770		70,059,711,955	67,951,222,102	2,108,489,853	13,670,924,956
2	Unlisted shares	-		-	-	-	1,113,740,648
3	Fund certificates	3,612,000		54,507,576,819	52,598,586,861	1,908,989,958	889,889,257
	Open-ended fund E1VFN30	3,392,000	15,203	51,570,040,531	50,398,586,861	1,171,453,670	889,889,257
	Open-ended fund FUSSV50	220,000	13,352	2,937,536,288	2,200,000,000	737,536,288	-
4	Listed bonds	8,101,683		838,702,940,461	838,165,297,962	537,642,499	774,592,728
	Government bonds	1,870,000	107,415	200,865,440,000	200,832,250,000	33,190,000	-
	Corporate bonds	6,231,683		637,837,500,461	637,333,047,962	504,452,499	774,592,728
5	Unlisted bonds	14,412,365		1,711,144,729,394	1,708,169,736,105	2,974,993,289	363,886,436
	Corporate bonds	14,412,365		1,711,144,729,394	1,708,169,736,105	2,974,993,289	363,886,436
6	HTM bonds	1,400,000		155,293,900,000	144,081,466,758	11,212,433,242	-
	TD1424092	500,000	129,749	64,874,500,000	53,703,145,092	11,171,354,908	-
	Others	900,000	100,466	90,419,400,000	90,378,321,666	41,078,334	-
		33,556,948		2,874,070,798,569	2,852,298,739,710	21,772,058,859	16,813,034,025

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

24 OPERATING INCOME (continued)

24.1 Gain/loss from disposal of financial statements at FVTPL (continued)

No.	Financial assets	Quantity Unit	Average selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Gain/(loss) from disposal over the current period VND	Gain/(loss) from disposal over the previous period VND
II	LOSS						
1	Listed shares	19,677,162		395,354,626,065	416,461,026,796	(21,106,400,731)	(6,192,081,481)
	HAX	1,700,000	15,633	26,576,100,000	29,240,037,857	(2,663,937,857)	(162,546,993)
	HMC	1,772,980	16,340	28,970,738,720	32,282,042,000	(3,311,303,280)	-
	Others	16,204,182		339,807,787,345	354,938,946,939	(15,131,159,594)	(6,029,534,488)
2	Unlisted shares	369,455		5,839,212,605	6,314,810,500	(475,597,895)	-
	HPP	55,100	32,397	1,785,074,700	1,873,400,000	(88,325,300)	-
	NDP	34,115	14,139	482,351,985	542,428,500	(60,076,515)	-
	SBD	224,640	9,758	2,192,037,120	2,426,112,000	(234,074,880)	-
	VEA	16,000	47,500	760,000,000	810,480,000	(50,480,000)	-
	Others	39,600		619,748,800	662,390,000	(42,641,200)	-
3	Fund certificates	5,235,000		76,123,424,375	78,804,886,030	(2,681,461,655)	-
	E1VFN30	5,235,000	14,541	76,123,424,375	78,804,886,030	(2,681,461,655)	-
4	Government bonds	3,000,000		319,912,500,000	324,956,500,000	(5,044,000,000)	(65,000,000)
	TD1424092	500,000	120,474	60,237,000,000	65,242,000,000	(5,005,000,000)	-
	Others	2,500,000		259,675,500,000	259,714,500,000	(39,000,000)	(65,000,000)
		28,281,617		797,229,763,045	826,537,223,326	(29,307,460,281)	(6,257,081,481)

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

24. OPERATING INCOME (continued)

24.2 Gain/(loss) from revaluation of financial assets

No.	Financial assets	Cost (VND)	Fair value (VND)	Revaluation difference at the end of the period (VND)	Revaluation difference at the beginning of the period (VND)	Net difference recorded this period (VND)	Increase (VND)	Decrease (VND)
I	FVTPL							
1	Listed shares	190,420,155,967	164,556,592,240	(25,863,563,727)	(25,255,121,924)	(608,441,803)	26,975,172,438	(27,583,614,241)
	FCN	1,678,811,834	1,492,627,200	(186,184,634)	(1,551,687,265)	1,365,502,631	2,742,293,831	(1,376,791,200)
	TMT	50,000	36,550	(13,450)	(2,268,107,550)	2,268,094,100	8,120,104,550	(5,852,010,450)
	DP3	4,182,965,942	9,180,142,800	4,997,176,858	7,476,251,058	(2,479,074,200)	1,729,730,800	(4,208,805,000)
	Others	184,558,328,191	153,883,785,690	(30,674,542,501)	(28,911,578,167)	(1,762,964,334)	14,383,043,257	(16,146,007,591)
2	UPCOM shares	16,201,609,279	12,358,546,603	(3,843,062,676)	(3,270,466,376)	(572,596,300)	51,219,997	(623,816,297)
	PVO	3,318,480,000	1,055,880,000	(2,262,600,000)	(2,111,760,000)	(150,840,000)	-	(150,840,000)
	BSR	1,380,000,000	1,290,000,000	(90,000,000)	-	(90,000,000)	-	(90,000,000)
	HNF	10,200,000,000	9,860,000,000	(340,000,000)	-	(340,000,000)	-	(340,000,000)
	Others	1,303,129,279	152,666,603	(1,150,462,676)	(1,158,706,376)	8,243,700	51,219,997	(42,976,297)
3	Listed fund certificates	44,302,388,306	45,353,000,000	1,050,611,694	911,214,606	139,397,088	1,359,624,416	(1,220,227,328)
	FUESSV50	36,502,388,306	35,525,000,000	(977,388,306)	(1,338,785,394)	361,397,088	1,113,624,416	(752,227,328)
	E1VFN30	7,800,000,000	9,828,000,000	2,028,000,000	2,250,000,000	(222,000,000)	246,000,000	(468,000,000)
4	Unlisted bond HAIAN_TP	30,000,000,000	30,000,000,000	-	-	-	-	-
	HAIAN_TP	30,000,000,000	30,000,000,000	-	-	-	-	-
	Total	280,924,153,552	252,268,138,843	(28,656,014,709)	(27,614,373,694)	(1,041,641,015)	28,386,016,851	(29,427,657,866)

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

24. OPERATING INCOME (continued)

24.2 Gain/(loss) from revaluation of financial assets (continued)

No.	Financial assets	Cost (VND)	Fair value (VND)	Revaluation difference at the end of the period (VND)	Revaluation difference at the beginning of the period (VND)	Net difference recorded this period (VND)	Increase (VND)	Decrease (VND)
II	AFS							
	Short-term	16,576,432,682	38,001,510,000	21,425,077,318	20,266,357,318	1,158,720,000	1,742,050,000	(583,330,000)
	Unlisted fund certificates	16,576,432,682	38,001,510,000	21,425,077,318	20,266,357,318	1,158,720,000	1,742,050,000	(583,330,000)
	VFMVF1	16,576,432,682	38,001,510,000	21,425,077,318	20,266,357,318	1,158,720,000	1,742,050,000	(583,330,000)
	Long-term	92,000,000,000	100,060,880,000	8,060,880,000	8,668,720,000	(607,840,000)	2,266,560,000	(2,874,400,000)
	Unlisted fund certificates	92,000,000,000	100,060,880,000	8,060,880,000	8,668,720,000	(607,840,000)	2,266,560,000	(2,874,400,000)
	BVIF	80,000,000,000	86,556,080,000	6,556,080,000	7,965,520,000	(1,409,440,000)	1,341,360,000	(2,750,800,000)
	BVPF	12,000,000,000	13,504,800,000	1,504,800,000	703,200,000	801,600,000	925,200,000	(123,600,000)
	Total	108,576,432,682	138,062,390,000	29,485,957,318	28,935,077,318	550,880,000	4,008,610,000	(3,457,730,000)

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

24. OPERATING INCOME (continued)

24.3 Dividend, interest income from FVTPL, HTM, loans and AFS financial assets

	For the six-month period ended 30 June 2019 VND	For the six-month period ended 30 June 2018 VND
From FVTPL financial assets	26,436,185,332	3,774,121,213
- Shares	26,436,185,332	3,774,121,213
From HTM financial assets	2,921,580,210	10,811,418,987
- Bonds	1,321,580,212	9,828,302,324
- Term deposits	1,599,999,998	983,116,663
From loans	94,698,782,397	82,050,222,455
- Margin lending	83,093,479,155	69,251,669,760
- Advance proceeds from sale of securities for customers	11,605,303,242	12,798,552,695
From AFS financial assets	4,971,727,400	917,148,400
- Shares	4,971,727,400	917,148,400
Total	129,028,275,339	97,552,911,055

24.4 Revenue from other activities

	For the six-month period ended 30 June 2019 VND	For the six-month period ended 30 June 2018 VND
Revenue from brokerage services	63,733,574,933	95,529,576,666
Revenue from underwriting and issuance agency services	62,602,909	214,765,219
Revenue from securities custodian services	2,858,033,344	2,926,044,541
Revenue from financial advisory services	2,719,181,817	3,534,477,273
Other operating revenue	386,986,749	680,429,345
- Revenue from management of investor transaction accounts	82,386,545	323,754,098
- Other revenues	304,600,204	356,675,247
Total	69,760,379,752	102,885,293,044

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

25. PROVISION EXPENSES FOR DOUBTFUL DEBT AND IMPAIRMENT OF FINANCIAL ASSETS

	<i>For the six-month period ended 30 June 2019 VND</i>	<i>For the six-month period ended 30 June 2018 VND</i>
(Reversal)/Expense of provision for margin lending	(1,231,379,500)	2,103,621,218
Expense/(Reversal) of provision for AFS financial assets	178,401,293	(1,225,351,556)
Total	(1,052,978,207)	878,269,662

26. BORROWING COSTS

	<i>For the six-month period ended 30 June 2019 VND</i>	<i>For the six-month period ended 30 June 2018 VND</i>
Repo expenses	834,954,264	7,374,907,753
Accrual coupon for bonds issued	12,816,286,972	68,425,102
Expenses for bonds issuance	340,814,130	4,166,667
Others accrued interest	6,728,725,570	118,981,060
Total	20,720,780,936	7,566,480,582

27. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>For the six-month period ended 30 June 2019 VND</i>	<i>For the six-month period ended 30 June 2018 VND</i>
Payroll expenses for administrative staff	28,412,260,720	22,327,729,417
- Salary and bonus	27,554,602,150	21,660,155,137
- Social security, health insurance, union fee and unemployment insurance	857,658,570	667,574,280
Healthcare insurance expenses	1,556,468,861	1,586,169,218
Office supplies	71,703,264	173,163,531
Materials and tools	1,411,535,400	1,475,292,290
Depreciation of fixed asset	2,530,452,873	2,482,828,682
Tax and fee expenses	1,903,110,431	1,754,521,449
External service expenses	10,363,839,615	8,792,814,229
Other expenses	204,549,998	2,036,160,632
Total	46,453,921,162	40,628,679,448

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

28. OTHER INCOME AND EXPENSES

	<i>For the six-month period ended 30 June 2019 VND</i>	<i>For the six-month period ended 30 June 2018 VND</i>
Other incomes	-	118,454,545
Other incomes	-	118,454,545
Other expenses	(255,322,063)	(242,090,000)
Other expenses	(255,322,063)	(242,090,000)
Total	(255,322,063)	(123,635,455)

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

29. CORPORATE INCOME TAX

29.1 Current corporate income tax

The tax returns filed by the Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the interim combined financial statements could change later upon final determination by the tax authorities.

The current tax payable is based on taxable profit for the period. The taxable profit of the Company for the period differs from the profit as reported in the interim combined income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's current tax liability is calculated using tax rates that have been enacted by the reporting date. The corporate income tax ("CIT") applicable to the Company is 20% of the estimated taxable profit (in 2018: 20%).

The estimated current corporate income tax of the Company is represented in the table below:

	<i>For the six-month period ended 30 June 2019 VND</i>	<i>For the six-month period ended 30 June 2018 VND</i>
Profit before tax	72,136,587,860	68,619,030,900
<i>Adjustments to increase accounting profit</i>		
Non-deductible expenses	255,322,063	2,345,711,218
Movement in revaluation of financial assets	2,254,316,512	537,733,540
<i>Adjustments to decrease accounting profit</i>		
Dividend income	(27,057,912,732)	(4,691,269,613)
Reversal of provision for impairment of financial assets using internal valuation method	(1,193,607,507)	(1,163,216,151)
Estimated taxable profits	46,394,706,196	65,647,989,894
Tax rate	20%	20%
Current CIT expenses	9,278,941,238	13,129,597,979
Current CIT recognized in other comprehensive income ("OCI")	-	-
CIT payable at the beginning of the period	3,050,875,694	8,027,075,760
CIT paid during the period	(7,389,175,312)	(15,815,733,640)
CIT payable at the end of the period	4,940,641,620	5,340,940,099

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

29. CORPORATE INCOME TAX (continued)

29.2 Deferred corporate income tax

The following are deferred tax liabilities recognized by the Company, and their movements thereon, during the current and prior reporting periods:

	<i>Combined statement of financial position</i>		<i>Combined income statement</i>	
	<i>30 June 2019</i>	<i>31 December 2018</i>	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
	<i>VND</i>	<i>VND</i>	<i>VND</i>	<i>VND</i>
Deferred CIT recorded in profit or loss	1,501,762,834	1,952,626,135	(450,863,301)	(107,546,708)
Deferred CIT recorded in OCI	5,897,191,464	5,787,015,464	110,176,000	742,572,240
Total	7,398,954,298	7,739,641,599	(340,687,301)	635,025,532
			<i>30 June 2019</i>	<i>31 December 2018</i>
			<i>VND</i>	<i>VND</i>
Tax rate			20%	20%
Taxable temporary difference			36,994,771,481	38,698,207,993
<i>In which:</i>				
- <i>Difference from revaluation of FVTPL financial assets</i>			7,508,814,163	9,763,130,675
- <i>Difference from revaluation of AFS financial assets</i>			29,485,957,318	28,935,077,318
Deferred CIT payable			7,398,954,298	7,739,641,599

30. ACCUMULATED OTHER COMPREHENSIVE INCOME

<i>Items</i>	<i>Beginning balance</i>	<i>Movement during the period</i>	<i>Reclassification from owners' equity to income statement</i>	<i>Ending balance</i>
	<i>VND</i>	<i>VND</i>	<i>VND</i>	<i>VND</i>
Difference from revaluation of AFS financial assets	28,935,077,318	550,880,000	-	29,485,957,318
Deferred CIT	(5,787,015,464)	(110,176,000)	-	(5,897,191,464)
	23,148,061,854	440,704,000	-	23,588,765,854

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

31. ADDITIONAL INFORMATION FOR STATEMENT OF CHANGES IN OWNER'S EQUITY

Incomes and expenses, gains or losses which are recorded directly to owners' equity:

	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
	<i>VND</i>	<i>VND</i>
Income recorded directly to owners' equity	4,008,610,000	13,895,191,200
- Gain from revaluation of AFS financial assets	4,008,610,000	13,895,191,200
Expense recorded directly to owners' equity	(3,567,906,000)	(10,924,902,240)
- Loss from revaluation of AFS financial assets	(3,457,730,000)	(10,182,330,000)
- Deferred income tax	(110,176,000)	(742,572,240)
Total	440,704,000	2,970,288,960

32. OTHER INFORMATION

32.1 Related party transaction

<i>Related parties</i>	<i>Relationship</i>
Bao Viet Holdings	Parent company
Bao Viet Life Corporation (BVL)	Fellow subsidiary
Bao Viet Life Hanoi	Member of BVL
Bao Viet Insurance Corporation (BVGI)	Fellow subsidiary
Bao Viet Insurance Hanoi	Member of BVGI
Bao Viet Fund Management Limited Company	Fellow subsidiary
Bao Viet Investment Joint Stock Company	Fellow subsidiary
Bao Viet Value Investment Fund	Fund owned by the same parent company

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.1 Related party transaction (continued)

Significant transactions with related parties for the six-month period ended 30 June 2019 are as follows:

Currency: VND

Related parties	Transactions	Income/(expense)	
		For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018
Bao Viet Holdings	Custodian fee	130,306,271	154,372,232
	Securities transaction fee	48,012,000	157,573,988
	Reporting service fee	47,727,273	17,500,000
	Advisory fee	150,000,000	-
	Office renting expense	-	-
	Accrued expense for IT services	(1,730,414,923)	(1,254,202,827)
Bao Viet Life Corporation	Custodian fee	226,148,524	283,615,380
	Securities transaction fee	2,823,859,605	6,994,156,143
	Office renting expense	(1,367,280,000)	(1,504,008,000)
Bao Viet Life Hanoi	Office renting expense	(249,000,000)	(249,000,000)
Bao Viet Insurance Corporation	Custodian fee	4,666,726	13,190,420
	Securities transaction fee	362,564,562	572,340,198
Bao Viet Insurance Hanoi	Health insurance for employees	(1,378,829,650)	(1,133,408,718)
Bao Viet Fund Management Limited Company	Custodian fee	1,819,144	1,819,272
	Securities transaction fee	26,457,620	42,259,520
Bao Viet Investment Joint Stock Company	Office renting expense	(3,053,414,309)	(3,053,707,531)
	Electric bill	(60,618,608)	-

Bao Viet Securities Joint Stock Company

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NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.1 Related party transaction (continued)

Amounts due to/from related companies as at 30 June 2019 are as follows:

Related party	Transactions	Beginning balance	Debit	Credit	Ending balance
Bao Viet Holdings	Reporting service fee	-	52,500,000	(52,500,000)	-
	Fees for dividend payout services on behalf of BVH and management of BVH's shareholders certificates	88,000,000	-	(88,000,000)	-
	Payables for IT services	(627,101,409)	571,160,099	(1,674,473,613)	(1,730,414,923)
	Advisory fee for Trung Nam Phu Quoc	(50,000,000)	50,000,000	-	-
	Advisory fee for transfer of VIGIBA	-	-	(50,000,000)	(50,000,000)
	Advisory fee for share transfer	-	165,000,000	(165,000,000)	-
	Dividend payables	(30,296,835,100)	-	30,296,835,100	-
Bao Viet Life Hanoi	Office rental at 94 Ba Trieu	-	226,363,636	(226,363,636)	-
Bao Viet Life Corporation (BVL)	Office rental at 11 Nguyen Cong Tru	-	752,004,000	(877,338,000)	(125,334,000)
Bao Viet Insurance Hanoi	Healthcare insurance for employees (Note 16)	(389,162,906)	867,991,288	(1,378,829,650)	(900,001,268)
Bao Viet Fund Management Limited Company	Custodian fee	246,176,404	-	(246,176,404)	-
Bao Viet Investment Joint Stock Company	Office rental fee	-	1,652,514,809	(3,053,414,309)	(1,400,899,500)
	Deposit for office renting	462,596,640	-	-	462,596,640
	Parking fee and electric bill (Note 16)	(75,335,010)	75,335,010	-	-
Bao Viet Value Investment Fund	Dividend receivables	4,000,000,000	-	(4,000,000,000)	-

Currency: VND

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.1 Related party transaction (continued)

Transactions with other related parties

Remuneration to members of the Board of Management and the Board of Directors

	<i>For the six-month period ended 30 June 2019 VND</i>	<i>For the six-month period ended 30 June 2018 VND</i>
Salary and bonus for the Board of Management of the Company and Ho Chi Minh branch (*)	4,440,921,147	4,711,576,510
Salary and bonus for the Board of Directors and the Board of Supervisors (**)	1,362,000,490	1,358,365,533
	5,802,921,637	6,069,942,043

(*) Salary and bonus for the Board of Management comprise (i) amount occurring during the period and (ii) effective bonus of 2018 but paid in 2019.

(**) Salary and bonus for the Board of Directors and the Board of Supervisors in current period comprise (i) amount occurring during the period and (ii) effective bonus of 2018 but paid in 2019.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.2 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit after tax for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

The following reflects the data used in the basic earnings per share computations:

	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Net profit after tax - VND	63,308,509,923	55,596,979,629
Unrealized profit after tax	(590,777,714)	(12,952,706,571)
Realized profit after tax	63,899,287,637	68,549,686,200
Appropriation bonus and welfare fund (*) - VND	(3,194,964,382)	(3,427,484,310)
Net profit after tax attributable to ordinary shareholders - VND	60,704,323,255	65,122,201,890
Weighted average number of ordinary shares	72,200,145	72,200,145
Earnings per share - VND	841	902

(*) The Company calculates profit after tax distributed to ordinary shareholders based on estimated appropriation bonus and welfare fund equivalent to 5% of realized profit after tax.

32.3 Operating lease commitments

The Company is renting offices under operating leases. As at 30 June 2019, the leases payable in the future under operating leases are as follows:

	<i>30 June 2019 VND</i>	<i>31 December 2018 VND</i>
Less than 1 year	4,220,930,487	9,384,210,171
From 1 to 5 years	7,566,165,000	8,166,284,500
Total	11,787,095,487	17,550,494,671

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.4 Segment information

	Brokerage and customer services VND	Financial investment VND	Financial advisory and other segments VND	Total VND
Current year				
1. Segment income	172,983,094,755	84,487,568,652	3,106,168,566	260,576,831,973
2. Segment expenses	75,569,144,701	59,664,520,639	6,497,335,548	141,731,000,888
3. Allocated expenses	30,838,286,679	15,061,887,212	553,747,271	46,453,921,162
Profit before tax	66,575,663,375	9,761,160,801	(3,944,914,253)	72,391,909,923
Prior year				
1. Segment income	194,065,314,623	74,301,872,203	4,214,906,618	272,582,093,444
2. Segment expenses	94,830,320,369	60,822,238,021	7,558,189,251	163,210,747,641
3. Allocated expenses	28,925,661,844	11,074,780,849	628,236,755	40,628,679,448
Profit before tax	70,309,332,410	2,404,853,333	(3,971,519,388)	68,742,666,355

(*) The Company has not presented assets and liabilities for each segment as there has been no guidance on allocation method and criteria.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.5 *Financial risk management objectives and policies*

The purpose of Risk Management System ("Risk Management") of the Company ("BVSC") is to minimize the risk events as well as to facilitate BVSC to achieve stable, safe and efficient business goals and profits.

Risk Management activities are implemented consistently from the Board of Directors ("BOD"), Board of Managements, and Heads of Departments to all employees.

Risk Management Department is responsible for monthly monitoring, summarizing and reporting of risk management activities. Risk Management Committee has quarterly meetings to review risks incurred during the quarter, identify and assess the impacts of significant risks to the Company's business activities in general as well as its financial instruments in particular.

The Company's financial instruments are exposed to 3 main risks: market risk, credit risk and liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. BVSC is subject to two types of market risk: interest rate risk and price risk of financial instruments. The Company is not exposed to foreign currency risk as it does not hold foreign currency as at 30 June 2019. Financial instruments affected by market risk include loans and borrowings, deposits, available-for-sale investments and loans and receivables.

Interest rate risk

The financial instruments of BVSC which are exposed to interest rate risk are short-term term deposit, bonds and borrowings; repo transactions and margin activities. Interest rate risk of bond investments is assessed low as the bonds held by the Company have fixed-rate coupons. Interest rate risk of term deposit is assessed as average. However, Management believes that this risk is acceptable, considering the balance between: liquidity needs, gain from term deposit and the readiness for investment opportunities in the stock market.

The Company manages interest rate risk by monitoring closely related markets, in order to obtain interests, which produce benefits for the purpose of managing limited risk of the Company.

Equity price risk for proprietary proportion

The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities. The Company manages equity price risk by placing a limit on equity investments. The Company's BOD reviews and approves all equity investment decisions in accordance with investment policy 01/2015/QĐ/HĐQT-BVSC issued on 20 January 2015. Each year, the BOD revises the limit on equity investments to adapt the market condition and the Company's strategy. The latest Appendix on the Company's Approval hierarchy and Investment Limit was issued by the BOD on 17 March 2017.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.5 *Financial risk management objectives and policies* (continued)

Market risk (continued)

Equity price risk for proprietary proportion (continued)

List of listed stocks is directly affected by price fluctuations on the daily trading market. When the stock price falls below the cost price, there is a risk of provision for stock portfolio. The list of unlisted stocks tends to deteriorate if the stock market is listed in not good conditions. Therefore, if the stock market falls sharply, the two categories with the same correlation increase the risk. This risk directly affects the business results of the Company through provisioning.

The Company's listed equity securities are susceptible to market price risk. When share price decreases below average cost, the Company makes allowance for listed equity securities. Unlisted portfolio tends to decrease if the stock market suffers from a downturn. Therefore, if the share price decreases sharply, both listed & unlisted portfolios, with their positive correlation, will lead to higher risk, which directly affects the business performance via the provision expenses made.

With the purpose of reducing the impact of market risk, in particular of the risk of share price movement on the company's business performance, in recent years, BVSC tends to restructure the portfolio by reducing investment in shares. As at 30 June 2019, the percentage of listed and unlisted is 19.3% of the Company's Owners' Equity.

Scenario analysis is used to assess the impact of market volatility on its results of operation in different scenarios. The below analysis shows the impact of listed portfolio volatility on profit/loss when stock exchange index moves +/-10%:

	<u>Change in variables</u>	<u>Impact on profit before tax (VND)</u>
30 June 2019		
Scenario 1	+10%	16,455,679,664
Scenario 2	-10%	(16,455,679,664)
31 December 2018		
Scenario 1	+10%	11,230,512,589
Scenario 2	-10%	(11,230,512,589)

Stock volatility risks of transactions traded on margin: The stock market's high volatility may cause the total value of collateral assets to be lower than total debt, leading to liquidity risks from customers. (Refer to credit risk management).

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its investment in term deposits, corporate bonds and margin lending.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.5 Financial risk management objectives and policies (continued)

Credit risk (continued)

Term deposits

For the purpose of credit risk management, BVSC complies with credit limit for each bank as approved by the Board of Director at the beginning of each financial year. In fact, BVSC does not suffer from any late payment or forced for renewal contracts. The Company evaluates the concentration of credit risk in respect to bank deposit as low.

Bonds

BVSC follows the limits set out by its BOD when investing in government bonds and corporate bonds. Every investment decision is made in accordance with the Company's investment procedures, in which the credit ratings and the solvency of the issuer are assessed in detail with due care. The main risk is levied with issuer's difficulties in making interest and principal payment and the recoverability of collaterals (if any) in the case of default. Government bonds are less risky than corporate bonds as these bonds are guaranteed by the Government.

Margin lending

The Company developed a policy of assessing customers' credit rating to manage this type of risk. This policy is conducted by analyzing and assessing investors' history of transaction values, assets and information of credit ratings. In addition, the Company assesses and revises customers' rating on monthly basis to ensure updated database is in place to minimize credit risk from customers.

The Company also developed policy of managing the list of shares which are eligible for margin activities as well as margin limitation of each share. These share collateral listings are built from the analysis and assessment of factors such as: volatility in share prices, the liquidation of each share in a month, etc. Such listings should also comply with Decision No. 87/QD-UBCK dated 25 January 2017 by State Securities Committee providing the regulations guiding on the margin trading of securities.

Credit risk is also managed by building a set of collateral ratios and conditions for handling collaterals in order to recover the fund in case the investors' credit ratings decreased or the investors fail to provide additional collaterals or repay the loans at maturity. With consistent risk management policy, these margin transactions are assessed as having medium credit risk.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.5 Financial risk management objectives and policies (continued)

Credit risk (continued)

Details on credit quality by classes of assets for all financial assets (net of impairment) exposed to credit risk as at 30 June 2019 are as follows:

Currency: VND

	Neither past due nor impaired	Past due but not impaired			Impaired	Total
		less than 3 months	3 - 6 months	6 - 12 months		
30 June 2019						
Fixed maturity investments	53,200,000,000	-	-	-	-	53,200,000,000
Term deposits	53,200,000,000	-	-	-	-	53,200,000,000
Other financial assets	1,743,691,433,419	-	-	140,693,030	-	1,743,832,126,449
Deposits to Settlement Assistance Fund	20,000,000,000	-	-	-	-	20,000,000,000
Dividends receivable	3,301,076,820	-	-	-	-	3,301,076,820
Receivables from securities trading activities	1,713,977,491,377	-	-	-	-	1,713,977,491,377
Others	6,412,865,222	-	-	140,693,030	-	6,553,558,252
Cash and cash equivalents	90,914,472,053	-	-	-	-	90,914,472,053
TOTAL	1,887,805,905,472	-	-	140,693,030	-	1,887,946,598,502

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.5 Financial risk management objectives and policies (continued)

Credit risk (continued)

Details on credit quality by classes of assets for all financial assets (net of impairment) exposed to credit risk as at 31 December 2018 are as follows:

Currency: VND

	Neither past due nor impaired	Past due but not impaired				Impaired	Total
		less than 3 months	3 - 6 months	6 - 12 months	over 1 year		
31 December 2018							
Fixed maturity investments	194,359,886,548	-	-	-	-	-	194,359,886,548
Bonds	142,759,886,546	-	-	-	-	-	142,759,886,546
Term deposits	51,600,000,002	-	-	-	-	-	51,600,000,002
Other financial assets	1,708,453,502,919	-	-	-	265,099,514	196,470,000	1,708,915,072,433
Deposits to Settlement Assistance Fund	20,000,000,000	-	-	-	-	-	20,000,000,000
Dividends receivable	4,556,619,400	-	-	-	-	-	4,556,619,400
Receivables from securities trading activities	1,683,728,274,520	-	-	-	-	196,470,000	1,683,924,744,520
Others	168,608,999	-	-	-	265,099,514	433,708,513	433,708,513
Cash and cash equivalents	465,849,247,326	-	-	-	-	-	465,849,247,326
TOTAL	2,368,662,636,793	-	-	-	265,099,514	196,470,000	2,369,124,206,307

Neither past due nor impaired: financial assets or the loans with interest or principal payments not yet past due and there is no evidence of impairment.

Past due but not impaired: financial assets with past due interest and principal payments but the Company believes that these asset are not impaired as they are secured by collaterals and has confidence in the customer's credit worthiness and other credit enhancements.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.5 Financial risk management objectives and policies (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to the mismatch between short-term assets and liabilities. The Company's objective is to match cash inflows and outflows with the same maturity. Liquidity risk arises when the company involves in business activities that include short term financial obligations such as clearing and settlement activities of settlement obligation for VSD, Stock Exchanges, and investors.

The Company's policies strictly comply with regulations from authorities and internal policy on balancing cash flows and liquidity management. BVSC has never incurred a liquidity crisis when involving in clearing activities or other settlement activities. The usable capital ratio of BVSC has always remained above 700%, which is much higher than the required ratio of 180%.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.5 Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The table below summarizes the maturity profile of the Company's financial assets and financial liabilities as at 30 June 2019 based on contractual undiscounted payments:

	Overdue	On demand	Up to 1 year	01 - 03 years	03 - 05 years	05 - 15 years	Over 15 years	Total
30 June 2019								
FINANCIAL ASSETS								
Investments	-	466,732	53,244	-	-	-	-	519,976
Bonds	-	-	-	-	-	-	-	-
Fund certificates	-	-	53,244	-	-	-	-	53,244
Shares	-	466,732	-	-	-	-	-	466,732
Other financial assets	141	20,000	1,723,691	-	-	-	-	1,743,832
Deposits to Settlement Assistance Fund	-	20,000	-	-	-	-	-	20,000
Dividends receivable	-	-	3,301	-	-	-	-	3,301
Receivables from securities trading activities	-	-	1,713,977	-	-	-	-	1,713,977
Other	141	-	6,413	-	-	-	-	6,554
Cash and cash equivalents	-	-	90,914	-	-	-	-	90,914
TOTAL	141	486,732	1,867,849	-	-	-	-	2,354,722
FINANCIAL LIABILITIES								
Short-term borrowing	-	-	304,190	-	-	-	-	304,190
Long-term bonds issued	-	-	312,783	-	-	-	-	312,783
Accrued expenses	-	-	4,625	-	-	-	-	4,625
Payables from securities trading activities	-	-	2,552	-	-	-	-	2,552
Other payables	-	-	3,914	-	-	-	-	3,914
TOTAL	-	-	628,064	-	-	-	-	628,064

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

32. OTHER INFORMATION (continued)

32.5 Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The table below summarizes the maturity profile of the Company's financial assets and financial liabilities as at 31 December 2018 based on contractual undiscounted payments:

	Overdue	On demand	Up to 1 year	01 - 03 years	03 - 05 years	05 - 15 years	Over 15 years	Total	Currency: million VND	
31 December 2018										
FINANCIAL ASSETS										
Investments	-	466,675	65,244	24,000	106,350	54,350	-	716,619	-	-
Bonds	-	-	12,000	24,000	106,350	54,350	-	196,700	-	-
Term deposits	-	-	53,244	-	-	-	-	53,244	-	-
Shares	-	466,675	-	-	-	-	-	466,675	-	-
Other financial assets	461	20,000	1,688,454	-	-	-	-	1,708,915	-	-
Deposits to Settlement Assistance Fund	-	20,000	-	-	-	-	-	20,000	-	-
Dividends receivable	-	-	4,557	-	-	-	-	4,557	-	-
Receivables from securities trading activities	196	-	1,683,729	-	-	-	-	1,683,925	-	-
Other	265	-	168	-	-	-	-	433	-	-
Cash and cash equivalents	-	-	465,849	-	-	-	-	465,849	-	-
TOTAL	461	486,675	2,219,547	24,000	106,350	54,350	-	2,891,383	-	-
FINANCIAL LIABILITIES										
Short-term borrowings	-	-	129,900	-	-	-	-	129,900	-	-
Long-term bonds issued	-	-	312,922	-	-	-	-	312,922	-	-
Accrued expenses	-	-	4,528	-	-	-	-	4,528	-	-
Payables from securities trading activities	-	-	3,700	-	-	-	-	3,700	-	-
Other payables	-	-	714,073	-	-	-	-	714,073	-	-
TOTAL	-	-	1,165,123	-	-	-	-	1,165,123	-	-

The Company assessed the concentration of risk with respect to repayment of its liabilities and concluded it to be low.

NOTES TO THE INTERIM COMBINED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

33. EVENTS AFTER THE BALANCE SHEET DATE

There is no event or circumstance arising since 30 June 2019 that requires adjustment or disclosure in the interim combined financial statements of the Company.

Ms. Vu Thi Thuy Linh
Preparer
Deputy Head of Financial
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Ms. Nguyen Hong Thuy
Approval
Head of Financial
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Mr. Nhu Dinh Hoa
Approval
Chief Executive Officer

Hanoi, Vietnam

13 August 2019