

**HAI PHONG SECURITIES JOINT
STOCK COMPANY**

Audited financial statements
for the fiscal year ended December 31, 2024



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HAI PHONG SECURITIES JOINT STOCK COMPANY

Address: No. 7, Lot 28A Le Hong Phong Street, Dong Khe Ward, Ngo Quyen District, Hai Phong City

REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Hai Phong Securities Joint Stock Company (hereinafter referred to as the "Company") presents this report together with the Company's financial statements for the fiscal year ended December 31, 2024, which have been audited by independent auditors.

CORPORATE INFORMATION

Hai Phong Securities Joint Stock Company ("Company") was established and operates under Securities Business Registration License No.119/GP-UBCK issued by the State Securities Commission dated November 23, 2015 on the basis of merging Hai Phong Securities Joint Stock Company (Securities Business Registration License No.13/UBCK-GP issued on October 21, 2003) and A Au Securities Joint Stock Company (Securities Business Registration License No.75/UBCK-GP issued on December 21, 2007).

The Company was granted an additional license for securities underwriting under the Securities Company Establishment and Operation License No.68/GPDC-UBCK issued by the State Securities Commission dated September 4, 2024.

The Company's latest securities business license is the amended Securities Company Establishment and Operation License No.74/GPDC-UBCK issued by the State Securities Commission dated October 14, 2024, which approves the change of the legal representative.

Principal activities of the Company during the year are:

- *Brokerage services;*
- *Proprietary trading;*
- *Securities investment advisory service;*
- *Underwriting for securities issues.*

The Company's headoffice is located at: No. 7, Lot 28A Le Hong Phong Street, Dong Khe Ward, Ngo Quyen District, Hai Phong City.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and to the date of this report include:

- | | |
|-------------------------|---|
| - Mr. Ninh Le Son Hai | Chairman (<i>Appointed on September 21, 2024</i>) |
| - Mr. Chu Viet Ha | Member (<i>Appointed on September 21, 2024</i>) |
| - Ms. Ly Thi Thu Ha | Member (<i>Appointed on September 21, 2024</i>) |
| - Mr. Le Ngoc Hai | Member (<i>Appointed on September 21, 2024</i>) |
| - Ms. Nguyen Thi Mai | Member (<i>Appointed on September 21, 2024</i>) |
| - Mr. Vu Duong Hien | Chairman (<i>Resigned on September 21, 2024</i>) |
| - Mr. Vu Xuan Thuy | Vice Chairman (<i>Resigned on September 21, 2024</i>) |
| - Mr. Doan Duc Luyen | Member (<i>Resigned on September 21, 2024</i>) |
| - Ms. Nguyen Thi Nguyet | Member (<i>Resigned on September 21, 2024</i>) |
| - Ms. Vu Thi Thanh Nga | Member (<i>Resigned on September 21, 2024</i>) |

BOARD OF MANAGEMENT

Members of the Board of Management during the year and to the date of this report include:

- | | |
|-------------------------|---|
| - Ms. Nguyen Thi Nguyet | General Director |
| - Mr. Ninh Le Son Hai | Deputy General Director (<i>Appointed on January 24, 2025</i>) |
| - Mr. Nguyen Duc Tu | Deputy General Director (<i>From August 01, 2024 to October 15, 2024</i>) |
| - Mr. Vu Duong Hien | Deputy General Director (<i>Resigned on August 01, 2024</i>) |

REPORT OF THE BOARD OF MANAGEMENT (Continued)

LEGAL REPRESENTATIVE

The legal representative of the Company during the fiscal period and up to September 30, 2024 is Mr. Vu Duong Hien - Title: Chairman of the Board of Directors. From October 1, 2024 and up to the date of this report, the legal representative of the Company is Mr. Ninh Le Son Hai - Title: Chairman of the Board of Directors according to the second change in Business Registration Certificate issued by the Department of Planning and Investment of Hai Phong City on October 1, 2024.

BOARD OF SUPERVISORS

Members of the Board of Supervisors during the year and up to the date of this report include:

- | | | |
|---|--------------------------|--|
| - | Mr. Pham Minh Hieu | Head of Supervisory Board (<i>Appointed on September 21, 2024</i>) |
| - | Mr. Nguyen Trung Kien | Member (<i>Appointed on September 21, 2024</i>) |
| - | Mr. Le Tuan | Member (<i>Appointed on September 21, 2024</i>) |
| - | Ms. Nguyen Thi My Trang | Head of Supervisory Board (<i>From May 02, 2024 to September 21, 2024</i>) |
| - | Ms. Le Thi Mai Anh | Head of Supervisory Board (<i>Resigned on April 27, 2024</i>) |
| - | Ms. Khoa Thi Thanh Huyen | Member (<i>From April 27, 2024 to September 21, 2024</i>) |
| - | Ms. Doan Thi Thuy | Member (<i>Resigned on September 21, 2024</i>) |

SUBSEQUENT EVENTS AFTER BALANCE SHEET DATE

The Board of Management of the Company affirms that there are no events occurring after December 31, 2024, up to the date of this report, that require adjustments or disclosures in the Financial Statements.

AUDITORS

BDO Audit Services Company Limited has audited the Company's financial statements for the fiscal year ended December 31, 2024.

RESPONSIBILITY OF THE BOARD OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Board of Management of the Company is responsible for preparation and presentation of financial statements, which give a true and fair view of the Company's financial position as at December 31, 2024 as well as its operations results and its cash flow and its changes in owners' equity for the year then ended and confirm that there are no unusual issues that could affect the Company's ability to continue in business.

In preparing the financial statements, The Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, material misstatements (if any) that have been disclosed and explained in the financial statements;
- Prepare financial statements on going concern basis unless it is inappropriate to presume that the Company will continue in business;.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the accompanying financial statements comply with Vietnamese Accounting Standards, the accounting regime applicable to securities companies as stipulated in Circular No.210/2014/TT-BTC dated December 30, 2014, issued by the Ministry of Finance on accounting guidelines for securities companies, Circular No.334/2016/TT-BTC dated December 27, 2016, issued by the Ministry of Finance on amendments, supplements, and replacement of Appendix 02 and 04 of Circular 210/2014/TT-BTC, and statutory requirements relevant to the preparation and presentation of financial statements. The Board of Management is also responsible for safeguarding the Company's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HAI PHONG SECURITIES JOINT STOCK COMPANY

Address: No. 7, Lot 28A Le Hong Phong Street, Dong Khe Ward, Ngo Quyen District, Hai Phong City

REPORT OF THE BOARD OF MANAGEMENT (Continued)

The Board of Management of the Company confirms that the Company has complied with the above requirements in preparing and presenting the accompanying financial statements.

The Board of Management does hereby state that, in its opinion, the accompany financial statements give a true and fair view of the Company's financial position as at December 31, 2024, its operations results, its cash flow and its changes in owners' equity for the year then ended, in accordance with the Vietnamese Accounting Standards, the accounting regime applicable to securities companies as stipulated in Circular No.210/2014/TT-BTC dated December 30, 2014, issued by the Ministry of Finance on accounting guidelines for securities companies, Circular No. 334/2016/TT-BTC dated December 27, 2016, issued by the Ministry of Finance on amendments, supplements, and replacement of Appendix 02 and 04 of Circular 210/2014/TT-BTC, and statutory requirements relevant to the preparation and presentation of financial statements

Hai Phong, March 10, 2025

For and on behalf of Board of Management



NGUYEN THI NGUYET
General Director

No: BC/BDO/2025..88..

Ha Noi, March 10, 2025

INDEPENDENT AUDITORS' REPORT

*Regarding the Financial Statements of Hai Phong Securities Joint Stock Company
for the fiscal year ended December 31, 2024*

**To: SHAREHOLDERS, BOARD OF DIRECTORS AND BOARD OF MANAGEMENT
HAI PHONG SECURITIES JOINT STOCK COMPANY**

We have audited the accompanying financial statements of Hai Phong Securities Joint Stock Company dated March 10, 2025 from pages 07 to page 48, including: Balance Sheet as at December 31, 2024, Income statement, Cash Flow statement, Statement of changes in owners' equity for the year then ended and Notes to the financial statements.

Responsibilities of Board of Management

The Board of Management is responsible for the preparation and fair presentation of the Company's financial Statements in accordance with the Vietnamese Accounting Standards, the accounting regime applicable to securities companies as stipulated in Circular No. 210/2014/TT-BTC dated December 30, 2014, issued by the Ministry of Finance on accounting guidelines for securities companies, Circular No.334/2016/TT-BTC dated December 27, 2016, issued by the Ministry of Finance on amendments, supplements, and replacement of Appendix 02 and 04 of Circular 210, and statutory requirements relevant to the preparation and presentation of financial statements and for such internal control as The Board of Management determined to be necessary to ensure the presentation of financial statements are free from material misstatements, whether due to fraud or errors.

Responsibilities of Auditors

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

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

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



Opinion of auditors

In our opinion, in all material respects, the accompanying financial statements give a true and fair view of the financial position of Hai Phong Securities Joint Stock Company as at December 31, 2024, and of its operation results and its cash flows and its changes in owners' equity for the fiscal year then ended in accordance with the Accounting Standards, the accounting regime applicable to securities companies as stipulated in Circular No. 210/2014/TT-BTC dated December 30, 2014, issued by the Ministry of Finance on accounting guidelines for securities companies, Circular No.334/2016/TT-BTC dated December 27, 2016, issued by the Ministry of Finance on amendments, supplements, and replacement of Appendix 02 and 04 of Circular 210, and statutory requirements relevant to the preparation and presentation of financial statements

BDO AUDIT SERVICES COMPANY LIMITED



BUI VAN VUONG

Deputy General Director

Certificate of Audit Practicing Registration

No.0780-2023-038-1

PHAM THI TU

Auditor

Certificate of Audit Practicing Registration

No.2581-2023-038-1

BALANCE SHEET

As at December 31, 2024

Unit: VND

ASSETS	CODE	NOTES	Closing balance	Opening balance
A. CURRENT ASSETS	100		266,334,568,918	263,287,797,204
I. Financial assets	110		264,752,804,514	261,922,932,594
1. Cash and cash equivalents	111	A.6.1	69,082,052,156	8,106,040,603
1.1 Cash	111.1		49,082,052,156	8,106,040,603
1.2 Cash equivalents	111.2		20,000,000,000	-
2. Financial assets at fair value through profit and loss (FVTPL)	112	A.6.3.1	41,056,900,600	109,016,320,600
3. Held-to-maturity investment (HTM)	113		-	-
4. Loans	114	A.6.3.3	100,144,996,277	102,069,956,322
5. Available-for-sale financial assets (AFS)	115	A.6.3.2	54,000,000,000	40,565,453,390
6. Provision for impairment of financial assets and mortgage assets	116		(1,436,398,463)	(2,565,453,390)
7. Receivables	117	A.6.4.1	2,838,831,056	2,992,243,026
7.1. Receivable from disposal of financial assets	117.1		-	-
7.2. Receivables and accruals from dividend and interest income of financial assets	117.2		2,838,831,056	2,992,243,026
7.2.1 Dividends and interest income due to be received	117.3		1,732,720,382	1,912,720,382
In which: Doubtful debts on dividends and interest due but not yet received	117.3.1		1,732,720,382	1,912,720,382
7.2.2 Accruals for undue dividend and interest	117.4		1,106,110,674	1,079,522,644
8. Advances to suppliers	118		432,466,089	1,074,377,050
9. Receivables from services provided by securities companies	119		315,295,429	-
10. Intra-company receivables	120		-	-
11. Receivable for securities trading errors	121		-	-
12. Other receivables	122	A.6.4.2	51,381,752	2,576,715,375
13. Provision for impairment of receivables	129		(1,732,720,382)	(1,912,720,382)
II. Other current assets	130		1,581,764,404	1,364,864,610
1. Advances	131	A.6.8	45,000,000	19,815,080
2. Office equipment, tools and supplies	132		-	-
3. Current prepaid expenses	133	A.6.5	564,642,504	274,359,818
4. Short-term deposits, collaterals and pledges	134	A.6.9	196,875,196	186,294,146
5. Value-added tax deductible	135		162,832,152	270,504,654
6. Tax and other receivables from the State	136		612,414,552	613,890,912
7. Other current assets	137		-	-
8. Purchase and resale of Government bonds	138		-	-
9. Provision for impairment of other current assets	139		-	-
B. NON-CURRENT ASSETS	200		11,475,196,267	9,462,097,751
I. Non-current financial assets	210		-	-
1. Non-current receivables	211		-	-
2. Long-term investments	212		-	-
2.1 Held-to-maturity investment	212.1		-	-
2.2 Investment in subsidiaries	212.2		-	-
2.3 Investment in joint ventures, associates	212.3		-	-
2.4 Other long-term investments	212.4		-	-
3. Provision for impairment of long-term financial assets	213		-	-

BALANCE SHEET

As at December 31, 2024

(Continued)

ASSETS	CODE	NOTES	Closing balance	Opening balance
II. Fixed assets	220		3,922,136,181	815,540,788
1. Tangible fixed assets	221	A.6.6	2,429,696,665	815,540,788
- Historical cost	222		13,370,120,997	15,390,623,382
- Accumulated depreciation	223a		(10,940,424,332)	(14,575,082,594)
- Valuation of tangible fixed assets at fair value	223b		-	-
2. Finance leased assets	224		-	-
- Historical cost	225		-	-
- Accumulated depreciation	226a		-	-
- Valuation of finance leased assets at fair value	226b		-	-
3. Intangible fixed assets	227	A.6.7	1,492,439,516	-
- Historical cost	228		19,500,092,880	18,000,092,880
- Accumulated amortization	229a		(18,007,653,364)	(18,000,092,880)
- Valuation of intangible fixed assets at fair value	229b		-	-
III. Investment properties	230		-	-
- Historical cost	231		-	-
- Accumulated depreciation	232a		-	-
- Valuation of investment properties at fair value	232		-	-
IV. Construction in progress	240		-	-
V. Other non-current assets	250		7,553,060,086	8,646,556,963
1. Long-term deposits, collaterals and pledges	251	A.6.9	552,786,200	534,786,200
2. Non-current prepaid expenses	252	A.6.5	1,969,394,025	3,666,916,676
3. Deferred income tax assets	253		-	-
4. Payment for Settlement Assistance Fund	254	A.6.10	5,030,879,861	4,444,854,087
5. Other non-current assets	255		-	-
VI. Provision for impairment of non-current assets	260		-	-
TOTAL ASSETS	270		277,809,765,185	272,749,894,955
RESOURCES				
C. LIABILITIES	300		12,118,651,935	9,817,921,735
I. Current liabilities	310		12,118,651,935	9,817,921,735
1. Short-term loans and finance lease liabilities	311		-	-
1.1. Loans	312		-	-
1.2. Finance lease liabilities	313		-	-
2. Financial asset loan	314		-	-
3. Short-term Convertible Bond - Debt Component	315		-	-
4. Short-term bond issued	316		-	-
5. Settlement assistance fund loans	317		-	-
6. Payable for securities trading activities	318	A.6.11	-	10,892,500
7. Payables for financial asset transaction errors	319		-	-
8. Trade payables	320		-	-
9. Advances from customers	321		-	-
10. Taxes and other payables to the State	322	A.6.12	1,143,119,322	1,028,047,300

BALANCE SHEET

As at December 31, 2024

(Continued)

RESOURCES	CODE	NOTES	Closing balance	Opening balance
11. Payables to employees	323		1,792,885,715	1,724,059,482
12. Employee benefits	324		84,497,512	263,933,975
13. Accrued expenses	325	A.6.13	766,740,000	-
14. Intra-company payables	326		-	-
15. Unearned revenue	327		-	-
16. Deposits and collaterals received	328		-	-
17. Other payables	329	A.6.14	8,323,617,119	6,357,722,411
18. Provision for payables	330		-	-
19. Bonus and welfare funds	331		7,792,267	433,266,067
20. Purchase and resale of Government bonds	332		-	-
II. Non-current liabilities			-	-
1. Long-term loans and finance lease liabilities	341		-	-
1.1. Long-term loans	342		-	-
1.2. Long-term finance lease liabilities	343		-	-
2. Long-term financial asset loan	344		-	-
3. Long-term Convertible Bond - Debt Component	345		-	-
4. Long-term bond issued	346		-	-
D. OWNERS' EQUITY	400		265,691,113,250	262,931,973,220
I. Owners' equity	410		265,691,113,250	262,931,973,220
1. Share capital	411	A.6.15	291,763,900,000	291,763,900,000
1.1. Contributions of owners	411.1		291,810,960,000	291,810,960,000
a. Common shares with voting rights	411.1a		291,810,960,000	291,810,960,000
b. Preference shares	411.1b		-	-
1.2. Share premium	411.2		-	-
1.3. Convertible Bond Option - Equity Component	411.3		-	-
1.4. Other owners' equity	411.4		-	-
1.5. Treasury shares	411.5		(47,060,000)	(47,060,000)
2. Differences from revaluation of assets at fair value	412		-	-
3. Foreign exchange rate differences	413		-	-
4. Charter capital reserve fund	414		5,109,984,355	5,109,984,355
5. Operational risk and financial reserve	415		5,109,984,355	5,109,984,355
6. Other fund of owners' equity	416		-	-
7. Undistributed profit	417	A.6.16	(36,292,755,460)	(39,051,895,490)
7.1. Realized profit	417.1		(36,262,448,501)	(20,937,430,475)
7.2. Unrealized profit	417.2		(30,306,959)	(18,114,465,015)
II. Funding sources and other funds	420		-	-
TOTAL LIABILITIES AND OWNERS' EQUITY			277,809,765,185	272,749,894,955
TOTAL LIABILITIES AND OWNERS' EQUITY	440		277,809,765,185	272,749,894,955
PROFITS DISTRIBUTED TO INVESTORS	450		-	-
1. Profit distributed to investors	451		-	-

OFF-BALANCE SHEET ITEMS

As at December 31, 2024

Đơn vị tính: VND

ITEMS	CODE	NOTES	Closing balance	Opening balance
A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS				
1. Leased fixed assets	001		-	-
2. Valued certificate under trust	002		-	-
3. Collateral	003		-	-
4. Bad debt written-off	004	A.6.17	69,430,579,966	69,430,579,966
5. Foreign currencies	005		-	-
6. Outstanding shares	006		29,176,390	29,176,390
7. Treasury shares	007		4,706	4,706
8. Financial assets listed/registered for trading at Vietnam Securities Depository and Clearing	008	A.6.18	1,047,810,000	38,244,800,000
9. Non-traded financial assets deposited at VSDC of the Company	009		-	140,890,000
10. Awaiting financial assets of the Company	010		-	-
11. Financial assets for correcting trading errors of the Company	011		-	-
12. Financial assets which have not been deposited at VSDC of the Company	012	A.6.19	93,650,000,000	41,999,990,000
13. Entitled financial assets of the Company	013		-	-
B. ASSETS AND PAYABLES UNDER AGREEMENT WITH CUSTOMERS				
Number of securities				
1. Financial assets listed/registered for trading at VSDC of investors	021	A.6.20	2,408,265,130,000	2,521,613,570,000
a. Unrestricted financial assets	021.1		2,195,942,440,000	2,361,391,560,000
b. Restricted financial assets	021.2		188,849,500,000	122,707,490,000
c. Mortgaged financial assets	021.3		20,000,000,000	20,000,000,000
d. Blocked financial assets	021.4		-	-
e. Financial assets awaiting settlement	021.5		3,473,190,000	17,514,520,000
f. Financial assets awaiting lending	021.6		-	-
2. Non-traded financial assets deposited at VSDC of investors	022	A.6.21	10,189,770,000	10,189,770,000
a. Unrestricted and non-traded financial assets deposited at VSDC	022.1		10,189,770,000	10,189,770,000
b. Restricted and non-traded financial assets deposited at VSDC	022.2		-	-
c. Mortgaged and non-traded financial assets deposited at VSDC	022.3		-	-
d. Non-traded and blocked financial assets deposited at VSDC	022.4		-	-
3. Awaiting financial assets of investors	023		-	-
4. Financial assets correcting trading errors of	024.a		-	-
5. Financial assets undeposited at VSDC of	024.b		-	-
6. Entitled financial assets of investors	025		-	-

OFF-BALANCE SHEET ITEMS

As at December 31, 2024

(Continued)

ITEMS	CODE	NOTES	Closing balance	Opening balance
7. Investors' deposits	026	A.6.22	82,709,619,704	99,833,159,592
7.1 Investor's deposits for securities trading activities managed by the Company	027		80,593,635,630	96,639,204,785
a. Investor's deposits for securities trading activities managed by the Company	027.1		80,593,635,630	96,639,204,785
b. Investor's deposits for securities trading activities managed by commercial banks	027.2		-	-
7.2 Investor's synthesizing deposits for securities trading activities	028		-	-
7.3. Clearing deposits and payment of securities transactions	029		127,320,655	31,801,707
a. Clearing deposits and payment of securities transactions by domestic investors	029.1		105,005,800	9,202,139
b. Clearing deposits and payment of securities transactions by foreign investors	029.2		22,314,855	22,599,568
7.4. Deposits of securities issuers	030		1,988,663,419	3,162,153,100
8. Payables to investors about investors' deposits for securities trading activities managed by the Company	031	A.6.23	80,720,956,285	96,671,006,492
8.1. Payables to domestic investors for securities trading activities managed by the Company	031.1		80,255,458,139	96,182,885,343
8.2. Payables to foreign investors for securities trading activities managed by the Company	031.2		465,498,146	488,121,149
9. Payable to the issuer of securities	032		-	-
10. Receivables of customers on financial asset trading errors	033		-	-
11. Payables of customers on financial asset trading errors	034		-	-
12. Dividends, bond principal and interest payables	035	A.6.23	1,988,663,419	3,162,153,100

Hai Phong, March 10, 2025

NGUYEN THU HANG

Preparer

VU THI THANH NGA

Chief Accountant

NGUYEN THI NGUYET

General Director



INCOME STATEMENT

For the year 2024

Unit: VND

ITEMS	CODE	NOTES	Current year	Previous year
I. OPERATING INCOME				
1.1. Gain from financial assets at fair value through profit and loss (FVTPL)	01		37,641,995,747	75,919,322,356
<i>a. Gain from disposal of financial assets at FVTPL</i>	01.1	B.6.24.1	10,059,492,719	3,772,308,633
<i>b. Gain from revaluation of financial assets at FVTPL</i>	01.2	B.6.24.1	26,451,373,994	70,994,030,706
<i>c. Dividend, interest income from financial assets at FVTPL</i>	01.3	B.6.24.2	1,131,129,034	1,152,983,017
1.2. Gain from held-to-maturity (HTM) investment	02	B.6.24.2	600,958,902	1,823,531,506
1.3. Gain from loans and receivables	03	B.6.24.3	12,768,056,854	14,363,549,150
1.4. Gain from available-for-sale (AFS) financial assets	04	B.6.24.2	-	-
1.5. Gain from hedging derivatives	05		-	-
1.6. Revenue from brokerage services	06	B.6.24.4	9,638,433,116	10,602,974,638
1.7. Revenue from underwriting and issuance agency	07		-	-
1.8. Revenue from securities investment advisory	08		-	-
1.9. Revenue from securities custodian services	09	B.6.24.4	1,369,220,153	1,198,843,414
1.10. Revenue from financial advisory activities	10	B.6.24.4	465,490,908	61,854,544
1.11. Revenue from other operating activities	11	B.6.24.4	67,253,654	67,999,102
Total operating income	20		62,551,409,334	104,038,074,710
II. OPERATING EXPENSES				
2.1. Loss from financial assets at fair value through profit and loss (FVTPL)	21		26,626,171,513	41,722,734,679
<i>a. Loss from disposal of financial assets at FVTPL</i>	21.1	B.6.24.1	18,258,955,575	40,340,075,100
<i>b. Loss from revaluation of financial assets at FVTPL</i>	21.2	B.6.24.1	8,367,215,938	1,382,659,579
<i>c. Transaction costs of acquisition of financial assets at FVTPL</i>	21.3		-	-
2.2. Loss from held-to-maturity (HTM) investment	22		-	-
2.3. Interest expenses, loss from loans and receivables	23		-	-
2.4. Provision expenses for financial assets, handling losses of doubtful receivables and impairment of financial assets and borrowing costs of loans	24		1,247,065,153	3,431,813,581
2.5. Loss from hedging derivatives financial assets	25		-	-
2.6. Expenses for proprietary trading activities	26	B.6.27	1,741,838,633	1,825,520,655
2.7. Expenses for brokerage services	27	B.6.28	11,633,714,548	10,806,135,738
2.8. Expenses for underwriting and issuance agency	28		-	-
2.9. Expenses for securities investment advisory services	29		-	-
2.10. Expenses from securities custodian services	30	B.6.28	901,398,380	873,682,069
2.11. Expenses from financial advisory activities	31		-	-
2.12. Expenses from other operating activities	32	B.6.28	-	-
Total operating expenses	40		42,150,188,227	58,659,886,722
III. FINANCIAL INCOME				
3.1. Realized and unrealized gains from foreign exchange rate differences	41		-	-
3.2. Dividend income and interest income from demand deposits	42	B.6.25	1,762,615,368	3,428,085,201
3.3. Gain from disposal of investment in subsidiaries and associates	43		-	-
3.4. Other investment income	44	B.6.25	-	-
Total financial income	50		1,762,615,368	3,428,085,201

for the fiscal year ended December 31, 2024

INCOME STATEMENT

For the year 2024

(Continued)

Unit: VND

ITEMS	CODE	NOTES	Current year	Previous year
IV. FINANCIAL EXPENSES				
4.1. Realized and unrealized loss from foreign exchange rate differences	51		-	-
4.2. Borrowing costs	52	B.6.26	-	136,421,644
4.3. Other financial expenses	55		-	-
Total financial expenses	60		-	136,421,644
V. SELLING EXPENSES	61		-	-
VI. GENERAL AND ADMINISTRATIVE	62	B.6.29	18,969,160,520	15,154,912,217
VII. OPERATING PROFIT	70		3,194,675,955	33,514,939,328
VIII. OTHER INCOME AND EXPENSES				
8.1. Other income	71		326,734,619	-
8.2. Other expenses	72		760,794,184	7,029,205
Total other operating profit	80		(434,059,565)	(7,029,205)
IX. PROFIT BEFORE TAX	90		2,760,616,390	33,507,910,123
9.1. Realised profit	91		(15,323,541,666)	(36,103,461,004)
9.2. Unrealised profit	92		18,084,158,056	69,611,371,127
X. CORPORATE INCOME TAX EXPENSES	100	B.6.30	1,476,360	-
10.1. Current corporate income tax expense	100.1		1,476,360	-
10.2. Deferred corporate income tax expense	100.2		-	-
XI. ACCOUNTING PROFIT AFTER CORPORATE INCOME TAX	200		2,759,140,030	33,507,910,123
11.1. Profit after tax attributable to owners	201		2,759,140,030	33,507,910,123
11.2. Profit after tax allocated to funds	202		-	-
XII. OTHER COMPREHENSIVE INCOME (LOSS) AFTER CORPORATE INCOME TAX	300		-	-
Total comprehensive income	400		-	-
12.1. Comprehensive income attributable to owners	401		-	-
12.2. Comprehensive income attributable to others	402		-	-
XIII. NET INCOME ON THE COMON SHARES	500		-	-
13.1. Basic earnings per share	501	B.6.31	94.57	1,148.46




Hai Phong, March 10, 2025

CÔNG TY
CỔ PHẦN
CHỨNG KHOÁN
HẢI PHÒNG
QUẬN - T.P HẢI PHÒNG

NGUYEN THU HANG
Preparer

VU THI THANH NGA
Chief Accountant

NGUYEN THI NGUYET
General Director

CASH FLOW STATEMENT*Indirect method*

For the year 2024

Unit: VND

ITEMS	CODE	NOTES	Current year	Previous year
I. Cash flows from operating activities				
1. Profit before tax	01		2,760,616,390	33,507,910,123
2. Adjustments for	02		(3,736,842,102)	(341,184,752)
- Depreciation and amortization of fixed assets	03		605,013,838	598,187,868
- Provisions	04		(1,309,054,927)	3,431,813,581
- Unrealized (gain)/loss from foreign exchange rate difference	05		-	-
- Interest expenses	06		-	136,421,644
- Gains, losses from investment activities	07		(1,926,690,339)	(3,428,085,201)
- Accrued interest income	08		(1,106,110,674)	(1,079,522,644)
- Other adjustments	09			
3. Increase in non-monetary expenses	10		8,367,215,938	1,382,659,579
- Loss from revaluation of financial assets at FVTPL	11		8,367,215,938	1,382,659,579
- Loss from impairment of held to maturity (HTM) investments	12		-	-
- Loss from impairment of loans	13		-	-
- Loss on recognition of difference assessed at fair value of available-for-sale (AFS) financial assets when reclassifying	14		-	-
- Impairment of Fixed Assets and Investment Properties	15		-	-
- Provision expenses for impairment of long-term financial investment	16		-	-
- Other loss	17		-	-
4. Decrease in non-monetary income	18		(26,451,373,994)	(70,994,030,706)
- Gain from revaluation of financial assets at FVTPL	19		(26,451,373,994)	(70,994,030,706)
- Gain on recognition of difference assessed at fair value of available-for-sale (AFS) financial assets when reclassifying	20		-	-
- Other gains	21		-	-
5. Operating profit before changes in working capital	30		83,621,028,031	18,970,847,952
- Increase (decrease) in financial assets through profit or loss at FVTPL	31		86,043,578,056	35,848,696,967
- Increase (decrease) in held-to-maturity (HTM) investments	32		-	5,000,000,000
- Increase (decrease) in loans	33		1,924,960,045	(8,149,292,170)
- Increase (decrease) in available-for-sale (AFS) financial	34		(13,434,546,610)	(38,000,000,000)
- Increase (decrease) in receivables from disposal of financial assets	35		-	-
- Increase (decrease) in receivables and accrued dividends, interest of financial assets	36		3,022,138,012	1,274,797,334
- Increase (decrease) in receivables from services provided by the Company	37		(315,295,429)	-
- Increase (decrease) in receivables on financial assets trading errors	38		-	-
- Increase (decrease) in other receivables	39		2,525,333,623	460,943,512
- Increase (decrease) in other assets	40		(639,791,744)	29,915,871,497

CASH FLOW STATEMENT*Indirect method (Continued)*


For the year 2024

ITEMS	CODE	NOTES	Current year	Previous year
- Increase (decrease) in accrued expenses (excluding interest expenses)	41		766,740,000	(350,557,808)
- Increase (decrease) in prepaid expenses	42		1,407,239,965	1,859,540,975
- Corporate income tax paid	43		-	-
- Interest expenses paid	44		-	(136,421,644)
- Increase (decrease) in trade payable	45		641,910,961	(1,008,105,130)
- Increase (decrease) in employee benefit	46		(179,436,463)	(15,314,988)
- Increase (decrease) in Statutory obligation (excluding corporate income tax paid)	47		222,744,524	(91,243,109)
- Increase (decrease) in payable to employees	48		68,826,233	121,774,504
- Increase (decrease) in payable on financial asset trading	49		-	-
- Increase (decrease) in other payables	50		1,992,100,658	(6,509,325,388)
- Other receipts from operating activities	51		-	-
- Other payments from operating activities	52		(425,473,800)	(1,250,516,600)
Net cash flows from operating activities	60		64,560,644,263	(17,473,797,804)
II. Cash flows from investing activities				
1. Purchase and construction of fixed assets, investment properties and other assets	61		(3,802,079,715)	(31,438,000)
2. Proceed from disposal and sale of fixed assets, investment properties and other assets	62		254,545,455	-
3. Cash payments for investment in subsidiaries, joint ventures, associates and other investments	63		-	-
4. Cash receipt from capital withdrawal from subsidiaries, joint ventures, associates and other investments	64		-	-
5. Dividends and profits received from long-term financial investments	65		-	3,428,085,201
Net cash flows from investing activities	70		(3,547,534,260)	3,396,647,201
III. Cash flows from financing activities				
1. Cash receipt from issuance of shares and capital contributed by shareholders	71		-	-
2. Repayment of capital contributed by shareholders, repurchase of issued shares	72		-	-
3. Drawdown of loan principals	73		-	46,000,000,000
4. Repayment of loan principals	74		-	(46,000,000,000)
5. Repayment of finance lease debts	75		-	-
6. Dividends, profits distributed to shareholders	76		(37,098,450)	(410,730,790)
Net cash flows from financing activities	80		(37,098,450)	(410,730,790)
IV. Increase, decrease net cash in year	90		60,976,011,553	(14,487,881,393)
V. Cash and cash equivalents at the beginning of the year				
Cash	101		8,106,040,603	22,593,921,996
Cash equivalents	101.1		8,106,040,603	3,593,921,996
Cash equivalents	101.2		-	19,000,000,000
Impacts of foreign exchange rate differences	102		-	-
VI. Cash and cash equivalents at the end of the year	103		69,082,052,156	8,106,040,603
Cash	103.1		49,082,052,156	8,106,040,603
Cash equivalents	103.2		20,000,000,000	-
Impacts of foreign exchange rate differences	104		-	-

CASH FLOW FROM BROKERAGE AND TRUST ACTIVITIES OF CUSTOMERS

ITEMS	CODE	NOTES	Current year	Previous year
I. CASH FLOW FROM BROKERAGE AND TRUST ACTIVITIES OF CUSTOMERS				
1. Cash receipts from disposal of brokerage securities of cu	01		3,181,078,229,980	3,128,164,940,830
2. Cash payments for acquisition of brokerage securities of	02		(2,230,690,485,850)	(2,948,617,014,270)
3. Proceeds from disposal of customers' trust securities	03		-	-
4. Payment for disposal of customers' trust securities	04		-	-
5. Loans received from Settlement Assistance Fund	05		-	-
6. Payment to Settlement Assistance Fund	06		-	-
7. Cash receipts for settlement of securities transactions of customers	07		(964,968,574,184)	(154,966,961,091)
8. Payment to settle securities transactions of customer	08		-	-
9. Deposits received from Investors for Customer Investment Trust Activities".	09		-	-
10. Payments for Customer Investment Trust Activities	10		-	-
11. Payments of securities custody fees of customers	11		(1,369,220,153)	(1,189,167,414)
12. Proceeds from stock trading errors	12		-	-
13. Payments for stock trading errors	13		-	-
14. Proceeds from the securities issuers	14		198,211,857,614	188,503,894,176
15. Payment for the securities issuers	15		(199,385,347,295)	(187,587,087,331)
Increase, decrease in net cash in year	20		(17,123,539,888)	24,308,604,900
II. CASH AND CASH EQUIVALENTS OF CUSTOMERS AT THE BEGINNING OF THE YEAR				
<i>Cash at bank at the beginning of the year:</i>	31		99,833,159,592	75,524,554,692
Investors' deposits managed by the Company for securities trading activities	32		96,639,204,785	73,268,654,693
Clearing deposits and payment of securities transaction	34		31,801,707	10,553,744
Deposits of securities issuers	36		3,162,153,100	2,245,346,255
III. CASH AND CASH EQUIVALENTS OF CUSTOMERS AT THE END OF THE YEAR	40		82,709,619,704	99,833,159,592
<i>Cash at bank at the end of the year:</i>	41		82,709,619,704	99,833,159,592
Investors' deposits managed by the Company for securities trading activities	42		80,593,635,630	96,639,204,785
Clearing deposits and payment of securities transaction	44		127,320,655	31,801,707
Deposits of securities issuers	46		1,988,663,419	3,162,153,100

Hai Phong, March 10, 2025


 NGUYEN THU HANG
 Preparer


 VU THI THANH NGA
 Chief Accountant


 NGUYEN THI NGUYET
 General Director

STATEMENT OF CHANGES IN OWNERS' EQUITY

For the year 2024

Unit: VND

ITEMS	Notes	Opening balance		Increase/decrease				Closing balance	
		Previous year		Previous year		Current year		Previous year	
		1	2	Increase	Decrease	Increase	Decrease	7	8
I. Changes in owners' equity	B								
1. Share capital		291,810,960,000	291,810,960,000	-	-	-	-	291,810,960,000	291,810,960,000
<i>Common shares with voting rights</i>		291,810,960,000	291,810,960,000	-	-	-	-	291,810,960,000	291,810,960,000
2. Treasury shares		(47,060,000)	(47,060,000)	-	-	-	-	(47,060,000)	(47,060,000)
3. Charter capital reserve fund		5,109,984,355	5,109,984,355	-	-	-	-	5,109,984,355	5,109,984,355
4. Operational risk and financial reserve		5,109,984,355	5,109,984,355	-	-	-	-	5,109,984,355	5,109,984,355
5. Undistributed profit		(72,559,805,613)	(39,051,895,490)	69,611,371,127	(36,103,461,004)	18,084,158,056	(15,325,018,026)	(39,051,895,490)	(36,292,755,460)
5.1. Realized profit		15,166,030,529	(20,937,430,475)	(36,103,461,004)	(36,103,461,004)	18,084,158,056	(15,325,018,026)	(20,937,430,475)	(36,262,448,501)
5.2. Unrealized profit		(87,725,836,142)	(18,114,465,015)	69,611,371,127				(18,114,465,015)	(30,306,959)
TOTAL		229,424,063,097	262,931,973,220	69,611,371,127	(36,103,461,004)	18,084,158,056	(15,325,018,026)	262,931,973,220	265,691,113,250
II. Other comprehensive income		-	-	-	-	-	-	-	-
TOTAL		-	-	-	-	-	-	-	-



(Signature)

NGUYEN THU HANG
Preparer

VU THI THANH NGA
Chief Accountant

NGUYEN THI NGUYET
General Director

NOTES TO THE FINANCIAL STATEMENTS

I. CHARACTERISTICS OF COMPANY'S OPERATIONS

1.1. License for establishment and operation of the Company

Hai Phong Securities Joint Stock Company ("Company") was established and operates under Securities Business Registration License No.119/GP-UBCK issued by the State Securities Commission dated November 23, 2015 on the basis of merging Hai Phong Securities Joint Stock Company (Securities Business Registration License No.13/UBCK-GP issued on October 21, 2003) and A Au Securities Joint Stock Company (Securities Business Registration License No.75/UBCK-GP issued on December 21, 2007).

The Company was granted an additional license for securities underwriting under the Securities Company Establishment and Operation License No.68/GPDC-UBCK issued by the State Securities Commission dated September 4, 2024.

The Company's latest securities business license is the amended Securities Company Establishment and Operation License No.74/GPDC-UBCK issued by the State Securities Commission dated October 14, 2024, which approves the change of the legal representative.

1.2. Company's Address

The Company's headoffice is located at: No. 7, Lot 28A Le Hong Phong Street, Dong Khe Ward, Ngo Quyen District, Hai Phong City.

1.3. Main business activities

Capital scale of the company

Charter capital : VND 291,810,960,000 (*Two hundred ninety one billion, eight hundred ten million, nine hundred sixty thousand dong*).

The total charter capital of the Company is divided into 29,181,096 (Twenty-nine million, one hundred eighty-one thousand, ninety-six) shares with a par value of VND 10,000 (ten thousand dong)/share.

Investment objective

The Company's investment objective is to participate in securities business activities in accordance with the law and the Company's Charter. These activities include securities brokerage, proprietary trading, securities investment consulting, and securities underwriting.

Company's structure

The Company has two dependent accounting branches as follows:

<u>Name</u>	<u>Address</u>	<u>Activities</u>
Hai Phong Securities Joint Stock Company – Ho Chi Minh City Branch	No. 328, Vo Van Kiet, 4th floor, Center Garden, District 1, Ho Chi Minh City	Stock broker Securities investment consulting
Hai Phong Securities Joint Stock Company – Hanoi City Branch	2nd Floor, 163 Ba Trieu, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi	Stock broker

Company Investment Restrictions

The Company complies with the regulations of Article 28, Circular 121/2020/TT-BTC issued by the Ministry of Finance on December 31, 2020, regulating the operations of securities companies, as follows:

- The Company is not allowed to purchase or contribute capital to acquire real estate, except in cases where it is used as the headquarters, branches, or transaction offices directly serving the business operations of the securities company.
- The company purchases and invests in real estate as prescribed in the above clause and fixed assets according to the principle that the remaining value of fixed assets and real estate does not exceed fifty percent (50%) of the total asset value of the securities company.



NOTES TO THE FINANCIAL STATEMENTS (Continued)

- The total investment value in corporate bonds of the Company does not exceed seventy percent (70%) of its owner's equity. The Company, which is licensed to conduct proprietary trading activities, is permitted to repurchase and resell listed bonds in accordance with relevant regulations on bond repurchase transactions.
- The Company is not allowed to directly or entrust other organizations or individuals to:
 - Invest in shares or capital contributions of a company that owns more than fifty percent (50%) of the Company's charter capital, except for the purchase of odd-lot shares at the request of a customer;
 - Invest with related persons from five percent (5%) or more of the charter capital of another securities company;
 - Invest more than twenty percent (20%) of the total number of shares and fund certificates in circulation of a listed organization;
 - Invest more than fifteen percent (15%) of the total number of shares and fund certificates in circulation of an unlisted organization; this regulation does not apply to member fund certificates, exchange-traded funds and open-ended funds;
 - Invest or contribute capital more than ten percent (10%) of the total capital contribution of a limited liability company or business project;
 - Investing or contributing more than fifteen percent (15%) of the owner's equity in an organization or business project;
 - Investing more than seventy percent (70%) of the owner's equity in shares, capital contributions and business projects, of which no more than twenty percent (20%) of the owner's equity is invested in unlisted shares, capital contributions and business projects.

Employees

As at December 31, 2024, the total number of employees of the Company is 46 people, as at December 31, 2023 it is 47 people.

II. ACCOUNTING PERIOD, CURRENCY UNIT USED IN THE ACCOUNTING PERIOD

2.1 Accounting period

The Company's fiscal year begins on January 1 and ends on December 31 of the calendar year.

2.2 Accounting currency

The Company uses the Vietnam Dong (VND) for bookkeeping and financial statements preparation.

III. ACCOUNTING STANDARDS AND SYSTEM

3.1 Accounting standards applied

The Company applies the accounting system for securities companies issued under Circular No. 210/2014/TT-BTC dated December 30, 2014, by the Ministry of Finance and Circular No. 334/2016/TT-BTC dated December 27, 2016, by the Ministry of Finance, which amends, supplements, and replaces Appendix 02 and Appendix 04 of Circular 210/2014/TT-BTC.

3.2 Statement on compliance with Accounting Standards and Accounting System

The Company performs accounting for securities companies in compliance with Vietnamese Accounting Standards and the current accounting system applicable to securities companies, as stipulated in Circular No. 210/2014/TT-BTC dated December 30, 2014, issued by the Ministry of Finance, which provides guidance on accounting for securities companies. Additionally, it follows Circular No. 334/2016/TT-BTC dated December 27, 2016, issued by the Ministry of Finance, which amends, supplements, and replaces Appendix 02 and Appendix 04 of Circular 210/2014/TT-BTC, as well as other relevant legal regulations on the preparation and presentation of financial statements.

The financial statements have been prepared on the historical cost basis and in accordance with Vietnamese Accounting Standards. The accompanying financial statements are not intended to present the financial

NOTES TO THE FINANCIAL STATEMENTS (Continued)

position, results of operations, cash flows and changes in owners' equity in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

IV. ACCOUNTING POLICIES APPLIED

4.1. Principles for recording cash and cash equivalents

Cash and cash equivalents include bank deposits, short-term investments with maturity not exceeding 3 months from the date of purchase, highly liquid, easily convertible to known amounts of cash and subject to an insignificant risk of conversion into cash.

Customer deposits (Investors' deposits for securities transactions under the management method of securities companies, deposits of issuers,...) are reflected in off-balance sheet indicators on the Financial Statements.

4.2. Principles and Accounting Methods for Financial Assets at Fair Value Through Profit or Loss (FVTPL), investments held to maturity (HTM), loans and receivables, and available-for-sale (AFS) financial assets.

4.2.1. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets recognized through profit or loss (FVTPL) in the Company's financial asset portfolio are financial assets held for the purpose of buying and selling in the financial market, based on research and analysis, with the expectation of generating profits.

Financial assets FVTPL determined on the basis of satisfying one of the following conditions:

a. Financial assets are classified as held for trading. A financial asset is classified as held for trading if:

- (i) *It is acquired or incurred principally for the purpose of selling or repurchasing in the short term;*
- (ii) *At initial recognition, it is part of a specific portfolio of financial instruments that is managed and for which there is evidence of short-term profit-taking; or*
- (iii) *It is a derivative (except for derivatives that are designated as a financial guarantee contract or an effective hedging instrument).*

b. At the initial recognition, the Company has determined that these financial assets are classified as at fair value through profit or loss. The Company may only make this classification when the conditions in section (a) are met, or when this classification allows for more appropriate presentation of financial information for one of the following reasons:

- (i) *It eliminates or significantly reduces inconsistencies in recognition or measurement that may arise from valuing assets or recognizing profits or losses on different bases; or*
- (ii) *A group of financial assets is managed, and its performance is evaluated on a fair value basis in accordance with a documented risk management policy or investment strategy. Information about this asset group is provided internally to the Company's key management personnel.*

When the Company sells financial assets that do not belong to the FVTPL financial asset category, these financial assets are reclassified as Financial Assets at Fair Value Through Profit or Loss.

FVTPL financial assets belong to the Company's financial asset portfolio, including fixed-term deposits. For fixed-term deposits, classification should be based on the following maturity periods: under 3 months, from 3 months to 1 year, and over 1 year.

Investments in equity instruments that are not listed on a stock exchange and whose value cannot be reliably determined will not be recognized through profit or loss.

FVTPL financial assets within the Company's financial asset portfolio are initially recognized at cost, which is the actual purchase price of the financial assets (for unlisted securities of the Issuing Organization) or the executed trading price on stock exchanges (for listed securities). The purchase price of financial assets does not include acquisition costs such as brokerage fees, transaction fees, and banking fees. The acquisition costs

NOTES TO THE FINANCIAL STATEMENTS (Continued)

of FVTPL financial assets are recorded as transaction expenses in the separate income statement at the time of occurrence.

When selling FVTPL financial assets within the Company's financial asset portfolio, the "purchase price" of the sold FVTPL financial assets is determined using the weighted average cost method at the time of sale.

As at the financial position reporting date, FVTPL financial assets within the Company's financial asset portfolio are remeasured at market price or fair value (if no market price is available). Any increase or decrease resulting from the revaluation of FVTPL financial assets within the Company's financial asset portfolio is recognized on a non-offsetting basis and presented in the income statement under two indicators:

- The decrease in revaluation of FVTPL financial assets is reflected under the item "Loss" and the transaction costs of purchasing financial assets, as well as proprietary trading activities of FVTPL, specifically under the detail "Decrease in revaluation of financial assets recognized through profit/loss.
- The increase in revaluation of FVTPL financial assets is reflected in "Income," specifically under the item "Increase in revaluation of financial assets recognized through profit/loss".

4.2.2. Held to maturity investments (HTM)

Held-to-maturity (HTM) financial assets are non-derivative financial assets with fixed or determinable payments and a fixed maturity that the Company intends and is able to hold until maturity, except for:

- a. Financial assets that, at the time of initial recognition, have been classified as fair value through profit or loss;
- b. Financial assets classified as available for sale;
- c. Financial assets that satisfy the definition of loans and receivables.

Held-to-maturity (HTM) financial assets are initially recognized at cost, which is the purchase price plus directly attributable transaction costs incurred in acquiring or issuing these financial assets, such as brokerage fees, transaction fees, underwriting fees, and bank fees (whether purchased through stock exchanges or off-exchange).

After initial recognition, held-to-maturity (HTM) financial assets are measured at amortized cost using the effective interest rate method.

The effective interest rate method is a method of calculating the amortized cost of a financial asset or a group of HTM investments and allocating interest income or interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts the estimated future cash flows to be paid or received over the expected life of the financial instrument, or a shorter period if applicable, back to the net present carrying amount of the financial asset or liability.

As of the financial position statement date, the Company assesses whether there is any objective evidence indicating impairment of one or a group of held-to-maturity financial assets. If any such evidence exists, the Company determines the amount of impairment loss for the group of financial assets and recognizes the impairment loss in the comprehensive income statement under the profit/loss.

4.2.3. Loans

Loans in the Company's financial asset portfolio are non-derivative financial assets with fixed or determinable payments and are not listed on an active market.

Initial recognition of the Company's loans occurs only when the Company becomes a party to the contractual terms of the financial instrument. The Company recognizes loans in the Statement of Financial Position only when it becomes a party to the contractual terms of a financial instrument.

The Company's loans during the period include: loans granted to customers for purchasing securities under margin trading regulations of margin loan contracts, and advance payment agreements for customers' securities sales.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Loans are initially recognized at cost. After initial recognition, loans are subsequently measured at amortized cost using the effective interest rate method, except for:

- a. Loans classified as financial assets measured at fair value through profit or loss. These loans, including derivative liabilities, are measured at fair value, except for derivative liabilities related to and required to be settled by delivering an unlisted equity instrument whose value cannot be reliably determined, which are measured at cost.
- b. Financial liabilities arising from the transfer of a financial asset that does not qualify for derecognition or when applicable under the continuing involvement regulations.
- c. Financial guarantee contracts.
- d. Commitments to provide loans at below-market interest rates.

Loans are measured at amortized cost if both of the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets to collect contractual cash flows.
- b. The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the outstanding principal amount at specified dates.

For the application of (b), interest is the compensation for the time value of money and the credit risk associated with the outstanding principal amount over a specific period.

As at the financial position reporting date, the Company assesses whether there is any objective evidence indicating impairment of one or a group of loan financial assets. If any such evidence exists, the Company determines the amount of any impairment loss for these financial assets and recognizes the impairment loss on loans in the comprehensive income statement - profit/loss.

4.2.4. Financial Assets Available for Sale (AFS)

- a. Financial assets available for sale (AFS) within the Company's financial asset portfolio are non-derivative financial assets that are designated as available for sale or are not classified as: Loans and receivables;
- b. Held-to-maturity investments;
- c. Financial assets recognized through profit or loss.

Financial assets available for sale AFS within the Company's financial asset portfolio do not include fixed-term deposits and derivative financial assets.

Initial recognition of AFS financial assets occurs only when the Company becomes a party to the contractual terms of the financial instrument.

AFS financial assets purchased within the Company's financial asset portfolio are initially recognized at cost, which is the actual purchase price of the financial assets (for unlisted securities of the issuing organization) or the transaction price of securities on stock exchanges (for listed securities). The purchase price of AFS financial assets includes directly related costs incurred in acquiring these financial assets, such as brokerage fees, transaction fees, and banking fees, etc.

When selling or redeeming AFS financial assets at maturity within the Company's financial asset portfolio, the purchase price of the assets sold is determined using the weighted average cost method at the end of the trading day.

At the date of the Financial Statement, AFS financial assets in the Company's Financial Assets Portfolio are revalued at market price or fair value (in case there is no market price).

- The decrease in fair value revaluation of AFS financial assets, based on market valuation, is recorded under the item "Revaluation difference of assets at fair value", specifically "Revaluation difference of available-for-sale financial assets", in the Statement of Financial Position, under "Account 4121 - Revaluation difference of financial assets at fair value".

NOTES TO THE FINANCIAL STATEMENTS (Continued)

- The increase in fair value revaluation of AFS financial assets, based on market valuation, is recorded under the item "Revaluation difference of assets at fair value", specifically "Revaluation difference of available-for-sale financial assets", in the Statement of Financial Position, under "Account 4121 - Revaluation difference of financial assets at fair value".
- Any increase or decrease in the fair value revaluation of AFS financial assets within the Company's financial asset portfolio, based on market valuation, is directly recorded under Equity in the Statement of Financial Position under the item "Revaluation difference of financial assets at fair value".

As at the reporting date of the Financial Statement, the Company assesses whether there is any objective evidence indicating a decline in the fair value of one or a group of available-for-sale (AFS) financial assets. If any such evidence exists, the Company determines the fair value of any impairment loss on this group of financial assets and recognize the impairment loss in the Comprehensive Income Statement – Profit/Loss.

If impairment losses on AFS financial assets had previously been recognized directly in equity, then, upon obtaining objective evidence of impairment, the accumulated losses previously recorded in equity shall be reclassified and recognized in profit/loss as an adjustment entry, even if the asset has not been derecognized.

4.2.5. Principle of derecognition of financial assets

A financial asset (or a portion of a group of similar financial assets) is derecognized when:

- The Company no longer has the right to receive cash flows from the financial asset; or
- The Company transfers the right to receive cash flows from the financial asset or simultaneously incurs an obligation to pay nearly all the received cash flows to a third party under a transfer agreement, and:
 - + The Company transfers substantially all risks and rewards associated with the asset, or
 - + The Company neither transfers nor retains substantially all risks and rewards of the asset but has transferred control of the asset.

When the Company transfers the right to receive cash flows from an asset or has entered into a transfer agreement with a third party but has not transferred substantially all risks and rewards associated with the asset or control over the asset, the asset remains recognized as the Company's asset. In such cases, the Company also recognizes a corresponding liability. The transferred asset and the corresponding liability are recorded based on the rights and obligations retained by the Company.

If the recognized liability is in the form of a guarantee, the transferred assets are recorded at the lower between their original carrying amount and the maximum amount the Company is required to pay.

4.2.6. Provision for impairment of financial assets and mortgaged assets

At the financial reporting date, the Company assesses the impairment of the following financial assets: held-to-maturity investments, loans, available-for-sale financial assets, and collateralized assets.

Objective evidence of impairment of a financial asset or a group of financial assets includes data collected from asset holders regarding the following loss events: significant financial difficulties of the issuer or counterparty, breach of contract (e.g., default on principal or interest payments), concessions granted by the lender to the borrower due to financial or legal difficulties, a high probability of bankruptcy or financial restructuring of the borrower, or the absence of an active market for the financial asset due to financial difficulties, etc.

If an impairment loss is identified for these financial assets, a provision for impairment is made and is recognized in the Income Statement. If a previously impaired financial asset is later assessed to have recovered its value, the impairment provision is reversed accordingly, reducing the impairment provision and recognizing a decrease in losses from impairment of financial asset and borrowing costs.

When financial assets are derecognized (due to sale, reclassification, liquidation, or maturity), any previously recognized impairment provision for these financial assets is reversed and recorded as a reduction in losses from impairment of financial asset and borrowing costs related to the derecognized asset.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For collateralized assets, the Company reassesses their value based on market prices or fair value (if no market price is available) to determine whether the borrower provides additional collateral or if a provision for collateral depreciation should be made. If the value of the collateralized asset falls below the loan value based on market price or fair value (as stipulated in the loan agreement with collateral), a provision for collateral depreciation is established.

Conditions for Provisioning for Depreciation of Collateralized Assets:

- a. The collateralized financial assets are accepted by the Company in compliance with securities laws.
- b. They are freely tradable on the securities market, and at the time of revaluation for financial reporting, their net realizable value (market price or fair value) is lower than the loan value recorded in the accounting books, based on market value or the agreed value in the loan agreement with collateral.

The provision amount for collateral depreciation is determined as the difference between the net asset value (based on market price or fair value) and the loan value (based on market price or fair value as per the loan agreement). Any increase or reversal of this difference is recorded under "Losses and transaction costs on financial asset purchases and proprietary trading activities".

4.2.7. Market value/Fair value of financial assets

The fair value of financial assets is determined based on principles, valuation methods, or theoretical pricing models approved by the Board of Management. Specifically:

- The market value of listed securities on the Hanoi Stock Exchange (HNX) and Ho Chi Minh City Stock Exchange (HOSE) is the closing price on the most recent trading day before the revaluation date.
- For securities of unlisted public companies traded on UPCoM, the market value is determined as the average closing price on the most recent trading day before the revaluation date.
- For delisted or suspended trading securities, from the sixth days afterward, their prices are the book value at the most recent financial statement.
- For unlisted and securities unregistered for trading on the Unlisted Public Company Market (UPCoM), the fair value is determined based on market prices obtained from reference sources deemed reliable by the Executive Board.
- If no reference prices are available, the valuation considers the issuer's financial condition and book value at the revaluation date to assess potential impairment.

4.2.8. Principles of reclassification of financial assets

Reclassification when selling financial assets not in the FVTPL group

When a securities company sells financial assets not classified as FVTPL, it will reclassify those assets from other related categories into FVTPL financial assets. Any revaluation differences of AFS financial assets are recorded in the income statement under "Gains from Available-for-Sale (AFS) Financial Assets" for positive revaluation differences, or "Losses and Recognition of Fair Value Revaluation Differences of AFS Financial Assets upon Reclassification" for negative revaluation differences.

Reclassification Due to Changes in holding intentions

A securities company will reclassify financial assets into a more appropriate category if there is a change in holding intention or ability, as follows:

- If a non-derivative FVTPL financial asset is not required to be classified as a FVTPL financial asset at initial recognition, it may be classified as a loan and receivable, in some special cases, or as cash and cash equivalents if it satisfies the conditions for classification into this group. Gains and losses recognized due to revaluation of FVTPL financial assets before the classification date will not be reversed.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

- If, due to a change in intention or ability to hold, the classification of an investment as a held-to-maturity (HTM) investment is no longer appropriate, the investment is transferred to the AFS financial asset group and is valued at fair value. The difference between the book value and the fair value will be recorded in the Income Statement for the period under the item “Gain from available-for-sale (AFS) financial assets” or the item “Loss and recognition of price difference based on fair value of available-for-sale (AFS) financial assets upon reclassification”.

4.3. Principles of recording tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any costs directly attributable to bringing the asset to working condition for its intended use.

Expenditures incurred after the asset has been put into operation, such as maintenance and repairs, are recognised in the income statement in the period in which they are incurred. In cases where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of the asset beyond its originally assessed standard of performance, the expenditures are capitalised as an additional cost of the asset.

When a tangible fixed asset is sold or disposed of, its cost and accumulated depreciation are removed from the statement of financial position and any gain or loss resulting from its disposal is recognised in the income statement.

Tangible fixed assets are depreciated using the straight-line method over the estimated useful life of each group of fixed assets as follows:

<u>Assets</u>	<u>Useful life</u>
Transportation	10 years
Machinery & Equipment	03 – 08 years
Office equipment	03 – 08 years

4.4. Principles for recognition of intangible fixed assets

The original cost of intangible fixed assets is the total cost to acquire intangible fixed assets up to the time of putting the asset into use as expected.

The Company's intangible fixed assets include copyright value, accounting software, securities trading software, company website and other management software systems that are not part of the related hardware, are capitalized and accounted for as intangible fixed assets. Copyrights and software are amortized using the straight-line method within 03 to 08 years.

4.5. Principles for recognition and presentation of short-term and long-term deposits and collaterals

Short-term and long-term deposits are deposits to perform a contract.

4.6. Principles and accounting methods for receivables

4.6.1. Principles and accounting methods for receivables from financial assets

Receivables from the sale of financial assets: This includes the total amount receivable from the sale of financial assets within the Company's portfolio (not through stock exchanges), including the maturity value of financial assets or the liquidation value of these assets. Receivables from the sale of financial assets in the Company's portfolio are recorded in detail for specific debtor, tracked by transaction and payment.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Receivables and accrued dividends and interest from financial assets: This includes all receivables and accrued amounts for dividends and interest from financial assets in the Company's portfolio that arise during the accounting period. Interest on loans and fixed deposits is calculated based on the agreed interest rate and term. Dividends and interest are recognized from the date the right is established or as per the contract or agreement.

4.6.2. Principles and accounting methods for other receivables

Other receivables include only those related to "Other Income."

4.6.3. Principles and accounting methods for provision for doubtful receivables

The Company establishes a provision for doubtful receivables based on estimates of recoverability, but not lower than the provision rate guided by Circular No. 48/2019/TT-BTC issued by the Ministry of Finance on August 8, 2019, as follows:

Overdue Period	Provision Rate
From 06 months to under 01 year	30%
From 01 year to under 02 years	50%
From 02 years to under 03 years	70%
Over 03 years	100%

The provision or reversal of the provision for doubtful receivables and impairment of receivables during the financial year (at the end of the accounting period) is recorded as an increase in expenses (when provisioning) or a decrease in expenses (when reversing).

4.7. Principles and accounting methods for prepaid expenses

Prepaid expenses are actual expenses incurred but related to the business results of multiple accounting periods. These expenses are allocated to the business expenses of subsequent periods.

Prepaid expenses are tracked in detail by term. At the financial reporting date, prepaid expenses with a term of no more than 12 months or one business cycle from the prepayment date are classified as short-term prepaid expenses. Prepaid expenses with a term of more than 12 months or more than one business cycle from the prepayment date are classified as long-term prepaid expenses.

Prepaid expenses are allocated over a period of 6 months to 3 years into the Income Statement using the straight-line method, including: office repair costs, tool and supply costs, and other costs. Specifically, the goodwill from the merger between Hai Phong Securities Joint Stock Company (HPC) and A Au Securities Joint Stock Company (AAS) to form Hai Phong Securities Joint Stock Company (HAC) with a total value of VND 14,599,329,729 is amortized over 10 years from the merger date.

4.8. Principles and accounting methods for liabilities

4.8.1. Principles and accounting methods for payables related to securities trading activities

Payables related to securities trading activities include amounts payable to organizations providing services for the purchase and sale of financial assets of the Company or its clients through stock exchanges, where the Company acts as a member, or to agents participating in securities issuance for issuers related to the Company's underwriting activities.

Fees payable to organizations providing securities trading services is determined in accordance with the volume of transactions conducted and the agreed fees between the service provider and the Company. The Company only recognizes service fees for clients in securities business expenses based on the principle of matching service commitments with actual revenue from licensed business activities.

4.8.2. Principles and accounting methods for payables to securities issuers

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Payables to securities issuers include amounts payable to securities issuers for the sale of underwritten securities by the Company, whether as the lead or co-underwriter, including cases where the Company sells issued securities through agents.

4.8.3. Principles and accounting methods for taxes and other payables to the state

The Company calculates and determines taxes, fees, charges, and other amounts payable to the State in accordance with applicable laws or collects taxes at source as required and promptly reflects the tax payable. Accurate and complete tax declaration is the Company's obligation.

The Company tracks in detail of tax, fee, charge, and other amounts payable, paid, and remaining payable to the State.

+ Value Added Tax (VAT): *Securities brokerage, proprietary trading, securities underwriting, investment advisory, and other securities business activities as regulated are not subject to VAT.*

+ Taxes collected on behalf of the State from employees:

Personal Income Tax (PIT) from salaries and wages.

The Company declares, pays, and finalizes PIT withheld at source on behalf of individuals in accordance with current tax laws.

+ Taxes collected on behalf of the State from investors:

PIT from securities transfer.

PIT from capital investment.

The Company declares, pays, and finalizes PIT withheld at source on behalf of individuals in accordance with current tax laws.

4.9. Principles and accounting methods for accrued expenses

Accrued expenses include the value of expenses that have been recognized in business operating expenses for the period but have not been actually paid by the financial period-end date, based on the matching principle between revenue and expenses. Accrued expenses are recognized based on reasonable estimates of the amounts payable for goods and services used.

Accrued expenses in the Company's operations include: electricity and water costs, internet service fees, office supplies, and other operating expenses. Accrued expenses are recognized based on actual invoices and documents received after the accounting period-end date.

4.10. Principles and methods for recognizing other payables

Other payables are amounts payable not directly related to the Company's main business activities, including late payment fees, incorrect account payments, and other payables.

4.11. Principles and methods for recognizing issued bonds

At initial recognition, bonds are typically recorded at cost, which includes the proceeds from the bond issuance minus issuance costs. Any discounts, premiums, and issuance costs are amortized over the bond's term using the straight-line method.

4.12. Principles and accounting methods for recognizing owners' equity of the securities company

4.12.1. Principles for recognizing owners' investment capital

Owners' investment capital is the actual capital contributed by shareholders.

4.12.2. Principles for recognizing the company's profit

Principles for recognizing realized profit:

Realized profit for the accounting period is the difference between total revenue, income and total expenses recognized in the Company's Comprehensive Income Statement accumulated during the period.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Total income and revenue in this item include: Revenue from securities business services, net of any revenue deductions (if any); Gains from the sale of financial assets in the Company's portfolio, dividend and interest income from proprietary financial assets in the investment portfolio; Financial income and other income.

Expenses included in this item include: Direct and indirect securities business expenses, net of any expense deductions; Losses from the sale of financial assets, transaction costs for purchasing financial assets, impairment losses on financial assets, borrowing costs, provisions, transaction costs for selling financial assets, service provision costs, financial expenses, selling expenses, administrative expenses, and other expenses.

Principles for recognizing unrealized profit:

Unrealized profit for the accounting period is the difference between the total gains and losses from the revaluation of financial assets at FVTPL or other financial assets recognized in the income statement of the Company's financial asset portfolio accumulated during the period. Revaluation differences for Available-for-Sale (AFS) financial assets are presented in Other Comprehensive Income and are not included in the unrealized profit recognized in the income statement for the business period.

4.12.3. Principles for profit distribution

Accumulated undistributed realized profit up to the end of the previous year (N-1) is the basis for profit distribution to owners. Unrealized profit up to the end of the previous year (N-1) is not the basis for distribution to owners.

The Company's profit distribution to owners ensures transparency and compliance with corporate law, securities law, and other relevant laws, the Company's Charter, and resolutions of the General Meeting of Shareholders.

4.13. Principles and accounting methods for recognizing revenue and income

4.13.1. Principles and methods for recognizing revenue and accrued dividends and interest from financial assets

Revenue and income are economic benefits received that increase the Company's equity. Revenue and income are recognized at the time the transaction occurs, when it is certain that the economic benefit will be received, determined at the fair value of the amounts receivable, regardless of whether the cash has been received or not.

Revenue from the sale of financial assets recognized through profit or loss

Revenue from the sale of financial assets recognized through profit or loss is the increase in the difference between the actual selling price and the purchase price (determined using the weighted average method at the end of the trading day).

Dividends and interest from financial assets

Interest income from financial assets in the Company's portfolio: FVTPL, HTM, Loans, AFS is recognized on an accrual basis based on the actual interest rate for each accounting period.

When accrued interest on an investment has been accumulated before the Company repurchases the investment, the interest received from the investment is allocated to both the periods before and after the purchase. Only the interest for periods after the financial assets are purchased (after the transfer of ownership) is recognized as the Company's interest income. The interest for periods before the financial assets are purchased is recorded as a reduction in the value of the financial assets themselves.

Dividends and profit distributions from financial assets in the Company's investment portfolio: FVTPL, HTM, AFS are recognized when the Company is entitled to receive dividends from the ownership of shares established (on the ex-dividend date) for shares in the Company's financial asset portfolio formed before the ex-dividend date and with the Issuer's dividend announcement established (based on the General Meeting of Shareholders' resolution, Members' Meeting resolution on dividend distribution, based on all electronic

NOTES TO THE FINANCIAL STATEMENTS (Continued)

information sources from the Stock Exchange, the Issuer's website, Depository Center, information from Bloomberg, Reuters). Dividends are not recognized for shares traded after the ex-dividend date.

For bonus shares, only the increase in the number of shares entitled (on the ex-dividend date) is recognized, without increasing the Company's income.

Loan interest, as per securities law, is calculated and recognized as the Company's income in accordance with the customer's commitments regarding the interest rate and the term of use of the Company's assets.

Service revenue provided to clients complies with the business activities specified in the Company's Establishment and Operation License

a. Service revenue is recognized when the conditions for recognizing service revenue as per the Revenue Standard are met;

b. Realized revenue is determined based on net revenue: Initial revenue minus any revenue deductions (if any) arising during the accounting period;

c. Service revenue provided to clients (investors and other organizations) is confirmed as completed based on the client's immediate payment in cash or acceptance of payment or commitment to pay (recorded in the economic contract or related documents) or deducted from the client's securities sale proceeds.

d. Service revenue provided to the Company's clients is performed on the securities business activities that the Company is licensed to operate. This revenue includes:

Securities brokerage revenue: The brokerage fee the Company earns from providing securities brokerage services to clients. Securities brokerage revenue is determined based on the brokerage fee that investors pay to the Company when securities transactions are executed according to the investor's orders and other fees earned from securities brokerage activities as per securities law. This revenue is determined at the end of each month.

Securities depository revenue: The depository fee earned from clients when the Company provides securities depository services as per securities law to clients. Securities depository revenue includes: Providing registration and depository services for clients; Executing securities transactions on the stock exchange for clients; Providing shareholder register management and transfer agency services as requested by issuers that are not public companies. This revenue is determined at the end of each month.

Securities investment advisory revenue: The fee the Company earns from providing securities investment advisory services to investors during the accounting period.

4.13.2. Principles and methods for recognizing other income and other expenses

Other income outside the Company's business and investment activities includes: Income from the sale or liquidation of fixed assets, contract violation penalties, recovered previously written-off receivables, other compensations, such as compensation received from third parties to cover asset losses, etc.

Other expenses outside the expenses serving the Company's business and investment activities in financial assets include: Contract penalties, tax penalties, etc.

4.14. Principles for recognizing financial revenue and financial expenses

The Company's financial revenue is recognized when the following two conditions are met:

- There is a possibility of obtaining economic benefits from the transaction;
- The revenue can be determined with reasonable certainty.

The Company's financial revenue includes revenue from non-fixed bank deposits. Interest on non-fixed deposits is calculated based on the agreed interest rate.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The Company's financial expenses include actual financial expenses incurred (regardless of whether cash has been paid or not) directly related to the Company's financial activities or prepaid. The Company's financial expenses during the period include: interest expenses.

4.15. Principles for recognizing losses and transaction costs of financial assets

Losses and transaction costs of financial assets include: Losses from the sale of proprietary financial assets at FVTPL, transaction costs for purchasing financial assets at FVTPL, revaluation losses of the Company's financial assets, provision (or reversal) for doubtful receivables from the sale of financial assets or financial assets that have matured and are unrecoverable, provision for impairment of collateral assets, and losses from financial assets with collateral and other investment costs.

4.16. Principles for recognizing general and administrative expenses

The Company's general and administrative expenses include: Salaries for management staff (wages, salaries, allowances, etc.); social insurance, health insurance, union fees, unemployment insurance for management staff; office supplies, tools, depreciation of fixed assets used for management; land rent, license tax; external services (electricity, water, telephone, fax, property insurance, fire insurance, etc.); other cash expenses (entertainment, etc.).

The Company's general and administrative expenses are tracked in detail according to the content of the Company's business management activities as regulated.

4.17. Principles and methods for recognizing current corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income and the corporate income tax rate in the current year. The Company's taxable income differs from the income reported in the Income Statement because taxable income does not include non-taxable items or non-deductible expenses for tax purposes.

The Company applies a corporate income tax rate of 20%.

The Company's tax reports are subject to review by tax authorities. Due to the varying interpretations of tax laws and regulations for different types of transactions, the tax amounts presented in the financial statements may be changed based on the final decision of the tax authorities.

4.18. Basic earnings per share

Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Company after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are determined by adjusting the profit or loss attributable to ordinary shareholders of the Company (after deducting the reserve for rewards and welfare) and the weighted average number of ordinary shares outstanding due to the effect of potentially dilutive ordinary shares to calculate diluted earnings per share.

4.19. Related parties

Parties are considered related to the Company if one party has the ability, directly or indirectly, to control the other party or to exercise significant influence over the other party in making financial and operational decisions. Parties are also considered related to the Company if they are under common control or significant influence. Related parties may be companies or individuals, including close family members of individuals considered related.

In considering relationships, the substance of the relationship is emphasized more than the legal form.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

V. FINANCIAL RISK MANAGEMENT FOR THE SECURITIES COMPANY

5.1. General qualitative and quantitative explanation of financial risks for the securities company

The Company's operations expose it to market risk, credit risk, and liquidity risk. The Company's general financial risk management policy focuses on anticipating unfavorable market fluctuations and mitigating their adverse effects on the Company's business performance.

5.2. Credit risk

Credit risk is the risk that a counterparty in a financial instrument or customer contract fails to fulfill its obligations, resulting in financial loss for the Company. The Company has an appropriate credit policy and regularly monitors the situation to assess whether it is exposed to credit risk. Credit risk is assessed as low. The Company is exposed to credit risk from bank deposits, customer receivables, margin trading activities, and financial investments. The maximum credit risk for each group of financial assets is equal to the carrying amount of that group of financial instruments on the balance sheet.

Receivables

The Company regularly monitors customer receivables and requires customers to make full payments in accordance with contracts. The Company strives to maintain control over outstanding receivables and has a credit control unit to minimize credit risk.

The Company establishes provisions for impairment to reflect the estimated loss on customer receivables, other receivables, and investments. The main component of these impairment provisions is the specific loss related to the estimated impairment of individual customers. As at December 31, 2024, the Company has no outstanding customer receivables.

Bank deposits

The Company primarily maintains deposits at well-known banks in Vietnam. Credit risk from bank deposits is managed by the Treasury/Financial Resources and Business Department in accordance with the Company's policy. The maximum credit risk for each item in the financial statements at each reporting period is the carrying amount. The Company considers the concentration of credit risk for bank deposits to be low.

Loans

The Company manages customer credit risk through its policies, procedures, and controls related to margin lending and advances for securities sales to customers.

The Company only provides margin lending for securities eligible for margin trading under the Margin Lending Regulations and rated according to the Company's stock quality assessment principles. Credit limits are controlled based on collateral value, customer creditworthiness, and control indicators.

The Board of Management assesses that all financial assets are current and not impaired, as they are related to reputable customers with good payment capabilities.

Margin trading activities

The Company has no overdue receivables or potential losses as at the financial reporting date.

Financial investments

The Company's financial investments are impaired, and the Company establishes provisions for impairment at the financial reporting date. However, for unlisted securities, the Company has not established provisions due to the lack of market transactions, making it impossible to determine market prices.

5.3. Liquidity risk

Liquidity risk is the risk that the Company faces difficulties in meeting its financial obligations due to a lack of funds. The Company's liquidity risk primarily arises from the mismatch in the maturity dates of financial assets and financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The Company monitors liquidity risk by maintaining a level of cash and cash equivalents that the Board of Management considers sufficient to support the Company's business operations and mitigate the impact of cash flow fluctuations.

The Board of Management assesses the concentration of liquidity risk as low. The Management believes that the Company can generate sufficient funds to meet its financial obligations as they fall due.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual payments as at December 31, 2024:

Item	Overdue	Within 1 Year	1 to 5 Years	Over 5 Years	Total
Financial assets					
Cash	-	69,082,052,156	-	-	69,082,052,156
Financial assets at FVTPL	-	41,056,900,600	-	-	41,056,900,600
Held-to-maturity investments (HTM)	-	-	-	-	-
Receivables	-	3,682,974,326	-	-	3,682,974,326
Loans	-	100,144,996,277	-	-	100,144,996,277
Available-for-sale financial assets (AFS)	-	54,000,000,000	-	-	54,000,000,000
Short-term collaterals and deposits	-	196,875,196	-	-	196,875,196
Other non-current assets	-	-	-	-	-
Total financial assets	-	268,163,798,555	-	-	268,163,798,555
Financial liabilities					
Payables for securities trading	-	-	-	-	-
Payables to suppliers	-	-	-	-	-
Taxes and payables to the State	-	1,143,119,322	-	-	1,143,119,322
Payables to employees	-	1,792,885,715	-	-	1,792,885,715
Employee benefits	-	84,497,512	-	-	84,497,512
Accrued expenses	-	766,740,000	-	-	766,740,000
Other current payables	-	8,323,617,119	-	-	8,323,617,119
Total financial liabilities	-	12,110,859,668	-	-	12,110,859,668
Net liquidity difference	-	256,052,938,887	-	-	256,052,938,887

5.4. 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 prices are subject to risks such as interest rate risk and other price risks, such as equity price risk. Financial instruments affected by market risk include deposits and short-term investments. The purpose of market risk management is to manage and control market risks within acceptable limits while maximizing returns.

The Company's business operations are exposed to risks from changes in interest rates and prices. The Company does not hedge against these risks due to the lack of a market for purchasing such financial instruments and the assessment that the cost of hedging may exceed the market risk from future changes in the factors affecting financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's market risk from interest rate changes primarily relates to cash, short-term deposits, and loans.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The Company manages interest rate risk by analyzing the competitive market environment to obtain favorable interest rates for the Company's purposes while remaining within its risk management limits.

The Company does not perform sensitivity analysis for interest rates because the risk of interest rate changes as of the financial reporting date is insignificant.

Price risk

Price risk of financial instruments (equity prices, bond prices) is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices, excluding changes in interest rates and exchange rates.

Listed and unlisted financial instruments held by the Company may be affected by market risks arising from the uncertainty of the future value of financial instruments. The Company manages price risk by setting investment limits and diversifying its investment portfolio. The Board of Management also reviews and approves decisions to invest in financial instruments.

NOTES TO THE FINANCIAL STATEMENTS (Continued)**VI. ADDITIONAL INFORMATION FOR THE FINANCIAL STATEMENTS****A. NOTES TO THE BALANCE SHEET**

The items are presented in Vietnam Dong (VND).

A.6.1. Cash and cash equivalents

	Closing balance	Opening balance
Cash at banks for activities of securities company	49,074,198,205	8,093,748,208
Clearing deposits and payment for securities transaction	7,853,951	12,292,395
Cash equivalents (*)	20,000,000,000	-
Total	69,082,052,156	8,106,040,603

(*) The Company's cash equivalents as at December 31, 2024 include bank deposits, specifically:

Bank	principal	Interest	Term
Joint Stock Commercial Bank for Foreign Trade of Vietn	20,000,000,000	1.50%	1 month
Total	20,000,000,000		

A.6.2. Value and volume of transactions during the year

Items	Current year		Previous year	
	Volume of transactions	Value of transactions	Volume of transactions	Value of transactions
The Company	5,010,817	145,466,180,200	12,734,504	327,999,190,500
Shares	5,010,817	145,466,180,200	12,734,504	327,999,190,500
Investors	322,185,286	5,411,768,715,830	458,437,684	6,076,781,955,100
Shares	322,185,286	5,411,768,715,830	458,437,684	6,076,781,955,100
Total	327,196,103	5,557,234,896,030	471,172,188	6,404,781,145,600

A.6.3. Financial assets**6.3.1. Financial assets at fair value through profit and loss (FVTPL)**

FVTPL assets	Closing balance		Opening balance	
	Cost	Fair value	Cost	Fair value
Listed shares	3,444,409	411,400	126,483,561,165	107,864,188,500
Upcom shares	644,728,150	617,454,200	647,224,450	1,152,132,100
Unlisted bonds	40,439,035,000	40,439,035,000	-	-
Total	41,087,207,559	41,056,900,600	127,130,785,615	109,016,320,600

6.3.2. Available-for-sale (AFS) financial assets

AFS assets	Closing balance		Opening balance	
	Cost	Fair value	Cost	Fair value
Unlisted shares	54,000,000,000	54,000,000,000	40,565,453,390	40,565,453,390
Total	54,000,000,000	54,000,000,000	40,565,453,390	40,565,453,390

6.3.3. Loans

	Closing balance		Opening balance	
	Cost	Fair value	Cost	Fair value
Margin loans	97,820,814,665	96,384,416,202	100,721,427,386	100,721,427,386
Loans for securities sales advance	2,324,181,612	2,324,181,612	1,348,528,936	1,348,528,936
Total	100,144,996,277	98,708,597,814	102,069,956,322	102,069,956,322

HAI PHONG SECURITIES JOINT STOCK COMPANY

Address: No. 7, Lot 28A Le Hong Phong Street, Dong Khe Ward, Ngo Quyen District, Hai Phong City

B09 - CTCK**Financial Statements****for the fiscal year ended December 31, 2024****NOTES TO THE FINANCIAL STATEMENTS (Continued)****VI. ADDITIONAL INFORMATION FOR THE FINANCIAL STATEMENTS****A. NOTES TO THE BALANCE SHEET**

The items are presented in Vietnam Dong (VND)

6.3.5 Change in fair value of financial assets

	Closing balance			Opening balance					
	Cost	Market value or fair value this year	Revaluation difference		Market value or fair value this year	Revaluation difference			
			Increase	Decrease		Increase	Decrease		
FVTPL financial assets	41,087,207,559	41,056,900,600	122,000	30,428,959	41,056,900,600	127,130,785,615	902,207,443	19,016,672,458	109,016,320,600
Listed shares	648,172,559	617,865,600	122,000	30,428,959	617,865,600	127,130,785,615	902,207,443	19,016,672,458	109,016,320,600
Unlisted bonds	40,439,035,000	40,439,035,000	-	-	40,439,035,000	-	-	-	-
Loans	100,144,996,277	98,708,597,814	-	1,436,398,463	98,708,597,814	102,069,956,322	-	-	102,069,956,322
Margin loans	97,820,814,665	96,384,416,202	-	1,436,398,463	96,384,416,202	100,721,427,386	-	-	100,721,427,386
Advance loan for securities sales	2,324,181,612	2,324,181,612	-	-	2,324,181,612	1,348,528,936	-	-	1,348,528,936
AFS financial assets	54,000,000,000	54,000,000,000	-	-	54,000,000,000	40,565,453,390	-	2,565,453,390	38,000,000,000
Unlisted shares	54,000,000,000	54,000,000,000	-	-	54,000,000,000	40,565,453,390	-	2,565,453,390	38,000,000,000
Total	195,232,203,836	193,765,498,414	122,000	1,466,827,422	193,765,498,414	269,766,195,327	902,207,443	21,582,125,848	249,086,276,922

These notes form an integral part of and should be read in conjunction with accompanying Financial Statements

NOTES TO THE FINANCIAL STATEMENTS (Continued)

A. NOTES TO THE BALANCE SHEET (Continued)

A.6.4. Receivables

6.4.1. Receivables from financial assets

	Closing balance	Opening balance
Dividends and interest income due to be received	1,106,110,674	1,079,522,644
Accruals for undue dividend and interest income	1,732,720,382	1,912,720,382
Total	2,838,831,056	2,992,243,026

6.4.2. Other receivables

	Closing balance	Opening balance
Vu Dai Dong	-	2,000,000,004
Other receivables	51,381,752	576,715,371
Total	51,381,752	2,576,715,375

A.6.5. Prepaid expenses

	Closing balance	Opening balance
a) Current	564,642,504	274,359,818
Tools, supplies	25,082,666	27,984,152
Office rental	148,789,520	132,106,920
Software rental cost	190,766,660	-
Other costs	200,003,658	114,268,746
b) Non-current	1,969,394,025	3,666,916,676
Office repair costs	6,028,208	464,660,976
Goodwill (*)	1,459,932,981	2,919,865,953
Other costs	503,432,836	282,389,747
Total	2,534,036,529	3,941,276,494

(*): is the value arising from the merger between Hai Phong Securities Joint Stock Company (HPC) and A Au Securities Joint Stock Company (AAS) to form Hai Phong Securities Joint Stock Company (HAC), with a total value of VND 14,599,329,729, which will be allocated over 10 years from the merger date.

A.6.6. Increase and decrease of tangible fixed assets

	Machinery and equipment	Means of transportation	Management equipment	Total
COST				
Opening balance	10,805,499,584	4,322,582,100	262,541,698	15,390,623,382
- Purchase during the year	2,247,960,000	-	54,119,715	2,302,079,715
- Disposal	-	(4,322,582,100)	-	(4,322,582,100)
Closing balance	13,053,459,584	-	316,661,413	13,370,120,997
ACCUMULATED DEPRECIATION				
Opening balance	10,357,927,344	3,980,947,100	236,208,150	14,575,082,594
- Depreciation during the year	345,537,175	251,164,516	751,663	597,453,354
- Other decrease	-	(4,232,111,616)	-	(4,232,111,616)
Closing balance	10,703,464,519	-	236,959,813	10,940,424,332
CARRYING				
Opening balance	447,572,240	341,635,000	26,333,548	815,540,788
Closing balance	2,349,995,065	-	79,701,600	2,429,696,665

NOTES TO THE FINANCIAL STATEMENTS (Continued)

A. NOTES TO THE BALANCE SHEET (Continued)

<i>The cost of fixed assets fully depreciated but still in use</i>	VND 9,954,425,847
<i>The cost of temporarily unused fixed assets:</i>	VND 0
<i>The carrying value of tangible fixed assets which used as collateral for loans</i>	VND 0

A.6.7. Increase and decrease of intangible fixed assets

Items	Copyright, patent	Computer software	Total
COST			
Opening balance	2,228,764,540	15,771,328,340	18,000,092,880
- Purchase during the year	1,500,000,000	-	1,500,000,000
- Disposal	-	-	-
Closing balance	3,728,764,540	15,771,328,340	19,500,092,880
ACCUMULATED DEPRECIATION			
Opening balance	2,228,764,540	15,771,328,340	18,000,092,880
- Depreciation during the year	7,560,484	-	7,560,484
- Other decrease	-	-	-
Closing balance	2,236,325,024	15,771,328,340	18,007,653,364
CARRYING			
Opening balance	-	-	-
Closing balance	1,492,439,516	-	1,492,439,516

In which:

<i>The cost of intangible fixed assets fully depreciated but still in use</i>	18.000.092.880 dong
<i>The cost of temporarily unused intangible fixed assets:</i>	0 dong
<i>The carrying value of intangible fixed assets used as collateral for loans</i>	0 dong

A.6.8. Advances

	Closing balance	Opening balance
Advances to third parties	45,000,000	19,815,080
Advance to other parties	45,000,000	19,815,080
Advances to related parties	-	-
Total	45,000,000	19,815,080

A.6.9. Deposits, collaterals and pledges

	Closing balance	Opening balance
a) Current	196,875,196	186,294,146
Deposit for office rental of Ho Chi Minh Branch	162,875,196	162,875,196
Deposit to rent Diamond Crow apartment	11,000,000	-
Other deposits	23,000,000	23,418,950
b) Long term	552,786,200	534,786,200
Deposit for office rental	420,930,000	420,930,000
Deposit for office rental of Hanoi Branch	111,856,200	111,856,200
Other deposits	20,000,000	2,000,000
Total	749,661,396	721,080,346

NOTES TO THE FINANCIAL STATEMENTS (Continued)

A. NOTES TO THE BALANCE SHEET

A.6.10. Payment for Settlement Assistance Fund

	<u>Closing balance</u>	<u>Opening balance</u>
Initial payment	120,000,000	120,000,000
Additional annual payment	4,133,160,283	3,763,586,704
Annual interest distribution	777,719,578	561,267,383
Total	<u>5,030,879,861</u>	<u>4,444,854,087</u>

According to Decision No. 45/QD-VSD dated May 22, 2014, by the Vietnam Securities Depository, the Company must deposit an initial amount of VND 120,000,000 at the Vietnam Securities Depository and annually pay an additional 0.01% of total amount of listed securities brokered transactions at the Stock Exchanges for the previous year, but not over VND 2,500,000,000.

Securities companies engaged in trading and brokerage activities are required to make a maximum contribution of VND 20,000,000,000 to the Settlement Assistance Fund.

A.6.11. Payable for securities trading activities

	<u>Closing balance</u>	<u>Opening balance</u>
Payables for share auction deposit	-	10,892,500
Total	<u>-</u>	<u>10,892,500</u>

A.6.12. Taxes and other payables to the State

	<u>Closing balance</u>	<u>Opening balance</u>
Value added tax	331,364	25,350,886
Personal income tax	1,142,787,958	1,002,696,414
Total	<u>1,143,119,322</u>	<u>1,028,047,300</u>

Changes in taxes and other payables to the State during the year

	<u>Opening balance</u>	<u>Payable amount during the year</u>	<u>Paid amount during the year</u>	<u>Closing balance</u>
Value added tax	25,350,886	(22,829,406)	2,190,116	331,364
Personal income tax	1,002,696,414	4,845,745,351	4,705,653,807	1,142,787,958
Other tax	-	4,000,000	4,000,000	-
Total	<u>1,028,047,300</u>	<u>4,826,915,945</u>	<u>4,711,843,923</u>	<u>1,143,119,322</u>

A.6.13. Accrued expenses

	<u>Closing balance</u>	<u>Opening balance</u>
Operating expenses payable	766,740,000	-
Total	<u>766,740,000</u>	<u>-</u>

A.6.14. Other payables

	<u>Closing balance</u>	<u>Opening balance</u>
Dividends payable to shareholders of the securities company	5,861,222,950	5,898,321,400
Dividends payable to shareholders - non-depository shareholders	25,704,000	25,704,000
AAS Other payables	55,863,180	55,863,180
Dividends payable to shareholders - depository shareholders	28,000	28,000
Others	2,380,798,989	377,805,831
Total	<u>8,323,617,119</u>	<u>6,357,722,411</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

A. NOTES TO THE BALANCE SHEET

A.6.15. Share capital

	<u>Closing balance</u>	<u>Opening balance</u>
Dao Son Tung	47,936,630,000	-
Tran Anh Duc	58,182,900,000	-
Vu Hoang Viet	72,572,120,000	-
Vu Duong Hien	-	70,877,730,000
Hapaco Hai Phong Joint Stock Company	-	19,377,370,000
Other shareholders	113,119,310,000	201,555,860,000
Total	<u>291,810,960,000</u>	<u>291,810,960,000</u>

Shares	<u>Closing balance</u>	<u>Opening balance</u>
Authorized shares	29,181,096	29,181,096
Issued shares	29,181,096	29,181,096
- Common shares	29,181,096	29,181,096
- Preference shares	-	-
Repurchased shares	4,706	4,706
- Common shares	4,706	4,706
- Preference shares	-	-
Shares in circulation	29,176,390	29,176,390
- Common shares	29,176,390	29,176,390
- Preference shares	-	-
Par value (VND)	10,000	10,000

A.6.16. Undistributed profit

	<u>Closing balance</u>	<u>Opening balance</u>
Realized profit	(36,262,448,501)	(20,937,430,475)
Unrealized profit	(30,306,959)	(18,114,465,015)
Total	<u>(36,292,755,460)</u>	<u>(39,051,895,490)</u>

A.6.17. Bad debt written-off

	<u>Closing balance</u>	<u>Opening balance</u>
Receivable from disposal of financial assets	62,929,009,770	62,929,009,770
Receivables from securities trading activities	982,570,196	982,570,196
Advances to suppliers	5,519,000,000	5,519,000,000
Advances	-	-
Total	<u>69,430,579,966</u>	<u>69,430,579,966</u>

A.6.18. Financial assets listed/registered for trading at Vietnam Securities Depository of the Company

	<u>Closing balance</u>	<u>Opening balance</u>
HNX	-	5,101,000,000
HOSE	-	32,094,970,000
UpCom	1,046,410,000	1,047,770,000
Public but not yet listed	1,400,000	1,060,000
Total	<u>1,047,810,000</u>	<u>38,244,800,000</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)**A. NOTES TO THE BALANCE SHEET (Continued)****A.6.19. Financial assets which have not been deposited at Vietnam Securities Depository of the Company**

	<u>Closing balance</u>	<u>Opening balance</u>
Term deposits	20,000,000,000	-
Binh An Flour Joint Stock	-	2,666,660,000
No.8 Investment and Construction Joint Stock Company	-	1,333,330,000
Green International Hospital Joint Stock Compar	-	38,000,000,000
Ba Huan Corporation	20,000,000,000	-
Blue Invesments Joint Stock Company	14,000,000,000	-
Bonds of Vietnam Joint Stock Commercial Bank for Industry	39,650,000,000	-
Total	93,650,000,000	41,999,990,000

A.6.20. Financial assets listed/registered for trading of investors

	<u>Closing balance</u>	<u>Opening balance</u>
Unrestricted transferable financial assets	2,195,942,440,000	2,361,391,560,000
Restricted transferable financial assets	188,849,500,000	122,707,490,000
Mortgaged financial assets	20,000,000,000	20,000,000,000
Financial assets awaiting settlement	3,473,190,000	17,514,520,000
Total	2,408,265,130,000	2,521,613,570,000

A.6.21. Non-traded financial assets deposited at VSD of investors

	<u>Closing balance</u>	<u>Opening balance</u>
Unrestricted and non-traded financial assets deposited at VSD	10,189,770,000	10,189,770,000
Total	10,189,770,000	10,189,770,000

A.6.22. Investors' deposits

	<u>Closing balance</u>	<u>Opening balance</u>
Investor's deposits for securities trading activities managed by the Company	80,593,635,630	96,639,204,785
- <i>Domestic investor's deposits for securities trading activities managed by the Company</i>	80,593,635,630	96,639,204,785
Clearing deposits and payment of securities transactions	127,320,655	31,801,707
- <i>Clearing deposits and payment of securities transactions of</i>	105,005,800	9,202,139
- <i>Clearing deposits and payment of securities transactions of</i>	22,314,855	22,599,568
Deposits of securities issuers	1,988,663,419	3,162,153,100
Total	82,709,619,704	99,833,159,592

A.6.23. Payables to investors

	<u>Closing balance</u>	<u>Opening balance</u>
Payables to investors - investors' deposits for securities trading activities managed by the Company	80,720,956,285	96,671,006,492
<i>Domestic investors</i>	80,255,458,139	96,182,885,343
<i>Foreign investors</i>	465,498,146	488,121,149
Dividends, bond principal and interest payable	1,988,663,419	3,162,153,100
Total	82,709,619,704	99,833,159,592

HAI PHONG SECURITIES JOINT STOCK COMPANY

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Address: No. 7, Lot 28A Le Hong Phong Street, Dong Khe Ward, Ngo Quyen District, Hai Phong City

Financial Statements

for the fiscal year ended December 31, 2024

NOTES TO THE FINANCIAL STATEMENTS (Continued)**B. NOTES TO THE INCOME STATEMENT**

The items are presented in Vietnam Dong (VND)

B.6.24 Gain, loss from disposal of financial assets through profit and loss**6.24.1. Gain from disposal of financial assets**

Financial assets	Quantity	Average selling price	Total amount	Weighted average cost at the time of sale	Gain/Loss from disposal of securities in
Listed shares	2,235,958	26,191	58,561,912,500	48,502,419,781	3,772,308,633
Total	2,235,958		58,561,912,500	48,502,419,781	3,772,308,633

6.24.1. Loss from disposal of financial assets through profit and loss

Financial assets	Số lượng bán	Average selling price	Tổng giá trị bán	Weighted average cost at the time of sale	Gain/Loss from disposal of securities in
Listed shares	2,304,181	32,388	74,626,877,700	92,885,833,275	(40,340,075,100)
Total	2,304,181		74,626,877,700	92,885,833,275	(40,340,075,100)

6.24.1. Difference from revaluation of financial assets

Financial assets	Cost	Fair Value	Revaluation Difference at the end of the year	Revaluation Difference at the beginning of the year	Net difference adjusted in the year	Increased Difference	Decreased Difference
Listed shares	41,087,207,559	41,056,900,600	(30,306,959)	(18,114,465,015)	18,084,158,056	26,451,373,994	8,367,215,938
Total	41,087,207,559	41,056,900,600	(30,306,959)	(18,114,465,015)	18,084,158,056	26,451,373,994	8,367,215,938

These notes form an integral part of and should be read in conjunction with accompanying Financial Statements

NOTES TO THE FINANCIAL STATEMENTS (Continued)**B. NOTES TO THE INCOME STATEMENT (Continued)****6.24.2. Gain from financial assets and held-to-maturity (HTM) investment**

	<u>Current year</u>	<u>Previous year</u>
Dividend, interest income from financial assets at FVTPL	1,131,129,034	1,152,983,017
From held-to-maturity (HTM) investment	600,958,902	1,823,531,506
From AFS Financial Assets	-	-
Total	<u>1,732,087,936</u>	<u>2,976,514,523</u>

6.24.3. Gain from loans and receivables

	<u>Current year</u>	<u>Previous year</u>
Interest from margin activities	12,004,344,676	13,616,230,078
Loan interest from advance activities	763,712,178	747,319,072
Total	<u>12,768,056,854</u>	<u>14,363,549,150</u>

6.24.4. Revenue other than income from financial asset

	<u>Current year</u>	<u>Previous year</u>
Revenue from brokerage services	9,638,433,116	10,602,974,638
Revenue from financial advisory activities	465,490,908	61,854,544
Revenue from securities custodian services	1,369,220,153	1,198,843,414
Other revenue	67,253,654	67,999,102
Total	<u>11,540,397,831</u>	<u>11,931,671,698</u>

B.6.25. Financial income

	<u>Current year</u>	<u>Previous year</u>
Interest income from deposits	1,762,615,368	3,428,085,201
Other financial income	-	-
Total	<u>1,762,615,368</u>	<u>3,428,085,201</u>

B.6.26. Financial expenses

	<u>Current year</u>	<u>Previous year</u>
Interest expense	-	136,421,644
Total	<u>-</u>	<u>136,421,644</u>

B.6.27. Expenses for proprietary trading activities

	<u>Current year</u>	<u>Previous year</u>
Expenses for management of proprietary trading activities	1,741,838,633	1,825,520,655
Total	<u>1,741,838,633</u>	<u>1,825,520,655</u>

B.6.28. Expenses for service provision

	<u>Current year</u>	<u>Previous year</u>
Expenses for brokerage services	11,633,714,548	10,806,135,738
Expenses from securities custodian services	901,398,380	873,682,069
Other Service Expenses	-	-
Total	<u>12,535,112,928</u>	<u>11,679,817,807</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)**B. NOTES TO THE INCOME STATEMENT (Continued)****B.6.29. General and administrative expenses**

	<u>Current year</u>	<u>Previous year</u>
Salary and related expenses	10,108,100,362	8,246,431,954
Office supplies expenses	1,249,133	4,261,030
Tools and instrument expenses	132,485,866	121,803,307
Depreciation of fixed assets	323,694,731	547,295,400
Taxes, fees, and charges	4,000,000	4,000,000
Outsourced services expenses	1,006,160,706	1,060,748,686
Other Expenses	7,393,469,722	5,170,371,840
Total	<u>18,969,160,520</u>	<u>15,154,912,217</u>

B.6.30. Corporate Income Tax

	<u>Current year</u>	<u>Previous year</u>
Profit before tax	2,760,616,390	33,507,910,123
Adjustments to increase/(decrease) in accounting profit	(18,084,158,056)	(69,611,371,127)
Increased adjustment	8,367,215,938	1,382,659,579
Decreased adjustment	(26,451,373,994)	(70,994,030,706)
Accumulated losses carried forward	-	-
Taxable income	(15,323,541,666)	(36,103,461,004)
Tax rate	20%	20%
Current corporate income tax	-	-
Additional corporate income tax	1,476,360	-
Total corporate income tax payable for the year	<u>1,476,360</u>	<u>-</u>

The Company is subject to a 20% corporate income tax (CIT) rate on taxable income

The Company does not recognize deferred tax assets or deferred tax liabilities as there are no significant temporary differences between the carrying amounts and the tax bases of assets and liabilities in the financial statements.

B.6.31. Basic earnings per share

The calculation of basic earnings per share and diluted earnings per share allocated to the Company's common shareholders is based on the following data:

	<u>Current year</u>	<u>Previous year</u>
'Profit after corporate income tax	2,759,140,030	33,507,910,123
Profit allocated to the common shareholders of the Company	2,759,140,030	33,507,910,123
Amount appropriated for the bonus and welfare fund during th	-	-
Average outstanding common shares during the year (*)	29,176,390	29,176,390
Basic earnings per share	<u>94.57</u>	<u>1,148.46</u>

(*) Average outstanding common shares during the year are determined as follows:

	<u>Current year</u>	<u>Previous year</u>
Average outstanding common shares at the beginning of the ye	29,176,390	29,176,390
Average number of additional shares issued and converted during the year	-	-
Less: average number of treasury shares repurchased during th	-	-
Average common shares circulation in the year	<u>29,176,390</u>	<u>29,176,390</u>

HAI PHONG SECURITIES JOINT STOCK COMPANY

Address: No. 7, Lot 28A Le Hong Phong Street, Dong Khe Ward, Ngo Quyen District, Hai Phong City

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NOTES TO THE FINANCIAL STATEMENTS (Continued)**E. SEGMENT REPORT****E.6.32 Segment Report**

Securities brokerage, securities custody, margin lending, and proprietary trading activities in Hai Phong area generate the majority of the Company's revenue and profit, while business activities in other regions only generate revenue from margin loans, which accounts for a small proportion of the Company's total revenue and profit. Therefore, the Company's Board of Management believes that the Company operates in a single geographical area. Therefore, the Board of Management is not required to provide additional geographical segment information.

A business segment is a separately identifiable component engaged in the production or provision of products and services, with risks and economic benefits different from those of other business segments. The Company's operations are categorized into the following main business segments:

	Brokerage and securities custody activities	Margin loan activities	Proprietary trading activities	Other activities	Exclusions	Total
External operating revenue	11,007,653,269	12,768,056,854	38,242,954,649	532,744,562	-	62,551,409,334
Inter-segment operating revenue					-	
Total operating revenue	11,007,653,269	12,768,056,854	38,242,954,649	532,744,562	-	62,551,409,334
Operating expenses	12,535,112,928	-	29,615,075,299	-	-	42,150,188,227
Segment operating results	(1,527,459,659)	12,768,056,854	8,627,879,350	532,744,562	-	20,401,221,107
Expenses unallocated by business segments						18,969,160,520
Segment operating results						1,432,060,587
Financial income						1,762,615,368
Financial expenses						-
Other income						326,734,619
Other expenses						760,794,184
Current corporate income tax expense						1,476,360
Profit after corporate income tax						2,759,140,030

These notes form an integral part of and should be read in conjunction with accompanying Financial Statements

HAI PHONG SECURITIES JOINT STOCK COMPANY

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Address: No. 7, Lot 28A Le Hong Phong Street, Dong Khe Ward, Ngo Quyen District, Hai Phong City

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NOTES TO THE FINANCIAL STATEMENTS (Continued)**E.6.32 Segment Report (Continued)**

The Company's segment assets and liabilities by business segment are as follows:

	Brokerage and securities custody activities	Margin loan activities	Proprietary trading activities	Other activities	Exclusions	Total
Assets						
Direct segment assets	6,331,148,413	103,385,931,207	98,947,703,465	62,929,944		208,727,713,029
Unallocated assets						69,082,052,156
Total assets	6,331,148,413	103,385,931,207	98,947,703,465	62,929,944	-	277,809,765,185
Liabilities						
Direct segment liabilities	2,132,612,518	2,473,671,474	7,409,154,507	103,213,437		12,118,651,935
Unallocated liabilities						-
Total liabilities	2,132,612,518	2,473,671,474	7,409,154,507	103,213,437	-	12,118,651,935

These notes form an integral part of and should be read in conjunction with accompanying Financial Statements

NOTES TO THE FINANCIAL STATEMENT (Continued)**E.6.33 OTHER INFORMATION****E.6.33.1 Operating lease commitments**

At the fiscal year-end, the Company has following irrevocable operating lease commitments:

	<u>Current year</u>	<u>Previous year</u>
Head office rental	2,006,433,000	2,006,433,000
Ho Chi Minh City branch office rental	823,763,016	727,822,744
Hanoi branch office rental	810,452,412	800,256,204
Total	<u>3,640,648,428</u>	<u>3,534,511,948</u>

The operating lease commitment is reflected in the following contract.

- Office lease contract No. 05/2021/TA-HASECO for the lease of 576 m² at No. 07, Lot 28A, Le Hong Phong Street, Cat Bi Airport New Urban Area, Dong Khe Ward, Ngo Quyen District, Hai Phong City, used as the company's head office. The lease period is from May 1, 2022, to April 30, 2027, with a rental price of VND 152,002,500 per month.

- Office lease contract No. 07/HDTVP/REC/CDC for the lease of 127.6 m² in the office building of Central Garden Tower at 328 Vo Von Kiet, Co Giang Ward, District 1, Ho Chi Minh City, used as the Ho Chi Minh City branch office. The lease term is one year from April 1, 2023, with a rental price of VND 49,508,800 per

- Office lease contract No. 01/2021/HĐTN dated June 20, 2022 and appendix Contract No. 05/LHĐTVP dated June 1, 2023 on leasing 205 m² on Floor 2, No. 163 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi as the office of Hanoi branch, lease term of 1 year from May 1, 2023 with lease price of 2,460 USD/month.

E.6.33.2 Subsequent events after balance sheet date

There were no subsequent events after the balance sheet date that had a material impact or could materially affect the Company's operations and financial performance.

E.6.33.3 Related parties information**Related parties:**

A related party is an entity or individual that has control over, or can exert significant influence on, another party in financial and business decision-making. Related parties include companies such as parent companies, subsidiaries, individuals direct or indirect through one or more intermediaries having control over the Company or under the Company's control, or under common control. Associates, individuals directly or indirectly having voting rights in the Company and significant influence over the Company, key management personnel such as directors and officers, their close family members or these associates or associates with these individuals are

List of related parties:

<u>Related party</u>	<u>Relationship</u>
Mr Vu Duong Hien	Chairman of Board of Directors (Resigned on September 21, 2024) and Deputy General Director (Resigned on August 01, 2024)
Mr Vu Xuan Thuy	Vice Chairman of Board of Directors (Resigned on September 21, 2024)
Mr Doan Duc Luyen	Member of the Board of Directors (Resigned on September 21, 2024)
Ms Nguyen Thi Nguyet	General Director cum Director of Ho Chi Minh branch
Ms Vu Thi Thanh Nga	Chief Accountant
Ms Le Thi Mai Anh	Head of Board of Supervisors (Resigned on April 27, 2024)
Ms Khoa Thi Thanh Huyen	Member of Board of Supervisors (Resigned on April 27, 2024 and resigned on September 21, 2024)

NOTES TO THE FINANCIAL STATEMENT (Continued)**E.6.33.3 Related parties information (Continued)**

<u>Related party</u>	<u>Relationship</u>
Mrs Nguyen Thi My Trang	Head of Board of Supervisors (Appointed on May 02, 2024 and resigned on September 21, 2024)
Ms Doan Thi Thuy	Member of Board of Supervisors (Resigned on September 21, 2024) - Authorized information disclosure officer (Appointed on October 15, 2024)
Mr Pham Cong Ngu	HR Director - Authorized information disclosure officer (Resigned on October 15, 2024)
Ms Luong Thi Mai Phuong	Director of Hanoi Branch
Mr Vu Xuan Cuong	Son of the Chairman of Board of Directors
Mr Ninh Le Son Hai	Chairman of the Board of Directors (Appointed on September 21, 2024) and Deputy General Director (Appointed on January 24, 2025)
Mr Chu Viet Ha	Member of Board of Directors (Appointed on September 21, 2024)
Ms Ly Thi Thu Ha	Member of Board of Directors (Appointed on September 21, 2024)
Mr Le Ngoc Hai	Member of Board of Directors (Appointed on September 21, 2024)
Ms Nguyen Thi Mai	Member of Board of Directors (Appointed on September 21, 2024) and General Director (Appointed on October 01, 2024)
Mr Nguyen Duc Tu	Deputy General Director (From August 01, 2024 to October 15, 2024)

Transactions with related parties**Income of key management personnel**

<u>Full name of related part</u>	<u>Income</u>	<u>Transaction value</u>	
		<u>Current year</u>	<u>Previous year</u>
Mr Vu Duong Hien	Salary, bonuses, remuneration	952,462,479	1,225,520,384
Mr Vu Xuan Thuy	Remuneration	112,168,750	66,825,000
Mr Doan Duc Luyen	Salary, bonuses, remuneration	564,134,727	740,068,000
Ms Nguyen Thi Nguyet	Salary, bonuses, remuneration	688,477,904	693,823,590
Ms Vu Thi Thanh Nga	Salary, bonuses, remuneration	555,401,252	449,675,345
Ms Le Thi Mai Anh	Salary, bonuses, remuneration	483,506,199	434,869,769
Ms Nguyen Thi My Trang	Remuneration	95,450,000	59,400,000
Ms Doan Thi Thuy	Salary, bonuses, remuneration	256,275,833	328,331,394
Mr Nguyen Anh Trung	Salary, bonuses	26,962,500	-
Mr Pham Cong Ngu	Salary, bonuses	463,308,000	463,308,000
Ms Luong Thi Mai Phuong	Salary, bonuses	341,576,204	377,674,174
Mr Ninh Le Son Hai	Salary, bonuses, remuneration	81,967,065	-
Mr Chu Viet Ha	Salary, bonuses, remuneration	17,850,000	-
Ms Ly Thi Thu Ha	Salary, bonuses, remuneration	131,023,636	-
Mr Le Ngoc Hai	Salary, bonuses, remuneration	17,850,000	-
Ms Nguyen Thi Mai	Salary, bonuses, remuneration	139,910,000	-
Mr Nguyen Duc Tu	Salary, bonuses	119,429,273	-
Mr Pham Minh Hieu	Remuneration	17,850,000	-
Mr Nguyen Trung Kien	Remuneration	14,137,500	-
Mr Le Tuan	Remuneration	14,137,500	-

NOTES TO THE FINANCIAL STATEMENT (Continued)**E.6.33.3 Related parties information (Continued)***Other transactions with related parties*

Full name of related	Transaction description	Transaction value	
		Current year	Previous year
Ms Le Thi Mai Anh	Advance payment	-	25,390,940
	Refund payment	-	25,390,940
Mr Vu Xuan Cuong	Purchase of shares in Green International Hospital Joint Stock Company	-	38,000,000,000
	Sales of shares in Green International Hospital Joint Stock Company	38,000,000,000	-

Balance with related parties

As at December 31, 2024, there are no outstanding balances with related parties.

E.6.34.4 Comparative information

The comparative figures are based on the audited financial statements for the fiscal year ended December 31, 2023, which were audited by BDO Audit Services Co., Ltd.

Hai Phong, March 10, 2025



NGUYEN THU HANG
Preparer

VU THI THANH NGA
Chief Accountant



NGUYEN THI NGUYET
General Director