

Securities Corporation

ASAM SECURITIES CORPORATION

FINANCIAL STATEMENT

QUARTER 1 – 2024

Ho Chi Minh City, 19 April 2024

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STATEMENT OF FINANCIAL POSITION
As at 31 March 2024

CODE	ITEM	NOTE	31 MAR 2024 VND	01 JAN 2024 VND
100	CURRENT ASSETS		159,092,693,518	134,909,776,837
110	Financial assets		157,917,757,674	133,774,856,429
111	Cash and cash equivalents	7.1	14,608,656,449	18,519,341,719
111.1	Cash		14,608,656,449	13,519,341,719
111.2	Cash equivalents		-	5,000,000,000
112	Financial assets: Fair value through profit or loss (FVTPL)	7.2	104,041,604,772	64,368,696,236
113	Financial assets: Held-to-maturity (HTM)		-	18,460,496,975
114	Lendings	7.3	36,286,551,537	29,579,040,654
116	Provision for impairment loss of financial assets & collaterals	7.3	(608,272,815)	(1,514,374,263)
117	Account receivables	7.4	1,019,551,034	2,681,532,534
117.2	Receivables from dividend and interest of financial assets		1,019,551,034	2,681,532,534
117.3	Receivables from dividend		221,514,731	1,724,379,880
117.4	Receivables from interest of financial assets		798,036,303	957,152,654
118	Prepayment to supplier		78,163,712	329,499,000
119	Service-related receivables	7.5	2,491,502,985	1,350,623,574
122	Other receivables	7.6	17,500,000,000	17,500,000,000
129	Provision for doubtful debt	7.6	(17,500,000,000)	(17,500,000,000)
130	Other current assets		1,174,935,844	1,134,920,408
131	Advance to employee		10,000,000	-
133	Short-term prepaid expenses	7.7	862,730,305	888,200,048
134	Short-term security deposits	7.8	123,500,000	65,422,000
135	Deductible VAT	7.9	120,801,347	123,394,168
136	Taxes and other receivables from the State	7.9	57,904,192	57,904,192
200	NON-CURRENT ASSETS		20,961,665,371	20,889,533,911
220	Fixed assets		11,214,349,450	10,816,517,000
221	Tangible fixed assets	7.10	5,884,940,000	5,378,439,000
222	Historical cost		9,319,305,000	8,518,955,000
223a	Accumulated depreciation		(3,434,365,000)	(3,140,516,000)
227	Intangible assets	7.11	5,329,409,450	5,438,078,000
228	Historical cost		6,724,699,450	6,655,796,000
229a	Accumulated amortisation		(1,395,290,000)	(1,217,718,000)
250	Other non-current assets		9,747,315,921	10,073,016,911
251	Long-term security deposits	7.8	732,000,000	732,000,000
252	Long-term prepaid expenses	7.7	5,679,001,164	5,909,547,702
254	Deposits in Settlement Supporting Fund	7.12	3,336,314,757	3,431,469,209
270	TOTAL ASSETS		180,054,358,889	155,799,310,748

STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

CODE	ITEM	NOTE	31 MAR 2024 VND	01 JAN 2024 VND
300	LIABILITIES		25,460,399,686	1,352,305,741
310	Current liabilities		25,460,399,686	1,352,305,741
311	Short-term borrowings and finance lease liabilities		24,000,000,000	-
312	Short-term borrowings	7.13	24,000,000,000	-
318	Trading obligations		27,906,200	23,731,033
320	Short-term account payables		14,256,861	13,284,702
322	Taxes and other payables to the State	7.9	610,994,347	370,957,012
323	Payables to employees		-	725,070,426
325	Short-term accrued expenses	7.14	782,900,000	168,900,000
327	Short-term unearned revenue		24,342,278	50,362,568
400	OWNERS' EQUITY		154,593,959,203	154,447,005,007
410	Owners' Equity		154,593,959,203	154,447,005,007
411	Owners' capital		203,000,000,000	203,000,000,000
411.1	Share capital	7.15	203,000,000,000	203,000,000,000
411.1a	Ordinary shares with voting rights		203,000,000,000	203,000,000,000
417	Retained earnings		(48,406,040,797)	(48,552,994,993)
417.1	Realised profit/(loss) after tax		(49,414,798,187)	(50,655,104,259)
417.2	Unrealised profit/(loss) after tax		1,008,757,390	2,102,109,266
440	TOTAL RESOURCES		180,054,358,889	155,799,310,748

OFF STATEMENT OF FINANCIAL POSITION ITEMS
As at 31 March 2024

CODE	ITEM	31 MAR 2024 VND	01 JAN 2024 VND
A	ASSETS OF THE COMPANY AND ASSETS UNDER ENTRUSTMENT		
004	Bad debt written off	6,221,757,224	6,221,757,224
005	Foreign currencies (US Dollar)	\$ 132,211.90	\$ 208,392.05
006	Outstanding shares (quantity)	20,300,000	20,300,000
008	Financial assets listed / registered at VSD	33,925,000,000	58,774,800,000
008.1	Transferable financial assets	31,033,900,000	55,516,000,000
008.5	Awaiting settlement financial assets	2,891,100,000	3,258,800,000
009	Financial assets in custody at VSD but not yet tradable	18,500,000,000	-
010	Financial assets purchased and awaiting settlement	-	956,900,000
012	Financial assets not in custody at VSD	51,165,000,000	21,500,000,000
013	Financial assets enjoy rights of the securities company	-	8,165,000,000
B	ASSETS OF AND LIABILITIES TO CLIENTS		
021	Financial assets listed / registered at VSD (as par value)	323,529,800,000	283,273,410,000
021.1	Transferable financial assets	278,069,080,000	237,397,690,000
021.2	Restricted financial assets	2,050,000,000	50,000,000
021.3	Pledged financial assets	43,379,720,000	43,379,720,000
021.4	Suspended financial assets	2,000,000	2,000,000
021.5	Awaiting settlement financial assets	29,000,000	2,444,000,000
022	Financial assets in custody at VSD but not yet tradable (as par value)	7,564,800,000	115,890,000
022.1	Transferable financial assets	7,564,800,000	115,890,000
026	Clients' cash deposits balance	4,608,547,389	5,507,343,925
027	Clients' cash deposits at the Company for securities trading	4,608,547,389	5,507,343,925
031	Payables to clients' cash deposits at the Company for securities trading	4,608,547,389	5,507,343,925
031.1	Payables to clients' cash deposits - domestic clients	1,402,614,216	2,288,959,180
031.2	Payables to clients' cash deposits - foreign clients	3,205,933,173	3,218,384,745

Prepared by



NGUYEN THI HOA MI

Chief Accountant



TRUONG HUY BINH



KIM HWAN KYOON

STATEMENT OF PROFIT OR LOSS
For the period ended 31 March 2024

CODE	ITEM	NOTE	1st Quarter		YEAR TO DATE	
			2024 VND	2023 VND	2024 VND	2023 VND
	OPERATING INCOME					
01	Income from FVTPL financial assets		3,285,210,117	2,075,378,311	3,285,210,117	2,075,378,311
01.1	Realised gains on disposal of FVTPL financial assets	8.1	1,932,210,972	1,032,656,277	1,932,210,972	1,032,656,277
01.2	Increase in revaluation gains of FVTPL financial assets	8.2	921,946,425	-	921,946,425	-
01.3	Dividend and interest income from FVTPL financial assets	8.3	431,052,720	1,042,722,034	431,052,720	1,042,722,034
02	Interest income from held-to-maturity	8.4	271,492,706	-	271,492,706	-
03	Interest income from loans and receivables		935,010,781	716,031,411	935,010,781	716,031,411
06	Income from brokerage services, include:		2,221,682,906	469,815,371	2,221,682,906	469,815,371
08	Income from securities investment advisory services		1,984,365,000	1,765,750,000	1,984,365,000	1,765,750,000
09	Income from securities custodian services		12,328,942	42,774,320	12,328,942	42,774,320
11	Income from other operating activities		813,332	890,000	813,332	890,000
20	TOTAL OPERATING INCOME		8,710,903,784	5,070,639,413	8,710,903,784	5,070,639,413
	OPERATING EXPENSES					
21	Loss from FVTPL financial assets		2,059,345,311	-	2,059,345,311	-
21.1	Realised losses on disposal of FVTPL financial assets	8.1	371,922	-	371,922	-
21.2	Decrease in revaluation losses of FVTPL financial assets	8.2	2,058,973,389	-	2,058,973,389	-
24	Provision for diminution of value and impairment of financial assets and doubtful debt and borrowing costs of lendings		(906,101,448)	-	(906,101,448)	-
26	Expenses for proprietary trading		646,238	35,495	646,238	35,495
27	Expenses for brokerage services		2,769,231,140	2,112,936,992	2,769,231,140	2,112,936,992
29	Expenses for securities investment advisory services		823,913,718	662,903,000	823,913,718	662,903,000
30	Expenses for securities custodian services		377,612,976	313,990,016	377,612,976	313,990,016
40	TOTAL OPERATING EXPENSES		5,124,647,935	3,089,865,503	5,124,647,935	3,089,865,503
	FINANCIAL INCOME					
41	Realised and unrealised gain from changes in foreign exchange		97,735,088	-	97,735,088	-
42	Dividend and interest income from demand deposits		6,666,132	5,117,208	6,666,132	5,117,208
50	TOTAL FINANCIAL INCOME		104,401,220	5,117,208	104,401,220	5,117,208

STATEMENT OF PROFIT OR LOSS
For the period ended 31 March 2024

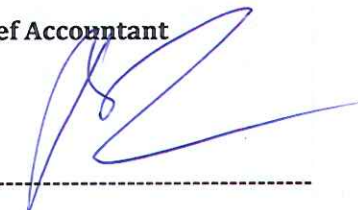
CODE	ITEM	NOTE	1st Quarter		YEAR TO DATE	
			2024	2023	2024 VND	2023 VND
	FINANCIAL EXPENSES					
51	Realised and unrealised losses from changes in foreign exchange		2,565,000	26,810,842	2,565,000	26,810,842
52	Interest expenses of borrowings		88,584,989	-	88,584,989	-
60	TOTAL FINANCIAL EXPENSES		91,149,989	26,810,842	91,149,989	26,810,842
62	GENERAL AND ADMINISTRATIVE EXPENSES	8.5	3,452,552,887	2,967,251,743	3,452,552,887	2,967,251,743
70	OPERATING RESULT		146,954,193	(1,008,171,467)	146,954,193	(1,008,171,467)
	OTHER INCOME AND EXPENSES					
71	Other income	4	29,372	29,372	29,372	29,372
72	Other expenses	1	-	-	-	-
80	NET OTHER RESULT	3	29,372	29,372	29,372	29,372
90	PROFIT / (LOSS) BEFORE TAX		146,954,196	(1,008,142,095)	146,954,196	(1,008,142,095)
91	Realised profit / (losses)		1,240,306,072	(983,706,253)	1,240,306,072	(983,706,253)
92	Unrealised profit / (losses)		(1,093,351,876)	(24,435,842)	(1,093,351,876)	(24,435,842)
200	NET PROFIT / (LOSS) AFTER TAX		146,954,196	(1,008,142,095)	146,954,196	(1,008,142,095)

Prepared by



NGUYEN THI HOA MI

Chief Accountant



TRUONG HUY BINH



KIM HWAN KYOON

STATEMENT OF CASH FLOWS
(Indirect method)
For the period ended 31 Mar 2024

CODE	ITEM	YEAR TO DATE	
		2024 VND	2023 VND
	CASH FLOWS FROM OPERATING ACTIVITIES		
01	Net profit before tax	146,954,196	(1,008,142,095)
02	Adjustments for:	(1,467,482,713)	445,747,525
03	Depreciation and Amortisation	471,421,000	455,832,231
04	Provisions	(906,101,448)	-
05	Unrealised (gain) / loss on revaluation of foreign exchange	(43,675,088)	24,435,842
06	Interest expenses	88,584,989	-
07	(Profit) / Loss from investment	(58,161,132)	-
08	Accrued interest income	(1,019,551,034)	(34,520,548)
10	Decrease in non-cash expenses	2,058,973,390	-
11	Downward revaluation of FVTPL	2,058,973,389	-
17	Other losses	1	-
18	Decrease in non-cash income	(921,946,429)	-
19	Upward revaluation of FVTPL	(921,946,425)	-
21	Other profit	(4)	-
30	Operating profit before changes in working capital	(26,857,930,264)	(50,483,844,054)
31	(Increase) / decrease in financial assets FVTPL	(39,672,908,536)	(28,676,940,310)
32	(Increase) / Decrease in Held-to-maturity financial assets (HTM)	18,460,496,975	-
33	(Increase) / Decrease in loans	(6,707,510,883)	(22,217,463,947)
36	(Increase) / Decrease in receivables & accrued interest income from financial assets	1,661,981,500	384,985,753
37	(Increase) / Decrease in receivables from services provided	(1,140,879,411)	(592,141,910)
39	(Increase) / Decrease in other receivables	95,154,452	-
40	(Increase) / Decrease in other assets	(10,000,000)	110,587,197
41	Increase / (Decrease) in accrued expenses (exclude interest expenses)	614,000,000	193,039,000
42	(Increase) / Decrease in prepaid expenses	256,016,281	420,423,109
45	Increase / (Decrease) in trade payables	256,482,614	152,985,901
47	Increase / (Decrease) in tax & other payables to the State (exclude Corporate income tax paid)	242,630,156	204,401,351
48	Increase / (decrease) in payables to employees	(725,070,426)	(425,344,616)
50	Increase / (Decrease) in other payables	(26,020,290)	(32,500,000)
51	Other receipts from operating activities	-	(5,875,582)
52	Other payments for operating activities	(162,302,696)	-
60	NET CASH FLOWS FROM OPERATING ACTIVITIES	(27,041,431,820)	(51,046,238,624)
	CASH FLOWS FROM INVESTING ACTIVITIES		
61	Cash payment for purchases of fixed assets	(869,253,450)	-
70	NET CASH FLOWS FROM INVESTING ACTIVITIES	(869,253,450)	-
	CASH FLOWS FROM FINANCING ACTIVITIES		
73	Loan principal	34,135,900,000	-
74	Cash paid for borrowings	(10,135,900,000)	-
80	NET CASH FLOWS FROM FINANCING ACTIVITIES	24,000,000,000	-
90	INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	(3,910,685,270)	(51,046,238,624)
101	CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	18,519,341,719	108,601,028,654
101.1	Cash	13,519,341,719	21,601,028,654
101.2	Cash equivalents	5,000,000,000	87,000,000,000
103	CASH & CASH EQUIVALENTS AT THE END OF THE PERIOD	14,608,656,449	57,554,790,030
103.1	Cash	14,608,656,449	47,554,790,030
103.2	Cash equivalents	-	10,000,000,000

CASH FLOWS FROM BROKERAGE AND ENTRUSTMENT ACTIVITIES
(Indirect method)
For the period ended 31 Mar 2024

CODE	ITEM	YEAR TO DATE	
		2024 VND	2023 VND
	Cash flows from brokerage & entrustment activities		
01	Cash receipt from securities selling of clients	58,798,411,339	104,383,670,702
02	Cash payment for securities buying of clients	(129,055,730,795)	(80,480,537,440)
07	Cash receipt for settlement of clients' tradings	121,546,359,147	-
08	Cash payment for settlement of clients' tradings	(52,179,271,590)	(20,942,029,849)
11	Payment for custody fee of clients	(8,564,637)	(6,813,286)
20	Increase / (Decrease) in clients' cash deposits	(898,796,536)	2,954,290,127
30	Cash & cash equivalents of clients at the beginning of the period	5,507,343,925	1,867,645,748
31	Cash at bank:	5,507,343,925	1,867,645,748
32	Cash deposits of clients for securities trading under monitoring of the Company	5,507,343,925	-
33	Cash deposits of clients for securities trading	-	1,289,048,240
35	Cash deposits of securities issuers	-	578,597,508
40	Cash & cash equivalents of clients at the end of the period	4,608,547,389	4,821,935,875
41	Cash at bank:	4,608,547,389	4,821,935,875
42	Cash deposits of clients for securities trading under monitoring of the Company	4,608,547,389	-
43	Cash deposits of clients for securities trading	-	4,243,338,367
45	Cash deposits of securities issuers	-	578,597,508

Prepared by



NGUYEN THI HOA MI

Chief Accountant



TRUONG HUY BINH

Chairman



KIM HWAN KYOON

STATEMENT OF CHANGES IN EQUITY
For the period ended 31 March 2024

ITEM	As at		2023		2024		As at	
	01 Jan 2023 VND	01 Jan 2024 VND	Increase VND	Decrease VND	Increase VND	Decrease VND	31 Mar 2023 VND	31 Mar 2024 VND
Changes in owners' equity								
Owners' capital	203,000,000,000	203,000,000,000	-	-	-	-	203,000,000,000	203,000,000,000
Ordinary shares with voting rights	203,000,000,000	203,000,000,000	-	-	-	-	203,000,000,000	203,000,000,000
Retained earnings	(49,610,933,807)	(48,552,994,993)	-	1,008,142,095	146,954,196	-	(50,619,075,902)	(48,406,040,797)
Realised profit / (loss) after tax	(49,610,933,807)	(50,655,104,259)	-	983,706,253	1,240,306,072	-	(50,594,640,060)	(49,414,798,187)
Unrealised profit / (loss)	-	2,102,109,266	-	24,435,842	(1,093,351,876)	-	(24,435,842)	1,008,757,390
TOTAL	153,389,066,193	154,447,005,007	-	1,008,142,095	146,954,196	-	152,380,924,098	154,593,959,203

Prepared by



NGUYEN THI HOA MI

Chief Accountant



TRUONG HUY BINH



KIM HWAN KYOON

1. GENERAL INFORMATION

1.1. Establishment

Asam Securities Corporation ("the Company") is a joint stock company incorporated in Vietnam under the Establishment and Operation license No. 97/UBCK-GP dated 04 September 2008 issued by State Securities Commission of Vietnam. The Establishment and Operation license was amended several times and the latest amendment No. 17/GPĐC-UBCK was issued on 17 February 2023.

1.2. Head quarter

No. 3 Le Thanh Ton street, Ben Nghe ward, District 1, Ho Chi Minh City, Vietnam.

1.3. Company charter

The Company's charter was last updated on 27 December 2023.

1.4. Charter capital

The current Company's charter capital is VND 203,000,000,000.

1.5. Principal activities

The principal activities of the Company include services provision of securities brokerage, margin lendings, securities investment consultancy, securities custody and securities proprietary trading.

2. Fiscal year, accounting currency

2.1. Fiscal year

The Company's fiscal year is from 01 January to 31 December.

2.2. Accounting currency

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

3. Basis of preparation of financial statements

3.1. Application of accounting standards

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System, Circular 210/2014/TT-BTC dated 30 December 2014, Circular 334/2016/TT-BTC dated 27 December 2016 issued by the Ministry of Finance and prevailing regulations on preparation and presentation of financial statements applicable to securities companies in Vietnam.

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

3.2. Compliance of Vietnamese Accounting standards and system

The Company have prepared and presented the financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and prevailing regulations on preparation and presentation of financial statements applicable to securities companies in Vietnam. The financial statements have been prepared and given a true and fair view of the financial situation, the results of the operations, cash flows and changes in equity of the Company.

The selection of figures and information presented in the Notes to the financial statements is in accordance with the material principles in Vietnamese Accounting Standard No. 21 "Presentation of the financial statements".

The financial statements comprise the statement of financial position, the statement of profit or loss, the statement of cash flows, the statement of changes in equity and notes to the financial statements which have been presented in accordance with accounting principles generally accepted in Vietnam and not intended to present in jurisdictions other than Vietnam.

3.3. Accounting records

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1. Cash and cash equivalents.

Cash and equivalents comprise cash on hand and cash at bank.

Cash deposits of clients for securities trading have been prepared separately in Off statement of financial position items.

Cash equivalents comprise term deposits and other short-term investments with original maturity within three months since purchase, which are highly liquidated, readily convertible to cash and subject to insignificant risk of conversion.

Transactions arising in foreign currencies are translated at exchange rates at the transaction dates at the commercial bank arising these transactions. Foreign currencies deposited at the bank at the reporting date are translated at the buying exchange rate of the commercial bank where the Company opens the foreign currency accounts.

Foreign exchange differences arising from these translations are recognised as financial income or expenses in the statement of profit or loss.

4.2. Financial assets

The Company recognizes financial assets only and only if when the Company becomes a party to the contractual terms of that financial instrument. Based on the nature and purpose of ownership of the Company, financial assets are classified in to following groups: Fair value through profit or loss ("FVTPL"), Held-to-maturity ("HTM"), Available-for-sales ("AFS"), Lending and Receivables.

a) Financial assets classification

i) Fair value through profit or loss (FVTPL)

Financial assets are classified as FVTPL when such financial assets are held for trading in the financial market with the expectation of profit.

FVTPL is initially recognised at purchase price (which is the actual purchase price or the matching price, excluding purchase costs, such as: brokerage fees, transaction fees and bank fees). Any gains or losses arising from the changes in the fair value of FVTPL are recognised in the statement of profit or loss.

Transaction costs related to purchases of FVTPL are expensed off immediately.

Financial assets are derecognised as FVTPL in the following cases:

- Financial assets are lending or receivables if the purpose is holding in a determined period in the future or until maturity or
- Financial assets are term deposits which are classified into cash and cash equivalents.

Other types of financial assets than FVTPL shall be classified as FVTPL when derecognised.

Debt instrument FVTPL must be reclassified as receivables at maturity and provision for bad debt need to be recognised (if any).

After initial recognition, FVTPL must be recognised at market value or at fair value (in the absence of market value).

ii) Held-to-maturity (HTM)

HTM are non-derivate financial assets with fixed or determinable payments, fixed maturity and the Company has positive intention and ability to hold to maturity, except:

- Non-derivatives classified as FVTPL at initial recognition.
- Non-derivatives classified as AFS.
- Non-derivatives classified as lending or receivables.

HTM are initially recorded as cost inclusive of directly attributable purchase costs. Subsequently, HTM are measured at amortized cost using effective rate method ("EIR").

EIR is a method used in calculating the amortized cost of an HTM or a group of HTM.

- Amortized cost is determined at historical cost less (-) principal received plus (+) or less (-) accumulated amortization using EIR between historical cost and maturity value, less (-) impairment loss (if any).
- The effective interest rate is the rate that discounts estimated future cash payments or receipts through expected life to the net present value of financial asset or financial liability.

When there are changes in intention or holding ability of the Company, HTM must be reclassified as AFS and revalued at fair value. The differences between carrying value and fair value due to these changes are recorded in the statement of profit or loss.

iii) Available-for-sales (AFS)

AFS are non-derivate financial assets designated on initial recognition as available for sale or any other instruments that are not classified as (a) lendings and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through profit or loss.

AFS are initially recorded as cost inclusive of directly attributable purchase costs. Subsequently, AFS are measured at fair value.



Fair value changes on AFS are recognised directly in equity, through the statement of changes in equity, without making provision for devaluation of long-term investment of securities.

iv) Lendings

Lendings are non-derivative financial assets with fixed or determinable payments and are not listed on a perfect market.

In reporting period, the Company had types of lendings as followings:

- Margin lendings: the amounts lent to clients for their purchases of listed securities in accordance with Decision 87/QĐ-UBCK issued by the State Securities Commission on 25 January 2017.

At the reporting date, the lending amounts are provided for impairment loss which is determined at the market value or fair value of collateral to request clients to increase more collaterals, otherwise, the provision for impairment will be made.

- Cash advances for securities selling: the amounts advanced to clients at the trading date and/or the date right after. These amounts are repaid within 2 trading days.

Lendings are initially recognised at cost. After initial recognition, lendings are recognised at amortised cost using the effective interest rate method, except for lendings to financial assets that are recognised at fair value through profit or loss.

v) Receivables

Receivables comprise receivables from disposal of financial assets, dividend and interest receivables, receivables from services provided, receivables from trading errors and other receivables.

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

Receivables are recognised on an accrual basis and are presented at cost less provision for impairment or uncollectibility.

Receivables are considered for provisions according to the number of overdue days of the debt or according to the expected loss that may occur in case the debt is not due for payment but the economic organization falls into a bad situation: bankruptcy or are in the process of dissolution; the debtor is missing, absconding, is being prosecuted, tried by law enforcement, or is serving a sentence, or has died. Provision expenses incurred are recorded in "General and Administrative expenses" during the period.

The Company has made provision for doubtful receivables in accordance with Circular No. 48/2019/TT-BTC dated 08 August 2019 and No. 24/2022/TT-BTC dated 07 April 2022 issued by the Ministry of Finance, the provision rates are as follows:

<u>Overdue period</u>	<u>Provision for bad debt</u>
From 06 months – under 1 year	30%
From 1 year – under 2 years	50%
From 2 years – under 3 years	70%
From 3 years and above	100%

b) Revaluation of financial assets

The Company applies valuation bases for financial assets in accordance with Circular 91/2020/TT-BTC dated 13 November 2020 regarding to financial safety ratio of securities entities in determining the market price / fair value of financial assets.

i) Listed stock, bond, fund certificate

Fair value is the closing price at the valuation date.

ii) Unlisted stock, bond

Fair value is purchase price.

iii) Unlisted certificate of private-equity fund, opened-end fund

Fair value is the net asset value (NAV) per-1 unit at the most recent reporting date up to the valuation date.

4.3. Fixed assets

Tangible fixed assets and intangible assets are presented at cost less accumulated depreciation and amortisation. The costs of these assets include the purchase price and costs directly attributable to bringing the asset into operations. Expenses for acquisition, upgrading and renewal of these assets are recorded as an increase in the cost of the asset. Maintenance and repair costs are charged to the statement of profit or loss when incurred.

When assets are sold or disposed of, their cost and accumulated depreciation/amortisation are written off and any gain or loss arising from the disposal of the asset is recognised in the statement of profit or loss.

Depreciation of tangible fixed assets and amortisation of intangible assets are made on a straight-line basis over their estimated useful lives as follows:

	<u>No. of years</u>
Machinery	06 – 10
Vehicles	03 – 10
Tools, office equipment	03 - 05
Computer software, license	03 – 10

4.4. Prepaid expenses

Prepaid expenses include prepayments for goods and services, tools and equipments that do not qualify to be recognised as fixed assets under prevailing regulations.

Prepaid expenses are initially recognised at cost and allocated to expenses on a straight-line basis over their estimated useful lives.

4.5. Borrowings

Borrowings include borrowings from commercial banks and third parties for addition of working capital. Borrowings are presented at historical cost at the reporting date. Borrowings are classified as current and non-current liabilities in the statement of financial position based on their remaining durations from the reporting date to their maturity dates:

- Short-term borrowings: duration 1 year maximum.
- Short-term borrowings: duration over 1 year.

4.6. Liabilities

Liabilities are recognised when the Company has an obligation as a result of receipts of assets, commits or becomes a party to the contractual provision. Liabilities are derecognized when such obligations are fully discharged.

Liabilities are recorded on an accrual basis and prudence concept.

4.7. Tax of securities trading of investors

According to prevailing taxation regulations, the Company is required to withhold tax 0.1% on trading proceeds of investors and pay on their behalf as followings:

- Foreign institution: withhold 0.1% on trading proceeds to pay foreign contractor tax.
- Individual: withhold tax 0.1% on trading proceeds to pay personal income tax.

With local institutional investors, the Company is not responsible for withholding tax as these entities are responsible for their own tax declarations and payments.

4.8. Equity

a) Owners' capital

Owners' capital is formed from the initial contribution and additional contributions of shareholders. Owners contributed capital is recognised according to the actual contribution in cash or in assets at par value of shares issued at the time of establishment or in addition.

b) Retained earnings.

Retained earnings represent cumulative undistributed post-tax profits at the reporting date including realized and unrealized profits.

Unrealized profit or loss for the period is the total difference between gain and loss arising from revaluation of FVTPL or other financial assets charged into the statement of profit or loss.

Realized profit for the period is the difference between total revenue, income and total expenses in the statement of profit or loss, except for items recognised in unrealized profit or loss.

Post-tax profits may be distributed to shareholders after being approved by the General meeting of shareholders and after making provisions in accordance with the Company's charter and prevailing regulations.

4.9. Income

Income from provision of services to investors is recognised when the services are rendered, and their completion can be measured reliably. Income is measured at the fair value of amounts received or to be received after deducting price discounts. In case the service provision involves many periods, income recognised in the period is according to the progress completed to the reporting date. Income is only recognised when all following conditions are satisfied:

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

If the completion cannot be measured reliably, income will be recognised as the recoverable recognised costs.

a) Income from provision of services

Income from provision of services comprise brokerage fees, securities investment consulting fees, and securities custodian fees.

b) Income from securities proprietary trading activities

Income from these activities comprise gain or loss from disposal of financial assets and dividends received.

The gain or loss from disposal of financial assets is the difference between the selling price and costs of disposed financial assets, exclude selling fees. Costs of financial assets are determined as followings:

- Bond, stock and fund certificate: weighted average method up to the reporting date.
- Derivatives: specific costs method.

Income from cash dividend is recognised in the statement of profit or loss when the Company's right to receive dividends arises. Stock dividend is not recognised as income.

c) Income from working capital

Income from working capital comprises interest from bank term deposits, interest from margin lending and income from cash advance to clients. This income is recorded on an accrual basis, unless the recoverability is uncertain.

d) Other income

Other income comprises income from other activities than above and is recorded on accrual basis.

4.10. Expenses

Expenses are amounts that reduce economic benefits, recognised when the transaction occurs or when it is reasonably probable that they will arise in the future, regardless of whether the money has been spent or not.

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

4.11. Cost of securities proprietary trading

The Company applies the moving weighted-average to calculate the cost of securities in proprietary trading.

4.12. Earnings per share (EPS)

Basic EPS is calculated as the difference of net profit / (loss) allocated to common stockholders and the Company's deduction for bonus and welfare fund divided by the weighted average number of ordinary shares outstanding during the period, excluding the ordinary shares that are repurchased and held by the Company as treasury shares.

Diluted EPS is calculated by dividing the post - tax profit or loss allocated to common stockholders (after adjusting for dividends on convertible preferred shares) by the total of weighted average number of ordinary shares outstanding during the period and the weighted average number of ordinary shares to be issued in the event that all potential ordinary shares are converted into common shares.

4.13. Related parties

Enterprises and individuals that directly, or directly through 1 or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related party of the Company.

Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including the Board of directors, the Board of management and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In consideration of relationship with each related party, the substance of the relationship is considered, not merely the legal form.

4.14. Corporate income tax

Current income tax

Income tax assets and liabilities for the current reported period and previous periods are the amounts expected to pay to (or receive from) tax authorities, based on tax rates and prevailing regulations of tax.

Current and deferred income tax is recognised in the statement of profit or loss, except to the extent that the tax arises from a transaction or event which is recognised, directly in equity.

Deferred income tax

Deferred income tax is the temporary difference between the tax base and the carrying amount of the assets and liabilities on the financial statements at reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except for deferred tax liabilities arising from the initial recognition of an asset or liability in a transaction which has no effect on accounting profit or taxable profit (or tax loss) when incurs.

4.15. Nil balance

Items that are stipulated in Circular No. 334/2016/TT-BTC that are not shown in these financial statements indicate nil balance.

5. RISK MANAGEMENT

The Company's activities are subject to a number of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management policies are intended to minimize the potential adverse effects of these risks on the Company's results of operations.

The Board of Management of the Company is responsible for setting the objectives and basic rules of financial risk management for the Company. The financial risk management policy is regularly reviewed and adjusted to respond to market fluctuations and trends.

5.1. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk has different types of risk: interest rate risk, currency risk and other price risk, such as share prices.

Interest rate risk

The interest rate risk exposed is mainly related to the Company's bank deposits.

The Company's bank deposits have fixed interest rates and short terms, so this risk is negligible.

Currency risk

Currency risk is the risk that the value of a financial instrument will change, resulting from changes in exchange rates.

The Company was established and operated in Vietnam with the reporting currency and the main transaction currency being Vietnam Dong. Although the Company has some foreign currencies, the amount is not significant, so this risk is small.

Risk on securities price

The securities held by the Company are affected by market risks arising from uncertainties about the future value of securities investments, resulting in the provision for possible fluctuation in the value of investments.

5.2. Credit risk

Credit risk is the risk that financial losses occur as a result of a party to a contractual financial instrument failing to fulfill its obligations or commitments with the Company. This risk arises mainly from bank deposits and receivables.

The maximum credit risk of the company is the book value of assets with potential credit risk, which has not been adjusted for the provision made and has not taken into account the collateral as well as other security measures.

Bank deposits

The Company's bank deposits are deposited at financial institutions with a high level of credibility. The Company considers that credit risk related to its balances with banks to be low.

Financial assets FVTPL

The securities held by the Company are listed bonds on Stock Exchanges that were approved by The State Securities Commission. The company considers the credit risk related to debt securities is low.

Margin lending contract

Margin lending contracts are assured by listed securities that are allowed by Stock Exchanges. The list of securities allowed for margin lending is regularly updated by the Stock Exchanges and the Risk Management Department of the Company.

Cash advances for securities selling

Cash advances are withdrawn directly from the Vietnam Securities Depository. The Company considers the credit risk related to cash advances is low.

Receivables

Unpaid receivables are regularly monitored. Provisions for bad debt are made at the reporting date on a per-client basis.

5.3. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations. The Company manages liquidity risk by maintaining a highly liquid asset portfolio (cash and cash equivalents) to ensure its ability to meet short-term and long-term liquidity requirements.

6. OPERATIONS INFORMATION

Trading during the period

	Volume	VND
The Company	1,164,996	122,621,489,320
+ Stock	200	21,980,000
+ Bond	1,164,796	122,599,509,320
Clients	10,109,559	484,717,400,773
+ Stock	6,567,083	106,572,142,950
+ Bond	3,527,176	377,682,612,823
+ ETF certificate	15,300	462,645,000
Total	11,274,555	607,338,890,093

7. NOTES TO THE STATEMENT OF FINANCIAL POSITION

7.1. Cash and cash equivalents.

VND	31/03/2024	01/01/2024
Cash at bank	14,608,656,449	13,519,341,719
+ Vietnam Dong	11,348,310,748	8,495,009,393
+ US Dollar	3,260,345,701	5,024,332,326
Cash equivalents	-	5,000,000,000
Total	14,608,656,449	18,519,341,719

7.2. Financial asset FVTPL

	31/03/2024		01/01/2024	
VND	Cost	Fair value	Cost	Fair value
Listed bond	33,472,545,017	34,394,491,442	40,827,609,518	42,886,582,906
Unlisted bond	69,647,113,330	69,647,113,330	21,482,113,330	21,482,113,330
Total	103,119,658,347	104,041,604,772	62,309,722,847	64,368,696,236

7.3. Lending

	VND		
31/03/2024	Book value	Fair value	Provision
Principal loans for margin lending	36,286,551,537	35,884,091,617	402,459,920
Accrued interest of margin lending	798,036,303	592,223,408	205,812,895
Total	37,084,587,840	36,476,315,025	608,272,815

		VND	
01/01/2024		Book value	Fair value
Principal loans for margin lending		29,579,040,654	28,196,580,734
Accrued interest of margin lending		561,980,925	430,066,582
Total		30,141,021,579	28,626,647,316

7.4. Account receivables			
VND		31/03/2024	01/01/2024
Accrued interest of bank term-deposits		-	7,397,260
Accrued interest of FVTPL		221,514,731	2,112,154,349
Accrued interest of margin lending		798,036,303	561,980,925
Total		1,019,551,034	2,681,532,534

7.5. Service-related receivables			
VND		31/03/2024	01/01/2024
Brokerage fees		2,459,373,023	1,322,257,917
Custodian fees		32,129,962	28,365,657
Total		2,491,502,985	1,350,623,574

7.6. Other receivables and provision			
VND		31/03/2024	01/01/2024
	Value	Provision	Value
Other receivables	17,500,000,000	17,500,000,000	17,500,000,000

This is an overdue receivable due from Mr Vu Duc Tam with overdue period over 36 months. As at 31/03/2024, Company has made provision for this debt as 100% of total remaining amount of receivable.

7.7. Prepaid expenses			
VND		31/03/2024	01/01/2024
Short term		862,730,305	888,200,048
+ Tools and equipment		19,631,000	2,595,000
+ Software		212,093,921	430,955,824
+ Others		631,005,384	454,649,224
Long term		5,679,001,164	5,909,547,702
+ Tools and equipment		187,274,832	276,568,681
+ Software		83,112,643	127,167,643
+ Others		5,408,613,689	5,505,811,378
Total		6,541,731,469	6,797,747,750

7.8. Security deposits

VND	31/03/2024	01/01/2024
Short term	123,500,000	65,422,000
+ Apartment rental deposits	123,500,000	65,422,000
Long term	732,000,000	732,000,000
+ Office rental deposits	705,000,000	705,000,000
+ Other deposits	27,000,000	27,000,000
Total	855,500,000	797,422,000

7.9. Taxes, payables to and receivables from the State

VND	31/03/2024	01/01/2024
Receivables	178,705,539	181,298,360
+ Value added tax	120,801,347	123,394,168
+ Corporate income tax	57,904,192	57,904,192
Payables	610,994,347	370,957,012
+ Personal income tax	594,142,057	366,076,402
+ Other taxes	16,852,290	4,880,610

7.10. Tangible fixed assets

VND	Machinery	Tools and equipment	Total
Historical cost			
+ As at 01/01/2024	383,896,000	8,135,059,000	8,518,955,000
+ Increase in the period	-	800,350,000	800,350,000
+ (Decrease) in the period	-	-	-
+ As at 31/03/2024	383,896,000	8,935,409,000	9,319,305,000
Accumulated amortisation			
+ As at 01/01/2024	383,896,000	2,756,620,000	3,140,516,000
+ Increase in the period	-	293,849,000	293,849,000
+ (Decrease) in the period	-	-	-
+ As at 31/03/2024	383,896,000	3,050,469,000	3,434,365,000
Net book value			
+ As at 01/01/2024	-	5,378,439,000	5,378,439,000
+ As at 31/03/2024	-	5,884,940,000	5,884,940,000

As at 31 March 2024, the Company had no tangible fixed assets waiting for disposal.

Historical cost of fully depreciated tangible fixed assets but still in use was VND 383,896,000 (as at 31 December 2023: VND 383,896,000).

7.11. Intangible assets

VND	Computer software	License	Total
Historical cost			
+ As at 01/01/2024	5,681,396,000	974,400,000	6,655,796,000
+ Increase in the period	68,903,450	-	68,903,450
+ (Decrease) in the period	-	-	-
+ As at 31/03/2024	5,750,299,450	974,400,000	6,724,699,450
Accumulated amortisation			
+ As at 01/01/2024	982,329,000	235,389,000	1,217,718,000
+ Increase in the period	153,209,000	24,363,000	177,572,000
+ (Decrease) in the period	-	-	-
+ As at 31/03/2024	1,135,538,000	259,752,000	1,395,290,000
Net book value			
+ As at 01/01/2024	4,699,067,000	739,011,000	5,438,078,000
+ As at 31/03/2024	4,614,761,450	714,648,000	5,329,409,450

As at 31 March 2024, the Company had no intangible assets awaiting for disposal.

7.12. Deposits in Settlement Supporting Fund

VND	31/03/2024	01/01/2024
Initial deposit	120,000,000	120,000,000
Additional deposit	3,216,314,757	3,216,314,757
Interest allocated last year	-	95,154,452
Total	3,336,314,757	3,431,469,209

According to Decision No. 105/QĐ-VSD dated 20 August 2021 by VSDC, the Company is required to deposit an initial amount of VND 120 million at VSDC and an annual additional contribution equivalent to 0.01% of the total value of securities trading in the previous year, maximum is VND 2.5 billion per year. The maximum amount of contribution is VND 20 billion.

Interest allocated from the Fund by VSDC to the Company on 31 December annually is true and fair. VSDC will pay the excess from the interest allocated during the year to the Company in case the Company has reached the maximum limit of contribution to the Fund.

As at 31 March 2024, the Company fully contributed to the Fund as required.

7.13. Short-term borrowings

	Interest rate % per annum	As at 01/01/2024 VND	Drawdown VND	Repayment VND	As at 31/03/2024 VND
Domestic bank borrowings	5.0 – 5.5	-	34,135,900,000	10,135,900,000	24,000,000,000

Domestic bank borrowings are unsecured borrowings. As at 31 March 2024, there are no borrowings which are overdue or unable to pay.

7.14. Short – term accrued expenses

VND	31/03/2024	01/01/2024
Accrued staff cost	225,000,000	-
Accrued other expenses	557,900,000	168,900,000
Total	782,900,000	168,900,000

7.15. Owners' capital

a) Number of shares

Par value VND 10,000 per ordinary share	31/03/2024	01/01/2024
Number of shares issued	20,300,000	20,300,000
Number of ordinary shares issued	20,300,000	20,300,000
Number of outstanding ordinary shares issued	20,300,000	20,300,000

Each ordinary share is entitled to 1 vote at the Company's shareholders' meeting. All ordinary shares are ranked equally with regard to the Company's residual assets.

b) Movements of share capital

	Number of ordinary shares
As at 01 January 2024	20,300,000
Shares issued in the year 2024	-
As at 31 March 2024	20,300,000

8. NOTES TO THE STATEMENT OF PROFIT OR LOSS

8.1. Income from FVTPL

Quarter 1 / 2024	Quantity sold	Proceeds	Weighted average costs at the end of this quarter	Quarter 1		Year to date	
				2024	2023	2024	2023
Item	Unit	VND	VND	VND	VND	VND	VND
Gain from FVTPL	628,914	66,594,869,221	64,662,658,249	1,932,210,972	1,032,656,277	1,932,210,972	1,032,656,277
Listed stock	100	11,130,000	10,850,000	280,000	-	280,000	-
Listed bond	628,814	66,583,739,221	64,651,808,249	1,931,930,972	1,032,656,277	1,931,930,972	1,032,656,277
Loss from FVTPL	970	97,000,0000	97,371,922	(371,922)	-	(371,922)	-
Listed bond	970	97,000,000	97,371,922	(371,922)	-	(371,922)	-
Total	629,884	66,691,869,221	64,760,030,171	1,931,839,050	1,032,656,277	1,931,839,050	1,032,656,277

8.2. Revaluation gain / (loss) of FVTPL

VND	Quarter 1		Year to date	
	2024	2023	2024	2023
Revaluation gain	921.946.427	-	921.946.427	-
Revaluation loss	(2.058.973.389)	-	(2.058.973.389)	-
Total	(1.137.026.962)	-	(1.137.026.962)	-

VND	Book value	Fair value	Revaluation		Recognised in Statement of Profit or Loss
			As at 31/03/2024	As at 31/12/2023	2024
Listed bond	33,472,545,017	34,394,491,442	921,946,425	2,058,973,389	(1,137,026,964)

8.3. Interest income from financial assets FVTPL

VND	Quarter 1		Year to date	
	2024	2023	2024	2023
Interest from bank term deposits	48,528,767	-	48,528,767	-
Interest from listed bonds	382,523,953	1,042,722,034	382,523,953	1,042,722,034
Total	431,052,720	1,042,722,034	431,052,720	1,042,722,034

8.4. Interest income from HTM

VND	Quarter 1		Year to date	
	2024	2023	2024	2023
Interest from listed bonds	271,492,706	-	271,492,706	-

8.5. General and Administrative expenses

VND	Quarter 1		Year to date	
	2024	2023	2024	2023
Staff costs	2,134,897,447	1,802,956,913	2,134,897,447	1,802,956,913
Tools & equipment, depreciation & amortisation and taxation	142,333,316	179,539,464	142,333,316	179,539,464
Others	1,175,322,124	984,755,366	1,175,322,124	984,755,366
Total	3,452,552,887	2,967,251,743	3,452,552,887	2,967,251,743

9. RELATED PARTIES

9.1. Identified related parties and relationships are as below.

Related party	Relationship
Board of Directors	Key management
Asam Asset Management Co., Ltd.	Significant shareholder
Mr Kim Hwan Kyoong	Chairman
Ms Trinh Ngoc Hoa	Member of Board of Directors General Director
Mr Yang Dooseung	Member of Board of Directors

9.2. Related party transactions

Related party	Transactions	Quarter 1 / 2024 VND	Balance of receivables / (payables)
Key management	Gross salary and other benefits	706,188,000	
Mr Kim Hwan Kyoong	Services rendered	1,553,492	
Asam Asset Management Co., Ltd.	Services rendered	1,984,365,000	
Ms Trinh Ngoc Hoa	Services rendered	2,857,632	771
Mr Yang Dooseung	Services rendered	5,472	

10. SEGMENT REPORTING

10.1. Geographical segments

The principal activities of the Company are carried out within Vietnam territory and only in 1 geographical segment. Therefore, risks and returns of the Company are not materially affected by distinctions between geographical areas.

10.2. Business activity segment

Quarter 1 / 2024	Gross income VND	Expenses VND	Gross profit VND
Securities brokerage	2,221,682,906	2,769,231,140	(547,548,234)
Securities custody	12,328,942	377,612,976	(365,284,034)
Securities loan	935,010,781	(906,101,448)	1,841,112,229
Securities investment consulting	1,984,365,000	823,913,718	1,160,451,282
Prop. trading and working capital activities	3,556,702,823	2,059,991,549	1,496,711,274
Others	813,332	-	813,332
Total	8,710,903,784	5,124,647,935	3,586,255,849

Quarter 1 / 2023	Gross income VND	Expenses VND	Gross profit VND
Securities brokerage	469,815,371	2,112,936,992	(1,643,121,621)
Securities custody	42,774,320	313,990,016	(271,215,696)
Securities loan	716,031,411	-	716,031,411
Securities investment consulting	1,765,750,000	662,903,000	1,102,847,000
Prop. trading and working capital activities	2,075,378,311	35,495	2,075,342,816
Others	890,000	-	890,000
Total VND	5,070,639,413	3,089,865,503	1,980,773,910

Prepared by

NGUYEN THI HOA MI

Chief Accountant

TRUONG HUY BINH

Chairman



KIM HWAN KYOON