



HOA BINH SECURITIES JOINT STOCK COMPANY
AUDITED FINANCIAL SAFETY RATIO REPORT
AS AT 30 JUNE 2025



Hanoi, October 2025

TABLE OF CONTENTS

<u>CONTENT</u>	<u>PAGES</u>
STATEMENT OF THE BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS	2 - 3
REPORT ON REVIEW OF FINANCIAL SAFETY RATIO REPORT	4 - 5
FINANCIAL SAFETY RATIO REPORT	6 - 18
NOTES TO THE FINANCIAL SAFETY RATIO REPORT	19 - 36

STATEMENT OF THE BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS

The Board of Management and Board of General Directors of Hoa Binh Securities Joint Stock Company (hereafter referred to as the “Company”) present this report together with the financial safety ratio report as at 30 June 2025, which was approved by the Company’s Board of Management and Board of General Directors.

BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS

The members of the Board of Management, Board of General Directors and Board of Supervisors of the Company who held office for the period from 1 January 2025 to 30 June 2025 and up to the date of this report are as follows:

Board of Management

Ms. Tran My Linh	Chairwoman	Appointed on 25 August 2025
Mr. Le Dinh Duong	Chairman	Dismissed on 25 August 2025
	Vice Chairman	Appointed on 25 August 2025
Mr. Trinh Thanh Giang	Member	
Mr. Le Xuan Tung	Member	
Mr. Nguyen Phan Trung Kien	Member	
Mr. Nguyen Minh Son	Member	Appointed on 26 June 2025
Mr. Le Tri Dung	Member	Appointed on 26 June 2025

Board of General Directors

Mr. Nguyen Phan Trung Kien	General Director
Mr. Le Tien Dung	Deputy General Director
Ms. Tran My Linh	Deputy General Director
Mr. Be Cong Son	Deputy General Director

Board of Supervisors

Ms. Nguyen Thi Thu Dung	Chief Supervisor	Appointed on 26 June 2025
Ms. Nguyen Thi Loan	Head of the Internal Control and Compliance Department	
Mr. Doan Duc Giang	Member	
Mr. Truong Duy Phong	Member	
Ms. Tran Hung Cuong	Member	Dismissed on 26 June 2025

Chief Accountant

Ms. Dao Thu Thuy

Legal representative

The Company’s legal representative as at the reporting date is Ms. Tran My Linh - Chairwoman of the Board of Management.

SIGNIFICANT EVENTS

The Board of Management and Board of General Directors of the Company confirms that, apart from the information stated in Note No. 04 of the Notes to the financial safety ratio report, there are no other significant events that require adjustment or disclosure in the attached financial safety ratio report.

**STATEMENT OF THE BOARD OF MANAGEMENT
AND BOARD OF GENERAL DIRECTORS (CONT'D)**

THE AUDITOR

The accompanying financial safety ratio report as at 30 June 2025 has been reviewed by UHY Auditing and Consulting Company Limited.

RESPONSIBILITY OF BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS

The Board of Management and Board of General Directors of the Company are responsible for preparing the financial safety ratio report, which give a true and fair view of the Financial safety ratio of the Company as at the time of reporting. Because the preparation of this Report involves a considerable amount of information presented in the financial statements, during the preparation of this Report as well as all other indicators of the financial statements in general, the Board of Management and Board of General Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Prepare a report on the Financial safety ratio on the basis of going concern, except in cases where it is impossible to assume that the Company will continue its business activities;
- Design and implement an effective internal control system to ensure the accurate presentation of the Audited Financial Safety Ratio Report, minimizing errors and fraud
- For subsequent events that affect the Company's financial situation after the reporting date, the Company will make updates in the following periods; and
- The Company is fully legally responsible for the accuracy and faithfulness of the content of the report.

The Board of Management and Board of General Directors confirm that the Company has complied with the above-mentioned requirements in preparing the financial safety ratio report.

The Board of Management and Board of General Directors ensure that the information system and internal control system are built and maintained to ensure that the Financial safety ratio is reflected faithfully and fairly at any time in accordance with the requirements of Circular No. 91/2020/TT-BTC/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance on financial safety indicators and remedies for securities trading organizations that fail to meet the financial safety criteria in the preparation and presentation of the financial safety ratio report as at 30 June 2025.

Other commitments

The Board of Management and Board of General Directors affirm that the Company complies with Decree No. 155/2020/ND-CP dated 31 December 2020 guiding the implementation of several articles of the Securities Law and does not violate obligations on information disclosure under Circular No. 96/2020/TT-BTC dated 16 November 2020 by the Ministry of Finance on information disclosure in the stock market.

For and on behalf of the Board of Management and Board of General Directors,



Tran My Linh

Chairwoman of the Board of Management

Hanoi, 30 October 2025

No.: 1166/2025/UHY-BCSX

REPORT ON REVIEW OF FINANCIAL SAFETY RATIO REPORT

*On the financial safety ratio report as at 30 June 2025
of Hoa Binh Securities Joint Stock Company*

**To: Board of Management and Board of General Directors
Hoa Binh Securities Joint Stock Company**

We have reviewed the accompanying financial safety ratio report as at 30 June 2025 of Hoa Binh Securities Joint Stock Company (hereafter referred to as the "Company") which was prepared on 30 October 2025 as set out on pages 06 to 36, prepared by the Board of Management and Board of General Directors of the Company in accordance with the regulations on preparation and presentation of reports in Circular No. 91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance stipulating financial safety indicators and remedies for securities trading organizations that fail to meet the financial safety criteria.

Responsibilities of the Board of Management and Board of General Directors

The Board of Management and Board of General Directors of the Company are responsible for preparing the financial safety ratio report (Liquid Capital Ratio Report) in accordance with the regulations on preparation and presentation of reports in Circular No. 91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance stipulating financial safety indicators and remedies for securities trading organizations that fail to meet the financial safety criteria and for such internal control as the Board of Management and Board of General Directors determines is necessary to enable the preparation and presentation of the financial safety ratio report that is free from material misstatements, whether due to fraud or error, and is approved by the Board of Management and Board of General Directors of the Company.

Responsibilities of the Auditors

Our responsibility is to express a conclusion on the interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 – Review of interim financial information performed by the independent auditor of the entity.

A review of interim financial information consists primarily of making inquiries, mainly of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially narrower 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.

Auditor's conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Financial Safety Ratio Report of Hoa Binh Securities Joint Stock Company as at 30 June 2025 is not, in all material respects, prepared in compliance with the provisions on the preparation and presentation of reports as set forth in Circular No. 91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance, which prescribes financial safety indicators and measures for handling securities business organizations that fail to meet financial safety indicators.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION (CONT'D)

Reporting policy and limitations on the use of the report

The financial safety ratio report is prepared to comply with the Company's regulations on the preparation and disclosure of information in the financial safety ratio report. This report is not attached to the financial statements and is only used by the Board of Management and Board of General Directors of the Company for reporting purposes at the request of the State Securities Commission. Therefore, this Report may not be suitable for use for other purposes.

Other matters

Hoa Binh Securities Joint Stock Company has prepared financial statements for the period from 01 January 2025 to 30 June 2025 in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System applicable to Securities Companies and related legal regulations on the preparation and presentation of financial statements and we have issued a audit report with an unqualified opinion on these financial statements on 30 October 2025.



Pham Gia Dat

Deputy General Director

Auditor's Practicing Certificate

No.: 0798-2023-112-1

For and on behalf of

UHY AUDITING AND CONSULTING COMPANY LIMITED

Hanoi, 30 October 2025

Re: Financial safety ratio report

Hanoi, 30 October 2025

FINANCIAL SAFETY RATIO REPORT

As at: 30 June 2025

To: State Securities Commission

We affirm that:

- (1) The report is prepared on the basis of updated data at the reporting date and in accordance with the regulations on preparation and presentation of reports in Circular No. 91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance stipulating financial safety ratio and remedies for securities trading organizations that fail to meet the financial safety criteria;
- (2) Subsequent events that affect the Company's financial situation after the reporting date will be updated in the following periods;
- (3) We bear full legal responsibility for the accuracy and truthfulness of the content of the report.



Dao Thu Thuy
Chief Accountant



Nguyen Thi Loan
Internal Controller




Tran My Linh
Chairwoman of the Board of Management
Hanoi, 30 October 2025

FINANCIAL SAFETY RATIO REPORT

As at 30 June 2025

I. CALCULATION SHEET ON LIQUID CAPITAL

No.	ITEMS	Liquid capital		
		Liquid capital (VND) (1)	Deductions (VND) (2)	Increases (VND) (3)
A	Owners' equity			
1	Owners' equity, excluded redeemable preferred shares (if any)	329,999,800,000		
2	Share premium, excluded redeemable preferred shares (if any)	-		
3	Treasury shares	-		
4	The convertible bonds - equity component	-		
5	Other owners' equity	-		
6	Differences from revaluation of financial assets at fair value	-		
7	Charter capital supplementary reserve	5,879,833,400		
8	Operational risk and financial reserve	5,879,833,400		
9	Other funds belong to the owner's equity	-		
10	Undistributed profit	7,022,069,371		
11	Balance to provision for impairment of assets	-		
12	Difference from revaluation of fixed assets	-		
13	Foreign exchange rate differences	-		
14	Convertible debts	-		
15	Total increase or decrease in securities investment value	-		
16	Other capital (if any)	-		
1A	Total			348,781,536,171
B	Short-term assets			
I	Financial assets			
1	Cash and cash equivalents	-	6,226,043,788	-
	Financial assets at fair value through profit or loss ("FVTPL")			
2	Securities exposed to market risk			
	Securities are deducted from liquid capital		-	-

I. CALCULATION SHEET ON LIQUID CAPITAL (CONT'D)

No.	ITEMS	Liquid capital		
		Liquid capital (VND) (1)	Deductions (VND) (2)	Increases (VND) (3)
	Hold to maturity ("HTM") investments			
3	Securities exposed to market risk			
	Securities are deducted from liquid capital		-	
4	Loans		-	
5	Available-for-sale ("AFS") financial assets			
	Securities exposed to market risk			
	Securities are deducted from liquid capital		-	
6	Provision for impairment of financial assets and mortgage assets			
7	Receivables (receivables from disposal of financial assets, receivables and accruals from dividend, interest income from financial assets)			
	Receivables due in 90 days or less			
	Receivables due in more than 90 days		-	
8	Covered warrant have not yet been issued			
9	The underlying securities for the purpose of hedging when issuing covered warrant		-	
	Receivables from services provided by the Company			
10	Receivables due in 90 days or less			
	Receivables due in more than 90 days		-	
11	Internal receivables			
	Internal receivables due in 90 days or less			
	Internal receivables due in more than 90 days		-	
	Receivables due to error in securities transaction			
12	Receivables due in 90 days or less			
	Receivables due in more than 90 days		-	
	Other receivables			
13	Other receivables due in 90 days or less			
	Other receivables due in more than 90 days		6,226,043,788	
14	Provision for impairment of receivables			

I. CALCULATION SHEET ON LIQUID CAPITAL (CONT'D)

No.	ITEMS	Liquid capital		
		Liquid capital (VND) (1)	Deductions (VND) (2)	Increases (VND) (3)
II	Other short-term assets		653,228,696	
1	Advances			
	- Advances with the remaining repayment term of 90 days or less			
	- Advances with the remaining repayment term of more than 90 days		14,594,849	
2	Office supplies, tools and materials			
3	Short-term prepaid expenses		577,917,828	
4	Short-term deposits, collaterals and pledges			
5	Deductible value added tax		60,716,019	
6	Tax and other receivables from the State			
7	Other current assets			
8	Provision for impairment of other current assets			
1B	Total			6,879,272,484
C	Long-term assets			
I	Long-term financial assets			
1	Long-term receivables, including receivables from entrusted activities			
1	Long-term receivables			
2	Investments			
	HTM investments			
2.1	Securities exposed to market risk			
	Securities are deducted from liquid capital			
2.2	Investments in subsidiaries			
2.3	Other long-term investments		6,477,540,461	
II	Fixed assets		570,960,265	
III	Investment properties		27,854,631,108	
IV	Construction in progress			

I. CALCULATION SHEET ON LIQUID CAPITAL (CONT'D)

No.	ITEMS	Liquid capital		
		Liquid capital (VND) (1)	Deductions (VND) (2)	Increases (VND) (3)
<i>V</i>	<i>Other long-term assets</i>			
1	Long-term deposits, collaterals and pledges		166,110,000	
2	Long-term prepaid expenses		373,751,372	
3	Deferred income tax assets		152,249,802	
4	Payment for Settlement Assistance Fund		10,393,349,553	
5	Other long-term assets		-	
<i>VI</i>	<i>Provision for impairment of non-current assets</i>			
	The qualified, adversed or disclaimed items on the audited, reviewed financial statements not being deducted in accordance with Article 5		-	
1C	Total			45,988,592,561
<i>D</i>	<i>Escrow, collateral items</i>			
1	The value of the escrow			
1.1	The value of contribution to Settlement Assistance Fund of VSDC		-	
1.2	The value of contribution to the clearing fund of the central settlement counterparty for the open position of the clearing member (for derivative market)		-	
1.3	The value of cash escrow and banks' guarantee for issuing covered warrants		-	
2	The value of collaterals for obligations due in more than ninety (90) days		-	
1D	Total		-	
LIQUID CAPITAL = 1A - 1B - 1C - 1D				295,913,671,126

II. CALCULATION SHEET ON RISK VALUES

A. MARKET RISK

Investment items	Risk coefficient %	Risk level (VND)	Risk value (VND) (3)=(1)x(2)
	(1)	(2)	(3)
I. Cash and cash equivalents, monetary market instruments			
1. Cash (VND)			-
2. Cash equivalents	0%	5,665,266,916	-
3. Valuable papers, transferable instruments in the money market, certificate of deposit	0%	8,644,224,170	-
II. Government bonds			
4. Zero-coupon Government bonds	0%	-	-
5. Coupon Government bonds			-
5.1 Government bonds (include treasury bond and construction bond previously issued), Government bonds of OECD countries or guaranteed by the Government or the Central Bank of the OECD countries, bonds issued by international institutions such as IBRD, ADB, IADB, AFDB, EIB and ERBD, non-sovereign bonds.	3%	-	-
III. Credit institution bonds			
6. Credit institution bonds having remaining maturity of less than 1 year, including convertible bonds	3%	-	-
Credit institution bonds having remaining maturity of 1 to under 3 years, including convertible bonds	8%	-	-
Credit institution bonds having remaining maturity of 3 to under 5 years, including convertible bonds	10%	-	-
Credit institution bonds having remaining maturity of 5 years or more, including convertible bonds	15%	-	-
IV. Corporate bonds			
7. Listed corporate bonds			-
Listed bonds having remaining maturity of less than 1 year, including convertible bonds	8%	-	-
Listed bonds having remaining maturity of 1 to under 3 years, including convertible bonds	10%	-	-
Listed bonds having remaining maturity of 3 to under 5 years, including convertible bonds	15%	-	-
Listed bonds having remaining maturity of 5 years or more, including convertible bonds	20%	-	-

II. CALCULATION SHEET ON RISK VALUES (CONT'D)

A. MARKET RISK (CONT'D)

Investment items	Risk coefficient %	Risk level (VND)	Risk value (VND) (3) = (1) x (2)
	(1)	(2)	(3)
8. Unlisted corporate bonds			
Unlisted bonds issued by listed corporates having remaining maturity of less than 1 year, including convertible bonds	15%	-	-
Unlisted bonds issued by listed corporates having remaining maturity of 1 to under 3 years, including convertible bonds	20%	-	-
Unlisted bonds issued by listed corporates having remaining maturity of 3 to under 5 years, including convertible bonds	25%	-	-
Unlisted bonds issued by listed corporates having remaining maturity of 5 years or more, including convertible bonds	30%	-	-
Unlisted bonds issued by other enterprises with remaining maturity under 1 year, including convertible bonds	25%	-	-
Unlisted bonds issued by other enterprises with remaining maturity from 1 year to under 3 years, including convertible bonds	30%	-	-
Unlisted bonds issued by other enterprises with remaining maturity from 3 years to under 5 years, including convertible bonds	35%	-	-
Unlisted bonds issued by other enterprises with remaining maturity of 5 years or more, including convertible	40%	-	-
V. Shares			
9. Ordinary shares, preferred shares of entities listed in Ho Chi Minh Stock Exchange; open-ended fund certificates	10%	4,103,820,510	410,382,051
10. Ordinary shares, preferred shares of entities listed in Hanoi Stock Exchange	15%	1,320,000	198,000
11. Ordinary shares, preferred shares of unlisted public entities registered for trading through UpCom system	20%	643,580	128,716
12. Ordinary shares, preferred shares of public entities registered for custody, but not yet listed or registered for trading; shares under IPO	30%	-	-
13. Shares of other public companies	50%	-	-

II. CALCULATION SHEET ON RISK VALUES (CONT'D)

A. MARKET RISK (CONT'D)

Investment items		Risk coefficient %	Risk level (VND)	Risk value (VND)
		(1)	(2)	(3)=(1)x(2)
VI. Certificates of securities investment funds				
14.	Public funds, including public securities investment companies	10%	-	-
15.	Member funds, including private securities investment companies	30%	-	-
VII. Restricted securities trading				
16.	Securities of unlisted public companies being warned due to delayed disclosure of audited/reviewed financial statements	30%	-	-
17.	Listed securities being warned	20%	-	-
18.	Listed securities under control	25%	-	-
19.	Securities temporarily suspended from trading	40%	-	-
20.	Delisted, cancelled securities	80%	-	-
VIII. Derivative securities				
21.	Stock index futures contracts	8%	-	-
22.	Government bond futures contracts	3%	-	-
IX. Other securities				
23.	Shares listed in foreign markets included in the benchmark	25%	-	-
24.	Shares listed in foreign markets not included in the benchmark	100%	-	-
25.	Covered warrants listed on Ho Chi Minh Stock Exchange	8%	-	-
26.	Covered warrants listed on Ha Noi Stock Exchange	10%	-	-
27.	Shares and bonds of un-issued companies that do not have the latest audited financial statements up to the time of reporting or have audited financial statements but have contrary adverse audit opinion, disclaimer opinion or qualified opinion	100%	-	-

II. CALCULATION SHEET ON RISK VALUES (CONT'D)

A. MARKET RISK (CONT'D)

Investment items	Risk coefficient %	Risk level (VND)	Risk value (VND)
	(1)	(2)	(3)= (1)x(2)
28. Shares, capital contribution and other securities	80%	-	-
29. Covered warrants issued by the Company Exposures to risk = $\text{Max} \{((P_0 \times Q_0/k - P_1 \times Q_1) \times r - MD), 0\}$			
30. Securities formed from hedging activities for the issued covered warrants (in case covered warrants are not profitable)			
31. The positive difference between the value of the underlying securities used by the Company to hedge against the risks of covered warrants and the value of the underlying securities necessary to hedge for covered warrants.		-	-
X. Additional risk (determined based on equity after fully recognizing provisions)			
TOTAL EXPOSURES TO MARKET RISK (A= I+II+III+IV+V+VI+VII+VIII+IX+X)			410,708,767

II. CALCULATION SHEET ON RISK VALUES (CONT'D)

B. SETTLEMENT RISK

	Settlement risk value VND
Pre-settlement risk	18,025,089,934
Post-settlement risk	-
Contractual and other transaction risks	-
Additional risk	5,407,526,980
Total value of settlement risks	23,432,616,914

II. CALCULATION SHEET ON RISK VALUES (CONT'D)

B. SETTLEMENT RISK (CONT'D)

Details:

Type of transactions		Risk coefficient	Settlement risk value (VND)						Tổng giá trị rủi ro VND	
			0%	0,8%	3,2%	4,8%	6,0%	8,0%		
			(1)	(2)	(3)	(4)	(5)	(6)		
I. Exposures to settlement risk of undue items										
1.	Term deposits, unsecured loans, receivables from trading and securities business transactions, and other items carrying potential settlement risks	-	-	-	-	18,025,089,934	-	-	18,025,089,934	
2.	Lending of financial assets/Economic arrangements of the same nature	-	-	-	-	-	-	-	-	
3.	Borrowing of financial assets/Economic arrangements of the same nature	-	-	-	-	-	-	-	-	
4.	Contracts for the purchase of assets with a commitment to resell/Economic arrangements of the same nature	-	-	-	-	-	-	-	-	
5.	Contracts for the sale of assets with a commitment to repurchase/Economic arrangements of the same nature	-	-	-	-	-	-	-	-	
6.	Contracts for the sale of assets with a commitment to repurchase/Economic arrangements of the same nature	-	-	-	-	-	-	-	-	
Total exposures to settlement risk of undue items									18,025,089,934	
II. Settlement risk value of overdue items										
No.	Overdue period	Risk coefficient %				Risk coefficient VND		Settlement risk value VND		
1.	0 - 15 days after payment due date or date of transferring securities	16				-		-		
2.	16 - 30 days after payment due date or date of transferring securities	32				-		-		
3.	31 - 60 days after payment due date or date of transferring securities	48				-		-		
4.	60 days and above after payment due date or date of transferring securities	100				-		-		
Total settlement risk value of overdue items									-	

II. CALCULATION SHEET ON RISK VALUES (CONT'D)

B. SETTLEMENT RISK (CONT'D)

Details:

Type of transactions	Risk coefficient	Settlement risk value (VND)						Tổng giá trị rủi ro VND
		0%	0,8%	3,2%	4,8%	6,0%	8,0%	
		(1)	(2)	(3)	(4)	(5)	(6)	
		Risk coefficient						
III. Risks arising from advances, contracts, and other transactions		Risk coefficient						Settlement risk value
		%						VND
1.	Contracts, transactions and capital uses not listed in Point a, b, c, d, e, g, Clause 1, Article 10 of Circular 91; Receivables from loan factoring with partners that are not Vietnam Asset Management Company (VAMC), Vietnam Debt and Asset Trading Corporation (DATC) (details by counterparties) Advances accounting for more than 5% of owner's equity with recovery period of less than ninety (90) days (details by counterparties)	100						-
2.	Advances accounting for from 0% to 5% of equity with remaining settlement period of less than 90 days (details by counterparties)	8						-
Total contractual and other transaction risks								-
IV. Additional risk								
Details for each loan and each partner		Risk coefficient (%)						Scale of risk
1.	The value of the Company's time deposits represents over 25% of shareholders' equity.	30%						18,025,089,934
Total additional risk								5,407,526,980
TOTAL SETTLEMENT RISK VALUE OF OVERDUE ITEMS (B=I+II+III)								23,432,616,914

II. CALCULATION SHEET ON RISK VALUES (CONT'D)

C. OPERATIONAL RISK

No.	Items	Value VND
I.	Total operating expenses incurred during the 12-month period ended June 2025	16,044,749,255
II.	Deductions from total expenses	3,502,602,649
	1. Depreciation expenses	3,667,404,520
	2. Expenses (or reversals) for impairment losses on financial assets and collateral assets.	-
	3. Expenses (or reversals) for impairment losses on long-term financial assets	-
	4. Expenses (or reversals) for impairment losses on receivables	-
	5. Expenses (or reversals) for impairment losses on other current assets	-
	6. Revaluation loss on financial assets recognized through profit or loss	(164,801,871)
	7. Interest expense	-
III.	Total expenses after deductions (III=I-II)	12,542,146,606
IV.	25% of Total expense after deductions (IV=25% *III)	3,135,536,652
V.	20% Legal capital of the Company	50,000,000,000
TOTAL OPERATIONAL RISK VALUE (Max{IV,V})		50,000,000,000

III. SUMMARY TABLE ON RISK VALUES AND LIQUID CAPITAL

No.	Items	Risk value/ Available capital VND
1.	Total market risk value	410,708,767
2.	Total settlement risk value	23,432,616,914
3.	Total operational risk value	50,000,000,000
4.	Total risks value (4=1+2+3)	73,843,325,681
5.	Liquid capital	295,913,671,126
6.	Liquid capital ratio (6=5/4) (%)	400.73%



Dao Thu Thuy
 Chief Accountant



Nguyen Thi Loan
 Internal Controller



Tran My Linh
 Chairwomon of the Board of
 Management
 Hanoi, 30 October 2025

NOTES TO THE FINANCIAL SAFETY RATIO REPORT

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

1. COMPANY OVERVIEW

1.1. OWNERSHIP STRUCTURE

Hoa Binh Securities Joint Stock Company (the “Company”) is a joint stock company established and operating under the Business Registration Certificate No. 082/UBCK-GP issued by the State Securities Commission of Vietnam on 29 February 2008, and the 12th amendment issued on 15 September 2025 by the Hanoi Department of Finance. The Company was also granted the Adjusted License for Establishment and Operation of Securities Company No. 13/GPDC-UBCK dated 14 February 2011, No. 50/GPDC-UBCK dated 26 August 2011, No. 51/UBCK dated 18 December 2013, and the most recent adjustment under License No. 79/GPDC-UBCK dated 05 September 2025 issued by the State Securities Commission of Vietnam.

The Company’s charter capital as stated in its operating license is VND 329,999,800,000, equivalent to 32,999,980 shares with a par value of VND 10,000 per share. The Company’s statutory capital is VND 250,000,000,000.

As at 30 June 2025, the Company had 29 employees (as at 1 January 2025, there were 28 employees).

The Company’s head office is located at Floor 7+9, No. 46-48, Ba Trieu Street, Cua Nam Ward, Hanoi City, Vietnam.

The Company’s subsidiary units/branches are as follows:

Name of the unit	Place of incorporation and operation
Hoa Binh Securities Joint Stock Company	Floor 7+9, No. 46-48, Ba Trieu Street, Cua Nam Ward, Hanoi City, Vietnam.
Ho Chi Minh City Branch	246 Cong Quynh, Ben Thanh Ward, Ho Chi Minh City, Vietnam.

1.2 BUSINESS LINES AND PRINCIPAL ACTIVITIES

Principal activities

The Company’s principal activities are securities investment advisory, securities underwriting agency, proprietary trading, and securities brokerage.

Borrowing restrictions

In accordance with Article 26 of Circular No. 121/2020/TT-BTC issued by the Ministry of Finance on 31 December 2020:

1. The total debt-to-equity ratio of a securities company shall not exceed five times. The total debt amount under this regulation does not include the following items:
 - a) Customers’ securities trading deposits;
 - b) Bonus and welfare fund;
 - c) Provision for severance allowance;
 - d) Provision for compensation to investors

NOTES TO THE FINANCIAL SAFETY RATIO REPORT

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

1.2 BUSINESS LINES AND PRINCIPAL ACTIVITIES (CONT'D)

2. The short-term liabilities of a securities company shall not exceed its short-term assets.
3. The offering of bonds by a securities company shall comply with the provisions of Article 31 of the Law on Securities, the Decree detailing the implementation of certain articles of the Law on Securities, the regulations on corporate bond issuance, and must ensure compliance with the above-mentioned ratios.

Lending restrictions

In accordance with Article 27 of Circular No. 121/2020/TT-BTC issued by the Ministry of Finance on 31 December 2020:

- Except as stipulated in Clause 1, Article 86 of the Law on Securities, securities companies are not permitted to lend money or securities in any form.
- Securities companies are not allowed to use their own funds or assets, or those of their clients, as collateral to secure payment obligations for any third party.
- Securities companies are prohibited from providing loans, in any form, to their owners, major shareholders, members of the Board of Supervisors, members of the Board of Management, members of the Board of General Directors, the Chief Accountant, other managerial positions appointed by the Board of Management, and related persons of the aforementioned individuals.
- Securities companies that have been licensed to conduct margin trading in accordance with relevant laws may grant loans to clients for the purpose of purchasing securities in the form of margin trading, as guided by the Ministry of Finance.
- Securities companies may lend securities to rectify trading errors, or to facilitate exchange-traded fund (ETF) swap transactions, or for other purposes as permitted by relevant laws and regulations.

Restrictions on investment

The Company's investment portfolio and restrictions align with the investment objectives and policies clearly stipulated in the Company's Charter and current securities law:

1. Securities companies are not allowed to buy or contribute capital to buy real estate unless it is used as head offices, branches, or transaction offices directly performing services or core business functions of the securities companies.
2. Securities companies can buy and invest in real property as prescribed in Clause 1 of this Article and fixed assets, provided that the residual value of fixed assets and real property does not exceed 50% of their total assets.
3. Total investment in corporate bonds by a securities company must not exceed 70% of its equity. Securities companies with licenses for proprietary trading of securities may buy back listed bonds according to relevant regulations on bond repurchases.
4. A securities company is not allowed to directly perform or give trust to another entity or person to perform the following acts:
 - a) Investing in shares of or making capital contributions to any company owning more than 50% of the former's charter capital, except in the case of buying the odd lot of shares upon the customer's request;
 - b) Joining with related persons to own at least 5% of the charter capital of another securities company;

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

1.2 BUSINESS LINES AND PRINCIPAL ACTIVITIES (CONT'D)

Restrictions on investment (cont'd)

- c) Investing over 20% of the total number of outstanding shares or fund certificates of a listed entity;
- d) Investing over 15% of total outstanding shares or fund certificates of an unlisted entity. This restriction shall not be applied to member fund certificates, exchange-traded funds, and open-ended funds;
- d) Investing in or contributing to over 10% of the total contributed capital of a limited liability company or business project;
- e) Investing in or contributing to over 15% of the total equity of a business entity or project;
- g) Investing more than 70% of equity in shares, share capital, and business projects, including more than 20% of equity that is invested in unlisted shares, share capital, and business projects.

Normal production and business cycle: The Company's normal production and business cycle is carried out in a period of not more than 12 months.

2. BASIS OF PREPARATION OF FINANCIAL SAFETY RATIO REPORT

Basis of preparation

The Financial safety ratio report of the Company is presented in Vietnamese dong (VND) and prepared in accordance with the regulations under Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance stipulating Financial safety ratio and remedies for securities trading organizations that fail to meet the Financial safety criteria ("Circular No. 91/2020/TT-BTC").

This Financial safety ratio report is prepared on the basis of the financial statements of the Company for the period from 01 January 2025 to 30 June 2025.

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT

3.1 Liquid capital ratio

Liquid capital ratio is a measure of the Company's financial security, reflecting the Company's ability to meet its financial obligations and its ability to mitigate risks arising in the course of its business operations.

The liquid capital ratio of the Company is determined by using the formula:

$$\text{Liquid capital ratio} = \frac{\text{Liquid capital}}{\text{Total exposures to risks}} \times 100\%$$

Where total exposures to risks are the sum of exposures to market risk (Note 3.3), settlement risk (Note 3.4), and operational risk (Note 3.5).

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)

3.2 Liquid capital

In accordance with Circular No. 91/2020/TT-BTC, the Company's liquid capital is the total equity that can be converted into cash within ninety (90) days, details as follows:

- Owners' equity;
- Charter capital supplementary reserve;
- Operational risk and financial reserve;
- Undistributed profits;
- Balance of provision for impairment of assets;
- Decreases in liquid capital;
- Increases in liquid capital.

Decreases in liquid capital

Decreases in liquid capital of the Company for the period include:

- The value of assets used to secure the obligations of other organizations and individuals with remaining terms of more than ninety (90) days. The value of this asset is determined in accordance with the provisions of Circular No. 91/2020/TT-BTC;
- Total decreases in the value of financial assets recorded at carrying amount, not including securities excluded from liquid capital, on the basis of the difference between carrying amount and market price determined in Appendix II accompanying Circular No. 91/2020/TT-BTC. This data has been presented in undistributed profits (including unrealized profits);
- Long-term assets;
- Short-term assets, including:
 - Prepaid items;
 - Receivables with the remaining recovery period or settlement period of more than ninety (90) days;
 - Advances with the remaining recovery period of more than ninety (90) days;
 - Other short-term assets.
- Decreases in liquid capital do not include: Provisions for impairment of financial assets recorded at carrying amount, provisions for impairment of other assets, and provisions for non-performing receivables.

Increases in liquid capital

Increases in liquid capital of the Company for the period include:

Total increases in the value of investments and financial assets recorded at carrying amount, not including securities specified in Clause 7, Article 5; Clause 5, Article 6 of Circular No. 91/2020/TT-BTC, on the basis of the difference between carrying amount and market price determined in Appendix II accompanying Circular No. 91/2020/TT-BTC. This data has been presented in undistributed profits (including unrealized profits).

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)

3.3 Market risk value

Market risk value is a value equivalent to a loss likely to be incurred when the market price of assets owned and expected to be owned by an organization according to underwriting commitment adversely fluctuates.

- According to the provisions of Circular No. 91/2020/TT-BTC, market risk must be determined for the following assets:
 - Securities from proprietary trading accounts, excluding the number of covered warrants that are yet to be completely issued (applicable to securities companies) or securities trading accounts (applicable to fund management companies and securities companies not engaged in proprietary trading of securities), entrusted securities, and other investment securities, including securities pending settlement;
 - Securities provided by other individuals and organizations in accordance with regulations of law, including securities borrowed by the securities-trading organization itself and securities borrowed on behalf of other individuals and organizations;
 - Clients' securities used by the securities-trading organization as secured assets, then either used by the trader or lent to a third party in accordance with regulations of law;
 - Cash, cash equivalents, negotiable instruments, and valuable papers owned by the securities-trading organization;
 - The securities that are underwritten by the securities-trading organization in the form of firm commitment, which remain undistributed and to which full payment has not been made throughout the underwriting period.

During the year, the Company is exposed to market risks for the following financial assets: Cash and cash equivalents, unlisted bonds, listed bonds and shares.

- Market risk is defined as follows:

Market risk value = Net position x Asset price x Market risk coefficient

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)

Market risk coefficient: Determined according to Appendix 1, accompanying Circular No. 91/2020/TT-BTC; specifically:

No.	Assets	Market risk value (%)
I	CASH	
1	Cash on hand (VND)	0
2	Cash equivalent	0
3	Valuable papers, transferable instruments on the money market, certificates of deposit	0
II	DEBT SECURITIES	
	Listed/Registered corporate bonds	
	Listed bonds with a maturity period of less than 1 year remaining, including convertible bonds	8
7	Listed bonds have a remaining maturity period of 1 to less than 3 years, including convertible bonds	10
	Listed bonds have a remaining maturity period of 3 years to less than 5 years, including convertible bonds	15
	Listed bonds with a remaining maturity of 5 years or more, including convertible bonds	20

Market risk coefficient: Determined in accordance with Appendix I issued together with Circular No. 91/2020/TT-BTC; specifically

No.	Assets	Market risk value (%)
	Unlisted corporate bonds	
	Unlisted bonds issued by listed enterprises with a maturity period of less than 1 year, including convertible bonds	15
	Unlisted bonds issued by listed enterprises with a remaining maturity period of between 1 year and less than 3 years, including convertible bonds	20
	Unlisted bonds issued by listed enterprises with a remaining maturity period of 3 years to less than 5 years, including convertible bonds	25
8	Unlisted bonds issued by listed enterprises with a maturity period of 5 years or more, including convertible bonds	30
	Unlisted bonds issued by other enterprises with a maturity period of less than 1 year, including convertible bonds	25
	Unlisted bonds issued by other enterprises with a remaining maturity period of between 1 year and less than 3 years, including convertible bonds	30
	Unlisted bonds issued by other enterprises with a remaining maturity period of between 3 years and less than 5 years, including convertible bonds	35

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)

3.3 Market risk value (cont'd)

No.	ASSETS	Market risk value (%)
III	SHARE	
8	Unlisted bonds issued by other enterprises with a remaining maturity period of 5 years or more, including convertible bonds	40
9	Common shares, preferred shares of organizations listed on the Ho Chi Minh City Stock Exchange; Open-ended fund certificate	10
10	Common shares, preferred shares of organizations listed on the Hanoi Stock Exchange	15
11	Common shares, preferred shares of unlisted public companies, registered for trading via the UpCom Stock Exchange	20
12	Ordinary shares and preference shares of public companies that have registered for depository but have not yet been listed or registered for trading; Shares in the Initial Public Offering (IPO)	30
13	Stocks of other public companies	50
V	RESTRICTED SECURITIES	
19	Securities are suspended, trading is restricted	40
20	Securities are delisted, delisted or traded	80

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)

3.3 Market risk value (cont'd)

Asset price: Determined according to Appendix II - Principles of securities valuation, accompanying Circular No. 91/2020/TT-BTC; specifically:

No.	Asset	Principles of pricing transactions in the market
Cash and cash equivalents, money market instruments		
1	Cash (VND)	Account balance as at the calculation date
2	Foreign Currency	The value converted into VND at the exchange rate at credit institutions licensed for foreign exchange business calculated on the calculation date
3	Term deposits	The value of deposits plus interest that have not been paid up to the date of calculation
4	Treasury bills, bank drafts, commercial papers, negotiable certificates of deposit, bonds and discounted money market instruments	Purchase price plus accrued interest as at the date of calculation
Bonds		
5	Listed Bonds	<ul style="list-style-type: none"> - The average base price on the trading system at the Stock Exchange of ordinary transactions on the latest trading day plus accumulated interest (if the base price does not include accumulated interest); - In case there is no transaction for more than two (02) weeks as at the calculation date, it is the largest of the following values: <ul style="list-style-type: none"> + Purchase price plus accumulated interest; + Par value plus accumulated interest; + The price is determined according to the internal method of the securities trading organization, including accumulated interest. <p>Namely: Max (Purchase price plus accrued interest, Par value plus accrued interest, Price determined by internal method, including accrued interest).</p>
6	Unlisted bonds	<p>It is the largest of the following values:</p> <ul style="list-style-type: none"> + The base price (if any) on the Asian reporting systems selected by the securities trading organization, plus the accumulated interest; + Purchase price plus accumulated interest; + Par value plus accumulated interest; + The price according to the internal regulations of the securities trading organization, including accumulated interest. <p>Namely: Max (Base price (if any), Purchase price plus accumulated interest, Par value plus accumulated interest, Price determined by internal method, including accumulated interest).</p>

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)

3.3 Market risk value (cont'd)

No.	Asset	Principles of pricing transactions in the market
Stock		
7	Stocks listed on the Ho Chi Minh City Stock Exchange	<ul style="list-style-type: none"> - The closing price of the latest trading day on the calculation date; - In case there is no transaction for more than two (02) weeks as at the calculation date, it is the largest price in the following values: <ul style="list-style-type: none"> + Carrying amount; + Purchase price; + The price according to the internal method of the securities trading organization. <p>Namely: Max (Carrying amount, Purchase Price, Determined Price by Internal Method)</p>
8	Stocks listed on the Hanoi Stock Exchange	<ul style="list-style-type: none"> - The closing price of the latest trading day on the calculation date; - In case there is no transaction for more than two (02) weeks as at the calculation date, it is the largest of the following values: <ul style="list-style-type: none"> + Carrying amount; + Purchase price; + The price according to the internal method of the securities trading organization. <p>Namely: Max (Carrying amount, Purchase price, Confirmed price according to internal methods).</p>
9	Stocks of public companies registered for trading on the UpCom system	<ul style="list-style-type: none"> - The closing price of the latest trading day on the calculation date; - In case there is no transaction for more than two (02) weeks as at the calculation date, it is the largest of the following values: <ul style="list-style-type: none"> + Carrying amount; + Purchase price; + The price according to the internal method of the securities trading organization. <p>Namely: Max (Carrying amount, Purchase Price, Price determined by internal method).</p>
10	Stocks that have been registered or deposited but have not yet been listed or registered for trading	<ul style="list-style-type: none"> - The average value is based on the quotations of at least 03 securities companies that are not related persons on the latest trading day before the time of calculation. - In case there is not enough quotation of at least 03 securities companies, it is the largest value of the following values: <ul style="list-style-type: none"> + Prices from quotations; + Price of the latest reporting period; + Carrying amount; + Purchase price; + The price according to the internal regulations of the securities trading organization. <p>Namely: Max (Price from quotations, Price of the latest reporting period, Carrying amount, Purchase price, Price according to internal regulations of the securities trading organization).</p>

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)

3.3 Market risk value (cont'd)

No.	Asset	Principles of pricing transactions in the market
Money and cash equivalents, money market instruments		
11	Stocks suspended from trading, delisted or unregistered for trading	It is the largest of the following values: + Carrying amount; + Par value; + The price according to the internal method of the securities trading organization. Namely: Max (Carrying amount, Par value, Price determined by internal method).
12	Shares of organizations in a state of dissolution or bankruptcy	80% of the liquidation value of such shares (the price of shares divided by the dissolution or bankruptcy announced by the organization or carrying amount) on the date of the latest balance sheet, or the price according to internal regulations of the securities trading organization.
13	Shares, other contributed capital	It is the largest of the following values: + Carrying amount; + Purchase price/value of contributed capital; + The price according to the internal regulations of the securities trading organization. Namely: Max (Carrying amount, Purchase price/value of contributed capital, Price according to internal regulations of the securities trading organization).

- Market risk value of assets is increasingly adjusted in case the Company overinvests in these assets, except for the securities issued under underwriting contracts in the form of firm commitments, Government bonds, and bonds guaranteed by the Government. Market risk value will be adjusted in accordance with the following principles:
 - a) Increased by 10% in case the total investment in an organization's shares and bonds accounts for from over 10% to 15% of the securities-trading organization's equity;
 - b) Increased by 20% in case the total investment in an organization's shares and bonds accounts for from over 15% to 25% of the securities-trading organization's equity;
 - c) Increased by 30% in case the total investment in an organization's share and bond accounts for more than 25% of the securities-trading organization's equity.

3.4 Settlement risk value

Settlement risk value is the potential loss that may occur when a counterparty fails to fulfill its settlement obligation or transfer assets on time as committed.

- The Company shall determine the settlement risk value of the following contracts and transactions:
 - a) Term deposits at credit institutions, loans provided to other individuals and organisations;
 - b) Securities margin lending and purchase contracts in accordance with regulations of law;

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)

3.4 Settlement risk value (cont'd)

- c) Receivables of securities trading organizations that are within their terms, receivables from customers in securities brokerage activities;
- d) Overdue receivables.
- For contracts specified in Points a, b, c, Clause 1, Article 10 of Circular No. 91/2020/TT-BTC, the settlement risk value before the deadline for transfer of securities, cash, and contract liquidation shall be determined as follows:

$$\text{Settlement risk value} = \frac{\text{Settlement risk coefficient of counterparty}}{\text{Settlement risk}} \times \text{Value of assets exposed to settlement risk}$$

In which:

- a) The settlement risk coefficient by partner shall be determined according to credit ratings of trading partner(s) under the rules prescribed in Note 3.4.1.
- b) The value of assets with potential settlement risk shall be determined according to Note 3.4.2.
- For overdue receivables, including unreceived money from maturing transactions and contracts specified at Points a, đ, g, Clause 1, Article 10 of Circular No. 91/2020/TT-BTC, the value of payment risk is determined according to the following principles:

$$\text{Settlement risk value} = \frac{\text{Settlement risk coefficient by time}}{\text{Settlement risk}} \times \text{Value of assets with potential settlement risk}$$

In which:

- a) The settlement risk coefficient by time shall be determined according to the overdue settlement period under the rules prescribed in Note 3.4.1.;
- b) The value of assets with potential settlement risk shall be determined as follows:
 - For lendings for escrow stock purchases: This value shall be determined according to the rules prescribed in Note 3.4.2.
 - For receivables, mature bonds and due debt instruments: This value is the value of receivables calculated according to their par value. The unpaid interests and related expenses shall be added, and actually received payments (if any) shall be deducted.
- The settlement risk value shall be increased in the following cases:
 - a) Increased by 10% in case the value of deposit contract, certificates of deposit, loans, due receivables, securities purchase contract with a commitment to resell securities, sale contract with a commitment to repurchase securities, total value of loans provided for an organization, individual and group of relevant organizations or individuals (if any), accounts for from 10% to 15% of the equity;
 - b) Increased by 20% in case the value of deposit contract, certificates of deposit, loans, due receivables, securities purchase contract with a commitment to resell securities, sale contract with a commitment to repurchase securities, total value of loans provided for an organization, individual and group of relevant organizations or individuals (if any), accounts for from 15% to 25% of the equity;
 - c) Increased by 30% in case the value of deposit contract, certificates of deposit, loans, due receivables, securities purchase contract with a commitment to resell securities, sale contract with a commitment to repurchase securities, total value of loans provided for an organization, individual and group of relevant organizations or individuals (if any), or an individual and parties related to him/her (if any), accounts for more than 25% of the equity.

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)

3.4.1 Settlement risk coefficient

The settlement risk coefficient is determined by partner and time.

a) Settlement risk coefficient by partner

No.	Subjects for securities trading organizations	Payment Risk Factor
1	The Government, Government-guaranteed issuers and Central Banks of OECD countries; People's Committees of provinces and centrally-run cities;	0%
2	Stock Exchange, Vietnam Securities Depository and Clearing Corporation	0.8%
3	Credit institutions, financial institutions, and securities trading organizations established in OECD countries and have credit coefficients that meet other conditions according to internal regulations of securities trading organizations	3.2%
4	Credit institutions, financial institutions, securities trading organizations established outside OECD countries; or established in OECD countries and failing to meet other conditions according to internal regulations of securities trading organizations	4.8%
5	Credit institutions, financial institutions, securities trading organizations, securities investment funds, securities investment companies established and operating in Vietnam	6%
6	Other organizations, individuals and subjects	8%

b) Settlement risk coefficient by time

No.	Overdue time for payment and transfer of securities	Risk Factor
1	From 0 to 15 days after deadline for payment and transfer of securities	16%
2	From 16 to 30 days after the deadline for payment and transfer of securities	32%
3	From 31 to 60 days after the deadline for payment and transfer of securities	48%
4	Over 60 days after the deadline for payment and transfer of securities	100%

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)

3.4.2 Value of assets with potential settlement risk

No.	Type of transaction	Value of assets exposed to settlement risk
1	Term deposits, certificates of deposits, unsecured loan amounts; contracts, transactions, capital use according to Point k, Clause 1, Article 10 of this Circular.	Total balance of term deposits, certificate of deposit, loan value, contract value, transaction value plus dividends, coupons, preference value (for securities) or deposit interest, loan interest, other surcharges (for credit).
2	Securities lending	Max {(Market value of the contract - Collateral value (if any)), 0}
3	Securities borrowing	Max {(Collateral value - Market value of the contract), 0}
4	Reverse repurchase agreements	Max {(Contract value based on purchase price - Market value of the contract x (1 - Market risk coefficient)), 0}
5	Repurchase agreements	Max {(Market value of the contract x (1 - Market risk coefficient) - Contract value based on selling price), 0}
6	Margin contracts (loans to customers to purchase securities)/other economic agreements with the similar nature	Max {(Margin balance - Collateral value), 0}

Value of secured asset

$$\text{Value of secured asset} = \frac{\text{Volume of secured assets}}{\text{assets}} \times \text{Asset price} \times (1 - \text{Market risk coefficient})$$

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)

3.5 Operational risk

Exposures to operational risk are the potential losses that may be incurred due to a technical, systematic, or professional procedure breakdown; a human error in the course of performance; working capital shortages resulting from investment costs or losses; or for other objective reasons.

The operational risk of a securities-trading organization is either 25% of such trader's operating costs in twelve (12) months by the time of calculation or 20% of the minimum charter capital for business operations of the securities-trading organization, whichever is greater.

The operating cost of a securities-trading organization equals the total costs incurred in a period minus:

- a) Depreciation expense;
- b) Reverse/provision expense for the impairment of short-term and mortgage assets;
- c) Reverse/provision expense for the impairment of long-term financial assets;
- d) Reverse/provision expense for the impairment of receivables;
- đ) Reverse/provision expense for the impairment of other short-term assets;
- e) Loss from revaluation of financial assets at fair value through profit and loss;
- g) Interest expense.

4. OTHER INFORMATION

- Pursuant to Decision No. 816/QĐ-UBCK dated 23 October 2025 of the State Securities Commission on placing Hoa Binh Securities Joint Stock Company under special control status.
- Pursuant to Decision No. 1218/QĐ-SGDHN dated 3 October 2025 of the Hanoi Stock Exchange *on inclusion in the restricted trading list*: shares HBS of Hoa Binh Securities Joint Stock Company are subject to trading restrictions.
- On 5 September 2025, the State Securities Commission issued the Amended License for Establishment and Securities Business Operation No. 79/GPĐC-UBCK (the Company's legal representative is Ms. Tran Thi My Linh, serving as Chairwoman of the Board of Management).
- Pursuant to Notice No. 3917/TB-SGDHN dated 28 August 2025 of the Hanoi Stock Exchange: shares HBS of Hoa Binh Securities Joint Stock Company are ineligible for margin trading from 3 September 2025.
- Pursuant to Decision No. 22/2025/QĐ-HBS dated 31 July 2025, the Board of Management of Hoa Binh Securities Joint Stock Company prohibited customer payments related to deposits and withdrawals from certain company accounts, and froze the securities codes of 1,220 individual accounts effective from 12 July 2025.

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

4. OTHER INFORMATION (CONT'D)

According to the Minutes of the Board of Management' Meeting No. 20/2025/BB-HBS dated 28 October 2025, the Company's Board of Management concluded as follows:

Firstly, based on the review of HBS Company's bank account statements, reconciled with the Handover Minutes dated 1 June 2022 between Chief Accountant Nguyen Ngoc Dung and Ms. Nguyen Thi Thu Dung, and compared with the data presented in the Company's Trial Balance, it was identified that: there were a total of 11 bank accounts maintained outside the Company's accounting books, with an aggregate inflow of VND 7,934,211,509,199 and an aggregate outflow of VND 8,254,770,118,388, unrecorded in the Company's accounting system during the period from 1 January 2021 to 31 December 2024.

To rectify the act of omitting from the accounting records the amount of VND 7,934,211,509,199 deposited into and VND 8,254,770,118,388 withdrawn from 11 omnibus bank accounts of HBS Company, it is necessary to reinstate all such transactions into the Company's accounting system. At the same time, an assessment and application of the regulations on off-balance sheet accounts should be conducted to manage assets not owned by HBS Company, and these should be presented under Account No. 002 – Securities traded on the market, which is used to record assets not under the ownership of HBS Company.

Secondly, during the period 2021–2024, the financial and operational activities of HBS showed serious and systematic violations of the provisions under the Law on Accounting 2015, the Law on Securities 2019, and the Law on Enterprises 2020, as follows:

- + A total of 11 bank accounts were omitted from the accounting records of HBS Company, with cash inflows amounting to VND 7,934,211,509,199 and cash outflows amounting to VND 8,254,770,118,388 outside the Company's accounting books during the period from 01 January 2021 to 31 December 2024. The omission of these transactions from the official accounting records led to the situation where, during the 20% cash dividend payment, the Company used interest income from its charter capital deposits and profit-sharing income from the joint business operation at 246 Cong Quynh Building for the period from 01 January 2021 to 31 December 2024, totaling VND 63,974,825,814, to fund the 20% cash dividend payment to shareholders holding HBS stock of Hoa Binh Securities Joint Stock Company in 2024.
- + The Board of Management of HBS requires the Board of General Directors, upon completion of the audit results and clarification of the funding sources for the 2023 dividend payments, to submit for approval the distribution of 6% cash dividends, in accordance with Resolution No. 01/2025/NQ-DHDCD-HBS dated 26 June 2025 of the Annual General Meeting of Shareholders 2025.

Thirdly, based on the above-mentioned review results, the Founding Council and the Board of Management have sufficient grounds to conclude that the following individuals abused their positions and authority, using Hoa Binh Securities Joint Stock Company (HBS) as a tool for personal purposes, as evidenced by the following:

A total of 11 bank accounts were omitted from the accounting records of HBS, with cash inflows amounting to VND 7,934,211,509,199 and cash outflows amounting to VND 8,254,770,118,388, outside the Company's accounting books during the period from 01 January 2021 to 31 December 2024.

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

4. OTHER INFORMATION (CONT'D)

- + Mr. Tran Kien Cuong – Chairman of the Board of Management of HBS, Mr. Phan Sy Hai – Acting General Director of HBS, Ms. Nguyen Ngoc Dung – Chief Accountant of HBS, Ms. Trinh Ngoc Duyen – Deputy General Director in charge of Planning and Capital Resources of HBS, Ms. Nguyen Thi Kim Nguyen – Head of Transaction Accounting Department of HBS, Mr. Pham Hong Vuong – Deputy General Director of HBS, and Ms. Nguyen Ha Hai Nhu – Deputy General Director of HBS, jointly signed payment vouchers to transfer a total amount of VND 1,843,432,772,535 through six (06) bank accounts of HBS that were omitted from the Company's accounting records during the period from 04 January 2021 to 31 October 2021.
- + Ms. Trinh Ngoc Duyen, Ms. Nguyen Ngoc Dung, Ms. Ta Thi Thuy Trang, Mr. Tran Kien Cuong, Mr. Phan Sy Hai, Ms. Nguyen Kim Nguyen, Mr. Pham Hong Vuong, and Ms. Nguyen Ha Hai Nhu colluded with Mr. Phuong Xuan Thuy to convert cash flows totaling VND 2,748,412,934,584 from seven (07) off-book accounts of HBS into legally owned assets of Mr. Phuong Xuan Thuy, with a total value of VND 2,748,413,000,584.
- + Mr. Tran Kien Cuong - Chairman of the Board of Management of HBS; Mr. Phan Sy Hai - Acting General Director of HBS; Ms. Nguyen Ngoc Dung - Chief Accountant of HBS; Ms. Trinh Ngoc Duyen - Deputy General Director in charge of Planning and Capital of HBS; Ms. Nguyen Thi Kim Nguyen - Head of Transaction Accounting Department of HBS; Mr. Pham Hong Vuong - Deputy General Director of HBS; and Ms. Nguyen Ha Hai Nhu - Deputy General Director of HBS also signed payment vouchers to transfer VND 1,725,101,756,713 through seven (07) off-book accounts of HBS during the period from 25 November 2021 to 31 December 2024.
- + Mr. Tran Kien Cuong - Chairman of the Board of Management of HBS; Mr. Phan Sy Hai – Acting General Director of HBS; Ms. Nguyen Ngoc Dung – Chief Accountant of HBS; Ms. Trinh Ngoc Duyen – Deputy General Director in charge of Planning and Capital of HBS; Ms. Nguyen Thi Kim Nguyen – Head of Transaction Accounting Department of HBS; Mr. Pham Hong Vuong – Deputy General Director of HBS; and Ms. Nguyen Ha Hai Nhu – Deputy General Director of HBS jointly signed payment vouchers to transfer VND 888,384,184,125 through three (03) off-book accounts of HBS during the period from 16 November 2021 to 25 September 2023.
- + Mr. Tran Kien Cuong - Chairman of the Board of Management of HBS; Mr. Phan Sy Hai – Acting General Director of HBS; Ms. Nguyen Ngoc Dung – Chief Accountant of HBS; Ms. Trinh Ngoc Duyen – Deputy General Director in charge of Planning and Capital of HBS; Ms. Nguyen Thi Kim Nguyen – Head of Transaction Accounting Department of HBS; Mr. Pham Hong Vuong – Deputy General Director of HBS; and Ms. Nguyen Ha Hai Nhu – Deputy General Director of HBS jointly signed payment vouchers to transfer VND 512,284,029,702 through two (02) off-book accounts of HBS during the period from 01 November 2021 to 31 December 2024.
- + The Founding Council and the Board of Management of HBS require Ms. Tran My Linh – Chairwoman of the Board of Management, to direct the Executive Board of HBS to recover all HBS shares purchased using illicit funds, including 5,800,000 HBS shares valued at VND 35,000,000,000, and return them to VMG Company and other parties with legitimate interests, in accordance with Resolution No. 01/2025/NQ-DHDCD-HBS of the 2025 Annual General Meeting of Shareholders dated 26 June 2025.

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)

These notes are an integral part of and should be read in conjunction with the financial safety ratio report

4. OTHER INFORMATION (CONT'D)

- + The Founding Council and the Board of Management of HBS require Ms. Tran My Linh – Chairwoman of the Board of Management, to direct the Executive Board of HBS to continue maintaining the freeze on securities balances as of 29 October 2025, totaling 10,941,539 shares across 519 securities codes, equivalent to a value of VND 86,667,592,642, belonging to 356 individual accounts opened at HBS, until an official conclusion is issued by the competent law enforcement authorities. Any transfer, sale, or transaction involving the 10,941,539 shares across the 519 securities codes at HBS is strictly prohibited.

The Financial Safety Ratio Report was approved by the Company's Board of Management and Board of General Directors on 30 October 2025.



Dao Thu Thuy
Chief Accountant



Nguyen Thi Loan
Internal Controller



Tran My Linh
Chairwoman of the Board of Management
Hanoi, 30 October 2025

