**Maybank Kim Eng Securities Joint Stock Company**

**Reviewed Capital Adequacy Ratio Report**

**For the period from 1 January to 30 June 2015**

**Statement of the General Director**

The General Manager of Maybank Kim Eng Securities Joint Stock Company presents this report together with the Company’s capital adequacy ratio report as at 30 June 2015.

**THE BOARD OF DIRECTORS AND GENERAL MANAGER**

The member of the Board of Management and General Director of the Company who held office during the period and at the date of this report are as follows:

**Board of Directors**

Mr. Ronnie Royston Fernandiz – Chair of the Board

Mr. Ong Cheow Kheng – Director, Deputy Chair of the Board

Mr. Francis Seow - Director

Mr. Jeffrey Goh Cho Kia - Director

Ms. Ami Moris – Director

Mr. Goh Keat Jin - Director

**Supervisory Board**

Mr. Mohamad Yasin Bin Abdullad – Chief of Supervisory Board

Mr. Koh Boon Hann – Member of Supervisory Board Resigned on 15/05/2015

Mrs. Nguyen Tuyet Van – Member of Supervisory Board

**Management Board and Chief Accountant**

Mr. Nguyen Hoang Thien Truc - General Manager

Mr. Nguyen Van Manh - Deputy General Manager

Mr. Kim Thien Quang – Deputy General Manager

Ms. Tran Thi Thu Hang – Manager in charge of finance - accounting

Mrs. Tran Thi Ngoc Huong – Chief Accountant

**THE BOD’S STATEMENT OF RESPONSIBILITY**

The Board of Directors confirm that the Company has complied with Circular 226/2010/TT-BTC issued by Ministry of Finance dated 31 December 2010 regulating capital adequacy ratio and treatment against securities business organizations who fail to achieve it in preparation and presentation of the capital adequacy ratio report.

**CAPITAL ADEQUACY RATIO REPORT**

**As at 30 June 2015**

We confirm that

1. The report is prepared based on data obtained on reporting date and in compliance with Circular 226/TT-BTC issued by Ministry of Finance dated 31 December 2010 regulating capital adequacy ratio and treatment against securities business organizations who fail to achieve it;
2. For those matters occurring after this reporting date, that may affect Company financial position, we will update in the following report; and
3. We take fully responsibility before Law for the accuracy and truthfulness of report.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **LIQUID CAPITAL WORKSHEET** | | | | |
| **As at 30 June 2015** | | | | |
| Unit: VND | | | | |
| **No.** | **Items** | **Liquid capital** | | |
| **Capital** | **Deductions** | **Additions** |
|
| **A** | **Equity** |  |  |  |
| 1 | Owner’s equity, excluding redeemable preference share (if any) | 829,110,000,000 | - | - |
| 2 | Share premium | - | - | - |
| 3 | Treasury shares | - | - | - |
| 4 | Additional chartered capital reserve | - | - | - |
| 5 | Investment and development fund | 4,441,592,185 | - | - |
| 6 | Financial reserve fund | 4,441,592,186 | - | - |
| 7 | Other owner’s capital | - | - | - |
| 8 | Accumulated loss and retained earnings before appropriation to reserves regulated by Law | 62,749,007,242 | - | - |
|  | - Accumulated profit and undistributed profit | 52,555,842,325 | - | - |
|  | Combined:  - Balance in reserves | 10,193,164,917 | - | - |
| 9 | Difference from asset revaluation (50% increase or 100% decrease | - | - | - |
| 10 | Foreign exchange reserve | - | - | - |
| 11 | Minority interest | - | - | - |
| 12 | Convertible debts | - | - | - |
| 13 | Total appreciation or devaluation of securities at financial investment items | - | 54,000 | - |
| **1A** | **Total** |  |  | **900,742,137,613** |
| **B** | **Current assets** | - | - | - |
| **I** | **Cash and cash equivalents** | **-** | **-** | **-** |
| **II** | **Short-term financial investments** | **-** | **-** | **-** |
| 1 | Short-term investments | - | - | - |
|  | Securities with potential market risks as prescribed in clause 2, Article 8 | - | - | - |
| Securities be deducted from liquid capital as prescribed in clause 5, Article 5 | - | - | - |
| 2 | Provision for diminution in value of short-term investments(\*) | - | - | - |
| **III** | **Short-term receivables** | **-** | **-** | **-** |
| 1 | Trade accounts receivable | - | - | - |
| Trade accounts receivable with the remaining payment period of 90 days or less | - | - | - |
| Trade accounts receivable with the remaining payment period of over 90 days | - | - | - |
| 2 | Advances to suppliers | - | 142,874,419 | - |
| 3 | Short-term internal receivables | - | - | - |
| Internal receivables with the remaining payment period of 90 days or less | - | - | - |
| Internal receivables with the remaining payment period of over 90 days | - | - | - |
| 4 | Receivables from securities activities | - | - | - |
| Receivables from securities activities with the remaining payment period of 90 days or less | - | - | - |
| Receivables from securities activities with the remaining payment period of over 90 days | - | - | - |
| 5 | Other receivables | - | - | - |
| Other receivables with the remaining payment period of 90 days or less | - | - | - |
| Other receivables with the remaining payment period of over 90 days | - | - | - |
| 6 | Provision for short-term doubtful debts 9\*) | - | - | - |
| **IV** | **Inventories** | **-** | **-** | **-** |
| **V** | **Other short-term assets** | **-** | **-** | **-** |
| 1 | Short-term prepayments | - | 2,161,954,113 | - |
| 2 | Deductible value added tax (VAT) | - | - | - |
| 3 | Taxes and amounts payable to the State budget | - | - | - |
| 4 | Other short-term assets | - | - | - |
| 4.1 | Advances | - | - | - |
|  | Advances with the remaining term of refund of 90 days or less | - | - | - |
| Advances with the remaining term of refund of over 90 days | - | - | - |
| 4.2 | Other receivables, other short-term assets | - | 3,447,780,477 | - |
| **1B** | **Total** |  |  | 5,752,609,009 |
| **C** | **Non-current assets** | - | - | - |
| **I** | **Long-term receivables** | **-** | **-** | **-** |
| 1 | Long-term trade receivables | - | - | - |
| Long-term trade receivables with the remaining payment period of 90 days or less | - | - | - |
| Long-term trade receivables with the remaining payment period of over 90 days | - | - | - |
| 2 | Investment in subsidiaries | - | - | - |
| 3 | Internal long-term receivables | - | - | - |
| Internal long-term receivables with the remaining payment period of 90 days or less | - | - | - |
| Internal long-term receivables with the remaining payment period of over 90 days | - | - | - |
| 4 | Other long-term receivables | - | - | - |
| Other long-term receivables with the remaining payment period of 90 days or less | - | - | - |
| Other long-term receivables with the remaining payment period of over 90 days | - | 14,149,016,166 | - |
| 5 | Provisions for long-term doubtful debts(\*) | - | - | - |
| **II** | **Fixed assets** | **-** | **16,907,993,505** | **-** |
| **III** | **Investment property** | **-** | **-** | **-** |
| **IV** | **Long-term financial investments** | **-** | **-** | **-** |
| 1 | Investment in subsidiaries | - | - | - |
| 2 | Investment in associates, joint-ventures | - | - | - |
| 3 | Long-term securities investment | - | - | - |
| Securities with potential market risks as prescribed in clause 2, Article 8 | - | - | - |
| Securities deducted from liquid capital as prescribed in clause 2, Article 5 | - | - | - |
| 4 | Other long-term investment | - | - | - |
| 5 | (\*)Provision for diminution in value of long-term financial investments | - | - | - |
| **V** | **Other long-term assets** | **-** | **2,941,537,334** | **-** |
|  | Assets qualified in audited financial statement without being deducted as prescribed in Article 5 | - | - | - |
| **1C** | **Total** |  |  | 33,998,547,005 |
| **LIQUID CAPITAL** | |  |  | **860,990,981,599** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **MARKET RISK WORKSHEET** | | | | |
| **As at 30 June 2015** | | | | |
| **Unit: VND** | | | | |
| **No.** | **Investment items** | **Risk factor** | **Risk scale** | **Risk value** |
| **(1)** | **(2)** | **(3)=(1)x(2)** |
| **I.** | Cash, cash equivalents and money market instruments |  |  | **-** |
| 1. | Cash on hand (VND) | 0% | 236,572,307,049 | - |
| 2. | Cash equivalents | 0% | 258,496,708,333 | - |
| 3. | Commercial papers, transferable instrument on money market | 0% | - | - |
| **II** | **Government bond** |  |  |  |
| 4 | Interest-free government bond | 0% | - | - |
| 5 | Government bond with coupon interest rate | 3% | - | - |
| 5.1. | Government bond. Bond issued by Governments or guaranteed by Government or Central Bank of countries in OECD. The bond issued by international organizations like IBRD, ADB, IADB, AFDB, EIB and EBRD | 3% | - | - |
| 5.2 | Project bond guaranteed by Government or Ministry of Finance which is mature within 1 year | 4% | - | - |
| Project bond guaranteed by Government or Ministry of Finance which is mature within 1 to 5 years | 5% | - | - |
| Project bond guaranteed by Government or Ministry of Finance which is mature after 5 years | 8% | - | - |
| **III** | **Corporate bond** |  |  |  |
| 6 | Listed bond mature within 1 year, including convertible bond | 8% | - | - |
| Listed bond mature within 1 to 5 years including convertible bond | 15% | - | - |
| Listed bond mature after 5 years, including convertible bond | 20% | - | - |
| 7 | Unlisted bond mature within 1 year including convertible bond | 25% | - | - |
| Unlisted bond mature within 1 to 5 years including convertible bond | 30% | - | - |
| Unlisted bond mature within after years including convertible bond | 40% | - | - |
| **IV** | **Stocks** |  |  | - |
| 8 | Common stock and preferred stock of the listed organizations at Ho Chi Minh Stock Exchange; open treasury certificate | 10% | 315,000 | 31,500 |
| 9 | Common stock and preferred stock of the listed organizations at Hanoi Stock Exchange | 15% | - | - |
| 10 | Common stock and preferred stock of the public companies not listed and registered for trading via UpCOM system | 20% | - | - |
| 11 | Common stock and preferred stock of the public companies registering depository bu not listed or registered for trading; Stocks are in the initial issuance (IPO) | 30% | - | - |
| 12 | Stocks of other public companies | 50% | - | - |
| **V** | **Certificate of securities investment fund** |  |  |  |
| 13 | Public fund | 10% | - | - |
| 14 | Member fund | 30% | - | - |
| **VI** | **Restricted securities** |  |  |  |
| 15 | Securities are temporarily suspended from trading | 40% | - | - |
| 16 | Securities are cancelled from listing and trading | 50% | - | - |
| **VII** | **Other securities** |  |  |  |
| 17 | Share, capital contribution and other types of securities | 80% | - | - |
| **VIII.** | **Additional risk (if any)** |  |  | - |
|  | Securities code | Additional rate | Risk scale | Risk value |
| 1 | Term deposit and interest at BIDV | 20% | 34,066,620,555 | - |
| 2 |  | - | - | - |
| 3 |  | - | - | - |
| **A** | **TOTAL MARKET RISK VALUE** |  |  | **31,500** |

**SETTLEMENT RISK WORKSHEET**

**As at 30 June 2015**

**Unit: VND**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Transaction types** | **Risk values** | | | | | | **Total risk value** |
| **0%**  **(1)** | **0.8%**  **(2)** | **3.2%**  **(3)** | **4.8%**  **(4)** | **6%**  **(5)** | **8%**  **(6)** |
| **I** | **Undue risk** | | | | | | | 15,959,580,872 |
| 1 | Term deposit and loan without collateral | - | 425,639,916 | - | - | 15,511,387,292 | 22,553,664 | 15,959,580,872 |
| 2 | Securities lending | - | - | - | - | - | - | - |
| 3 | Securities borrowing | - | - | - | - | - | - | - |
| 4 | Contract of securities purchase with resale commitment | - | - | - | - | - | - | - |
| 5 | Contract of securities sale with redeem commitment | - | - | - | - | - | - | - |
| 6 | Lending contract for margin purchase (lending to customer for securities purchase)/other economical agreements with the same nature | - | - | - | - | - | - | - |
| 7 | Other |  |  |  |  |  |  |  |
| **II** | **Overdue risk** |  |  |  |  |  |  |  |
|  | Overdue period | Risk factor | | Risk scale | | Risk value | | |
|
| 1 | O-15 days after the term of securities payment and transfer | 16% | | - | | **-** | | |
| 2 | 16-30days after the term of securities payment and transfer | 32% | | - | | **-** | | |
| 3 | 31-60 days after the term of securities payment and transfer | 48% | | - | | **-** | | |
| 4 | More than 60 days | 100% | | 10,093,110,917 | | **10,093,110,917** | | |
| **III** | **Additional risk (if any)** | | | | | **-** | | |
|  | Detailed to each loan, to each partner | Additional rate | | Risk scale | | Risk value | | |
|  | Term deposit and interest at BIDV | 30% | | 34,066,620,555 | | **2,043,997,233** | | |
|  |  |  | |  | |  | | |
|  |  |  | |  | |  | | |
| **B** | **TOTAL SETTLEMENT RISK VALUE** | | | | | **2,043,997,233** | | |

**OPERATING RISK WORKSHEET**

**As at 30 June 2015**

**Unit: VND**

|  |  |  |
| --- | --- | --- |
| **I** | **Total operating expenses occurring within 12 months** | **158,224,001,282** |
| **II** | **Deductions** | **5,452,314,275** |
| 1 | Depreciation expenses |  |
| 2 | Provision for diminution in value of short-term securities investments |  |
| 3 | Provision for diminution in value of long-term securities investments |  |
| 4 | Provision for doubtful debts |  |
| **III** | **Total expenses after deduction** | **152,771,687,007** |
| **IV** | **25% Total expenses after deduction** | **38,192,921,752** |
| **V** | **20% Legal capital of the securities business organizations** | **60,000,000,000** |
| **C** | **TOTAL OPERATING RISK VALUE** | **60,000,000,000** |

|  |  |  |  |
| --- | --- | --- | --- |
| **SUMMARY OF RISK VALUE AND LIQUID CAPITAL** | | | |
|  |  |  |  |
| No. | Items | 30/06/2015 | Notes |
| 1 | Total market risk value | 31,500 |  |
| 2 | Total settlement risk value | 28,196,689,022 |  |
| 3 | Total operating risk value | 60,000,000,000 |  |
| 4 | Total risk value | **88,196,720,522** |  |
| 5 | Liquid capital | **860,990,981,599** |  |
| 6 | Capital adequacy ratio | **976%** |  |