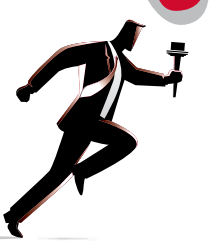
ANNUAL REPORT

2016

SAIGON SECURITIES INC.



STRENGTH FROM WITHIN

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MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

We have just exceedingly achieved the targets set out at the Company's Annual General Meeting (AGM) for the fiscal year 2016. In the context of unpredictable changes in the world, prompted from the political instability in Ukraine and Syria, creating tension between Russia and the West, led by the United State, and leading to mutual embargo sanctions that seriously affected the economy of Europe in general and Russia in particular. China, with its ambitions in the East Sea, has generated instability and friction in the region, the unity and consensus in the ASEAN community were also affected as each country member, beside the overall goal of the bloc, had its own political and economic agenda in the relationship with China. According to experts' views, China's economy was always in an alarming state that a crisis could happen at any time, resulted from an extended period of rapid but unsustainable development. The Brexit phenomenon and the wining of Donald Trump's Presidency in the United States, in stark contrast to previous predictions of most of the world's leaders, have pushed national development strategies away from integration. Vietnam's economy failed to meet the 6.7% growth target set by the National Assembly due to slow growth in the Agricultural sector. The Mining Industry came in below expectations due to drops in oil prices and mineral prices as well as ineffective investment from the previous Administration. Inflation was 4.74%, export turnover of goods reached over USD 176.63 billion, up 9%, and import turnover reached USD 174.11, up 5.2% compared to last year. FDI disbursement reached USD 15.8 billion, up 9% over the same period. The stock market closed the last session of the year at 664.87 points, up 15% from the beginning of 2016. These figures presented rather positive results compared to the current state of the economy. However, the growth of the Index did not correspond to performance of the listed companies on the stock market, partly due to the fact that in a number of big cap companies, stock price increases were incompatible with growth, pushing the market's overall P/E upward, distorting indicators, causing difficulties for index funds, and deteriorating market confidence.

In the face of such a challenging situation, we have managed to exceed all objectives set out as we maintained the goal of sustainable development, taking safety as business principle, and transparency and mutual benefits, reflected in the vision "The Business of Success". Securities Services continued to hold the number one position in both Exchanges, with the market shares of 13.69% on Ho Chi Minh Stock Exchange (HOSE) and 11.03% on Hanoi Stock Exchange (HNX), widening the gap from the runner-ups. Investment Banking reclaimed its leading position by a series of successful deals worth hundreds of millions of dollars, such as advisory service for offering 78.38 million shares of Vietnam Dairy Products Joint Stock Company (VNM – HOSE); advisory service for the sale of shares of Hau Giang Pharmaceutical JSC (DHG - HOSE); private placement advisory service for No Va Land Investment Group Corporation (NVL - HOSE) under the book building method - serving as a reliable service provider to both local and foreign clients. SSI Asset Management (SSIAM) increased its total asset under management to USD 350 million,

being the only Vietnamese company to successfully raise funds in overseas markets, promising a new and effective channel to access capital for the economy. Treasury successfully completed its mission with SSI's total assets reaching VND 13,228 billion, of which VND 7,152.5 billion was owners' equity, effectively and safely managed the capital of both the Company and investors. The Company also obtained high credit rating in the financial market through the successful issuance of corporate bonds at interest rates equivalent to those of the commercial banks in the same period. Such achievements of the Business Units must also be credited to contributions of Supporting Units. Human Resources has recruited new staff, provided training, and proposed the Company to issue policies covering the interests of over 700 employees, ensuring a healthy working environment and healthy competition, continuing to attract talents to join the team. Information Technology kept on maintaining the well-establish technology environment ensuring smooth and fast solutions for business operations; on the other hand, spent effort on rolling out solutions to enable the business for new challenges in the market. Corporate Communications has done well to bridge the Company with the media as well as investors so that all activities of the Company are accurately reflected to the public. In 2016, SSI received many awards from reputable organizations such as "Best Local Brokerage in Vietnam" by AsiaMoney, "Best Broker in Vietnam" by FinanceAsia and Merits from the State Securities Commission and the Ministry of Finance, etc.

2017 is anticipated to be a challenging year for the domestic economy, requiring a comprehensive reform not only to cope with existing problems, including public debts, investment efficiency, inflation, budget deficit, settlement of banks' bad debts, exchange rates, etc., but also to adapt to the global situation where globalization is being challenged due to initiatives of leading countries to encourage businesses to invest domestically through tax policies. We believe in the Prime Minister's commitment to develop an enabling government, we see the potential for internal-based development as the State focuses on policy making to allocate resources, while economic sectors will leverage the resources for development as outlined in the five-year economic development plan that the government has recently submitted to the National Assembly.

We hope that the recent statement made by the Chairman of the State Securities Commission on efforts to control the stock market for transparency and restoring investors' confidence is to be implemented strongly and firmly. Then we can overcome all difficulties and challenges in 2017, establishing premises for sustainable development for the next years. 2017 for SSI is a year to find success in difficult times of the economy, but also a period of great opportunity to reaffirm its pioneering position as the leading financial institution. SSI will continue to accompany sustainably developing companies, opening up access to funding through both domestic and international capital resources. We always understand that only when the number of Businesses that are transparent, efficient and sustainable increases, do Investors have more secure options, internal drive of the economy is strengthened, and the stock market can grow strongly, really becoming the most important capital channel for the economy.

I would like to express my sincere thanks to all Shareholders who have accompanied me personally and the Board of Directors (BOD) throughout the years, whereby all proposals of the BOD have been supported and approved. Thanks to the members of the BOD who have worked with me in finding solutions to implement resolutions of the AGM, thanks to the Board of Management and Directors for completing our plan, thanks to all Staff and Employees of the Company, you are the living cells of SSI today. We are also indebted to our Clients who are using SSI's services. We are always mindful that we must do our best to keep our Clients - our patrons satisfied.

We wish You good health and success!

Ho Chi Minh City, March 28th, 2017

Chairman cum Chief Executive Officer
Nguyen Duy Hung



2016 - YEAR IN REVIEW

4

NUMBER OF CUSTOMERS

100,845

GROWTH RATE

25% *

5

REVENUE **28%** *

2,312 billion VND

6

PROFIT BEFORE TAX

1,056.8 BILLION VND

EXCEED **11,24%**

BUSINESS PLAN

7

2016

MAJOR AWARDS

Asia Asset Management

COUNTRY AWARDS FOR ACHIEVEMENT FinanceAsia

ASSET ASIA AWARDS TRIPLE A

ASIAMONEY

9% *

13,228 BILLION VND

TOTAL ASSETS

1

720

EMPLOYEES

2

10 BRANCHES / TRANSACTION OFFICES

3

10 BRANCHES / TRANSACTION OFFICES

WITH PRESENCE IN FIVE MAJOR CITIES IN VIETNAM

** increase compared to 2015*

01.

GENERAL INFORMATION

Vision - Mission - Core Values
Corporate Information
History
Business Units
Awards
Organizational Structure & Key Person



VISION

The Business of Success

SSI operates based on the vision “The Business of Success”.

At the heart of all our products and services is a drive for achieving success. We help unlock opportunities in financial markets, and turn these into prosperity and growth.

We put all our resources and ideas behind bringing success to our clients, our people, our shareholders and the communities we operate in.

MISSION

Connecting Capital to Opportunities

SSI’s mission is to connect capital to opportunities.

This mission unifies all the businesses under the SSI brand and will guide any future opportunities, which the brand may take on.

CORE VALUES

Solutions-Led

We are focused on the outcome of making our customers successful, and we prioritize their individual needs over existing products or processes.

Skilled

We are experts in our industry and in our markets, and will continually enhance our professional skills to provide the highest standards of service to our customers.

Inventive

We empower and encourage our people to find creative new ways to bring success to SSI and its customers.

CORPORATE INFORMATION

Saigon Securities Inc. (SSI – HOSE) was found in December 1999 as the first privately licensed securities firm and the smallest one in the market at that time. With 17 years of experience in Vietnam financial market, the Company has become a leading financial institution, which has the fastest growth rate in term of charter capital. With strong financial capability, high standard corporate governance, and professional human resource, SSI provides clients a comprehensive range of financial products and services, maximizing shareholders’ value. The Company has a wide network in big cities in Vietnam, such as Hanoi, Ho Chi Minh City, Hai Phong, Nha Trang, Vung Tau.

Company name
Saigon Securities Inc. (SSI)

Legal Representative
Mr. Nguyen Duy Hung (Chairman cum CEO)

Date of incorporation
30/12/1999

Charter Capital (as at 31/12/2016)
VND 4,900,636,840,000

Owner’s equity (as at 31/12/2016)
VND 7,152,567,156,682

Head Office
72 Nguyen Hue, Ben Nghe Ward, Dictrict 1, Ho Chi Minh City

Website
http://www.ssi.com.vn/

Telephone
+84 8 38242897

Fax
+84 8 38242997

Number of employees (as at 31/12/2016)
720 including 391 employees who are fully certified for securities license.

HISTORY

1999 2000

30/12/1999 SSI was founded with its head office based in Ho Chi Minh City, with two main operations: Brokerage Services & Investment Advisory. Initial charter capital was VND 6 billion

2001

02/2001 Charter capital was raised to VND 9 billion

07/2001 Charter capital was raised to VND 20 billion with 4 main operations: Investment Advisory, Brokerage Services, Principal Investment & Securities Depository

2002

07/2002 SSI established its first branch in Hanoi, expanding its networks to Northern areas

2004

04/2004 Charter capital was raised to VND 23 billion

2005

02/2005 Charter capital was raised to VND 26 billion with 5 main operations: Investment Advisory, Brokerage Services, Principal Investment, Securities Depository and Investment Portfolio Management

06/2005 SSI raised charter capital to VND 52 billion with 6 operations including Underwriting Service

2006

02/2006 Charter capital was raised to VND 120 billion

05/2006 SSI Charter capital was raised to VND 300 billion

09/2006 SSI Charter capital was raised to VND 500 billion

11/2006 Successfully advised the issuance of the first convertible bond in the Vietnamese Stock Market of SSI, introducing a new funding vehicle for public companies other than issuing common shares

12/2006 SSI's stock was listed on the Hanoi Securities Trading Center (now known as Hanoi Stock Exchange)

2007

07/2007 ANZ became Strategic Shareholder of SSI
SSI Charter capital was raised to VND 799 billion

08/2007 SSI Asset Management (SSIAM), a subsidiary of SSI, was founded

10/2007 SSI was officially listed on the Ho Chi Minh City Trading Center (now known as Ho Chi Minh Stock Exchange)

11/2007 Established SSI Vision Fund - a closed-end member fund with a total initial investment capital of VND 1,700 billion – it was also the largest local fund and among the top 10 biggest value investment funds on the market

2008

03/2008 Charter capital was raised to VND 1,199 billion

04/2008 Charter capital was raised to VND 1,366 billion

06/2008 Daiwa became Strategic Shareholder of SSI

2009

01/2009 Charter capital was raised to VND 1,533 billion

07/2009 SSIAM became the first company to have a license to invest outside of Vietnam

09/2009 SSI officially changed its branding with new look and vision

11/2009 "Gateway to Vietnam" Conference, co-hosted by SSI and Euromoney, successfully introduced to hundreds of local, and foreign investors, investment opportunities in Vietnam.

SSIAM and Daiwa SMBC Capital established DSCAP-SSIAM Vietnam Growth Investment Fund LLC - the first foreign fund in Vietnam.

2010

03/2010 Charter capital was raised to VND 1,755 billion

05/2010 Charter capital was raised to VND 3,511 billion

11/2010 "Gateway to Vietnam" Conference was organized 2nd time, which attracted more than 600 institutional investors

11

2011

05/2011 Along with Credit Suisse, SSI was the only domestic financial consultant for the successful issuance of 90 million USD of international bonds for Hoang Anh Gia Lai Joint Stock Company (HAG). This marks the first Vietnamese private enterprise to successfully mobilize capital on the international market

12

2012

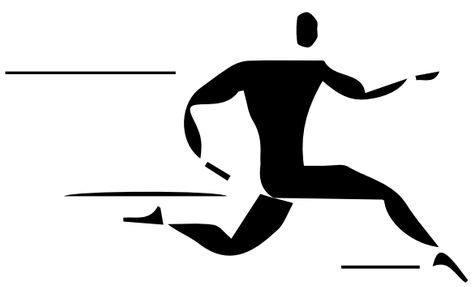
01/2012 Charter capital was raised to VND 3,526 billion

11/2012 Vision Fund (SSIVF) closed after 5 year in operation

13

2013

03/2013 Charter capital was raised to VND 3,537 billion



14

2014

09/2014 ANZ divested and no longer a strategic shareholder of SSI

Successfully organizing Gateway to Vietnam Conference: Search for new investment opportunities in Vietnam with the participation of 400 investment funds, 30 companies and 18 speakers. The conference introduced to investors the new investment trend such as state enterprises equitization, swap portfolio funds ...

12/2014 ETF SSIAM-HNX30 was officially licensed and came into operation. This is the first domestic ETF simulating HNX30 index

15

2015

02/2015 Charter capital was raised to USD 3,561 billion

03/2015 SSI launched new features that allow UPCOM order placement on all 3 channels: Web Trading, Pro Trading and Mobile Trading to support customer in placing and searching for orders, viewing order history, and tracking UPCOM INDEX information timely and conveniently

04/2015 SSI successfully issued secured and non-transferable bonds via private placement: SSIBOND012015 bonds with total issuance value of VND 500 billion at Jan 2015 and SSIBOND022015 bonds with total issuance value of VND 300 billion at April 2015

05/2015 Charter capital was raised to VND 4,273 billion

07/2015 SSI successfully raised DAIWA – SSIAM Growth Investment Fund II LP, with the fund size at first closing was USD 32 million

09/2015 SSI became the first company that completed all required procedures to officially lift its limit of foreign ownership up to 100%

10/2015 SSI successfully liquidated DSCAP - SSIAM Vietnam Growth Investment Fund, with internal rate of return (IRR) at 38%

12/2015 Charter capital was raised to VND 4,800.6 billion. SSI launched Andbank Investment SIF – Vietnam Value and Income Portfolio, registered in Luxembourg, from EU investors, with the fund size was USD 13.9 million as at 12/2015

16

2016

04/2016 Tran Binh Trong Transaction Office was changed its name to Tran Hung Dao Transaction Office and moved to the new location at Level 10, Capital Tower, 109 Tran Hung Dao, Cua Nam ward, Hoan Kiem district, Ha Noi. Nguyen Chi Thanh Transaction Office was established and located at Level 8, TNR Tower, 54A Nguyen Chi Thanh, Lang Thuong ward, Dong Da district, Hanoi

07/2016 SSI online trading system, including Web Trading, Mobile Trading, Pro Trading, has been upgraded to allow investors to buy and sell the same stock at continuous trading session, and updated new feature: online stock transferring

08/2016 SSI successfully issued secured and non-transferable bonds (SSIBOND012016) via private placement with total issuance value of VND 200 billion

09/2016 Capital mobilizing period for Daiwa – SSIAM Vietnam Growth Fund II LP was officially ended with committed capital of approximately USD 40 million

11/2016 SSIAM UCITS – Vietnam Value Income and Growth Fund (VVIGF) has been launched. This is open-ended fund registered in Luxembourg with funds raised from institutional and individual investors from Europe

12/2016 SSI launched new feature in Web Trading - online order confirmation, which helps clients to easily confirm broker's order, actively monitor and manage their orders without the need of signing the paper order

17

2017

01/2017 Charter capital was raised to VND 4,900.6 billion

BUSINESS UNITS

SECURITIES SERVICES

Products and Services for enabling investing in listed stocks and mutual funds including: opening of trading accounts, brokerage, advisory, cash transactions, securities depository; consultancy and support for OTC transactions, distribution of open-ended fund certificates, and distribution of certificates of deposit and corporate bond;

Financial services: margin financing, and cooperation with banks to support securities trading;

E-trading services: Web Trading, Pro Trading, Mobile Trading, Smart Trading, Contact Center and SMS;

Research and Investment Advisory: macro reports, investment advisory report, daily call report, industry research report, company reports, stock valuation reports, money market reports, fund flow reports, technical analysis reports;

Corporate access: company visits to listed/unlisted companies, seminars to introduce investment opportunities to Vietnam and international investors.

TREASURY

Treasury business activities including currency transaction and investment through term-deposits contracts, loan contracts, entrustment, bond repos, fixed income instruments and other structured product transactions;

Bond services including brokerage, auctions and underwriting services;

Providing flexible structured products to optimize advantage in funding needs as well as investment capital on the market with optimal interest rates and with appropriate maturities.

INVESTMENT BANKING

Corporate financing advisory: business evaluation, corporate financing restructuring, listing and Initial Public Offering (IPO) advisory;

Mergers and Acquisitions (M&A) advisory;

Advisory for capital raising in domestic and international capital market: stock issuance and underwriting, bond and derivatives issuance via public offering or private placement.

SSI ASSET MANAGEMENT (SSI AM)

Fund Management: capital mobilization and management for onshore and offshore funds;

Portfolio Management: discretionary and non-discretionary portfolio management for domestic/international institutions as well as individual customers, corporate clients and Private Wealth management;

Investment Advisory: for institutional and individual, domestic and foreign customers; strategy and asset allocation advisory.

AWARDS 2016



Third-class Labor Medal for outstanding achievements in construction and development of the stock market in the period of 2000 - 2010

Certificate of Merit from The Prime Minister

Certificate of Merit from The President for contributions to social welfare programs, supports to poor, disadvantaged, or bordered people

Certificate of Merit from People's Committee of Ho Chi Minh City for contribution to the financial sector

Certificate of Merit from State Securities Commission (SSC) and Ministry of Finance for outstanding achievements and positive contributions in the process of building and developing Vietnam's securities market which contributes to the Socio-Economic Development

A number of awards from Asiamoney Brokers Poll in 2013 - 2014 - 2015 - 2016. In 2016, there are 28 awards in 4 main categories:

Award for SSI:

- "Best Local Brokerage in Vietnam"
- "Most Improved Brokerage over the last 12 months in Vietnam"

Award for SSI Research and Investment Advisory:

- "Best for Overall Country Research in Vietnam"
- "Best Independent Research Brokerage in Vietnam" in 2016
- "Best research coverage" for several SSI analysts covering different sectors (16 out of 19 categories)

Award for SSI Institutional Sales:

- "Best for roadshows and company visits"
- "Best overall sales services"
- "Best for events and/or conferences"

Award for SSI Institutional Brokerage:

- "Best Execution in Vietnam"
- "Best Salesperson in Vietnam" in 2016: Mr. Banh Chan Oai (Deputy Manager) - 1st position, Ms. Ngo Thu Nga (Senior Manager) - 2nd position and Mr. Duong Quoc Thinh (Deputy Manager) - 3rd position.
- "Best in Sales Trading"

Awards from Asia Asset Management

- "Best Fund House" in 2016
- "CEO of the Year" to Ms. Le Thi Le Hang - CEO of SSI Asset Management in 5 consecutive years 2012 - 2013 - 2014 - 2015 - 2016
- "CIO of the Year" to Mr. Nguyen Thanh Tung - CIO of SSI Asset Management in 3 consecutive years 2013 - 2014 - 2015

Award from The Asset

- "Best Asset Management Company of the Year in Vietnam" in 2012 - 2014 - 2015 - 2016

Award from FinanceAsia

- "Best Broker in Vietnam" in 2008 - 2009 - 2010 - 2011 - 2014 - 2015 - 2016
- "Best Equity House in Vietnam" in 2008 - 2009 - 2010 - 2012 - 2014 - 2015- 2016
- "Best Investment Banking in Vietnam" in 2016

Best Vietnam Asset Management Company in 2016 from the Asean Investor.

Award from Forbes

- Top 50 Best Listed Companies in Vietnam in 2014 - 2015 - 2016
- Top 40 Most Valuable Brands Vietnam

Annual Report Award from SSC and Ministry of Finance

Top 15 securities companies of HNX

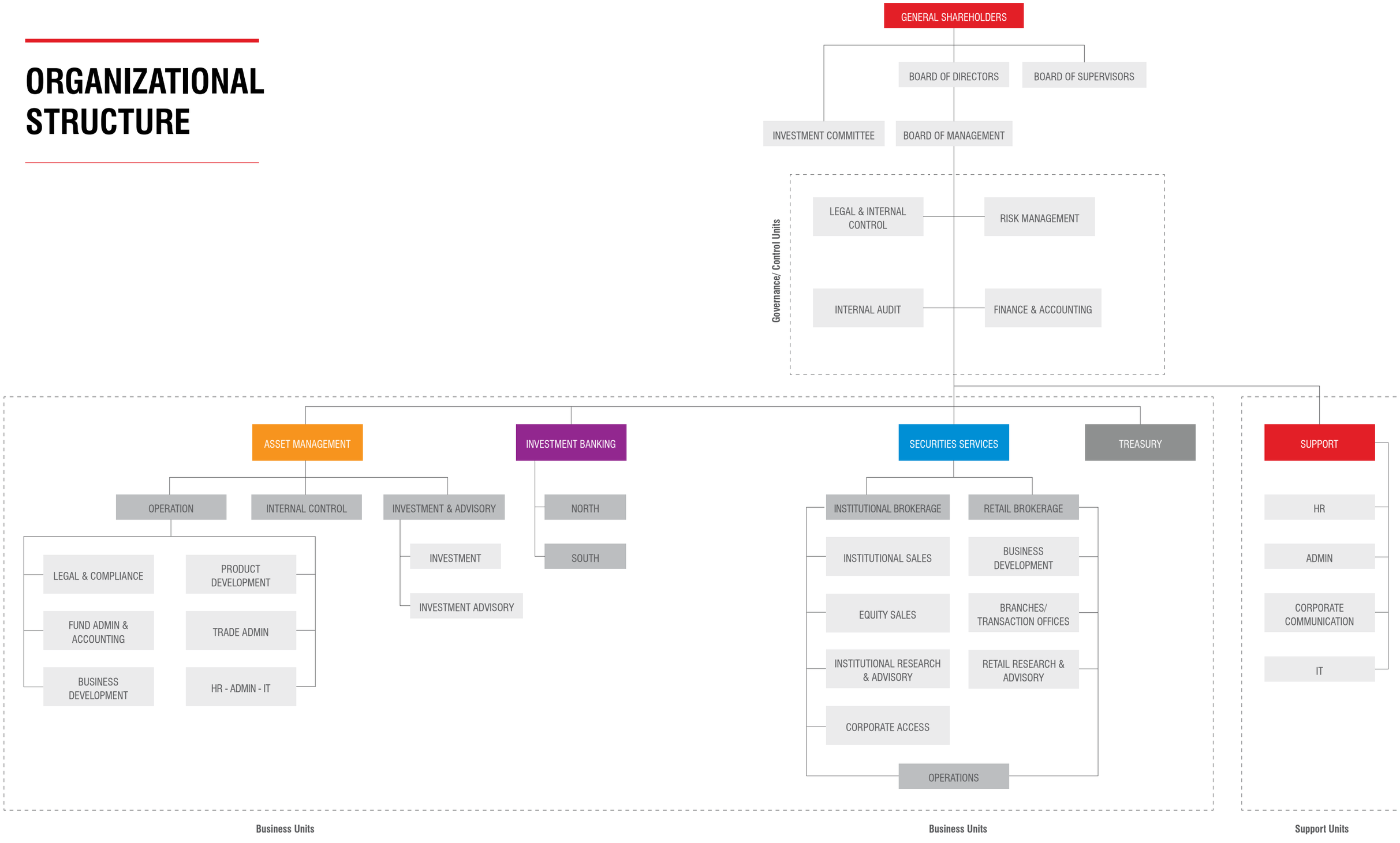
Top 100 enterprises of sustainable development from VCCI

Top 500 Vietnamese Largest Private Enterprises (VNR500) for 7 consecutive years

Top 500 Fastest Growing Firms in Vietnam (FAST500) in 2015 - 2016

Top 1000 Enterprises with Largest Tax Contribution in Vietnam (V1000) for for 6 consecutive years

ORGANIZATIONAL STRUCTURE



KEY PERSON

BOARD OF MANAGEMENT



Mr. Nguyen Duy Hung
Chairman cum CEO



Mr. Nguyen Hong Nam
Deputy CEO

GOVERNANCE / CONTROL UNITS



Mr. Nguyen Kim Long
Director - Legal & Internal Control



Mr. Tran Duong Anh Viet
Director - Internal Audit



Ms. Nguyen Thi Thanh Hà
Chief Finance Officer



Ms. Hoang Thi Minh Thuy
Chief Accountant



Mr. Dang Manh Cuong
Director - Risk Management

BUSINESS UNITS

ASSET MANAGEMENT



Ms. Le Le Hang
CEO



Ms. To Thuy Linh
Deputy CEO



Mr. Nguyen Thanh Tung
Deputy CEO



Mr. Nguyen Phan Dung
Deputy CEO

INVESTMENT BANKING



Mr. Nguyen Thi Huong Giang
Director - Southern Region



Ms. Nguyen Ngoc Anh
Director - Northern Region

SECURITIES SERVICES



Mr. Bui The Tan
Managing Director



Mr. Mai Hoang Khanh Minh
Deputy Managing Director - Institutional Brokerage



Mr. Nguyen Duy Linh
Deputy Managing Director - Retail Brokerage

TREASURY



Ms. Nguyen Vu Thuy Huong
Managing Director

SUPPORT UNITS



Ms. Doan Ngoc Ly Ly
Chief Operation Officer cum Chief Personnel Officer



Mr. Yam Wai On (Steve Yam)
Chief Information Officer



Ms. Luong Lan My
Director - Corporate Communications



Mr. Dao Quang Hung
Manager - Administration Department



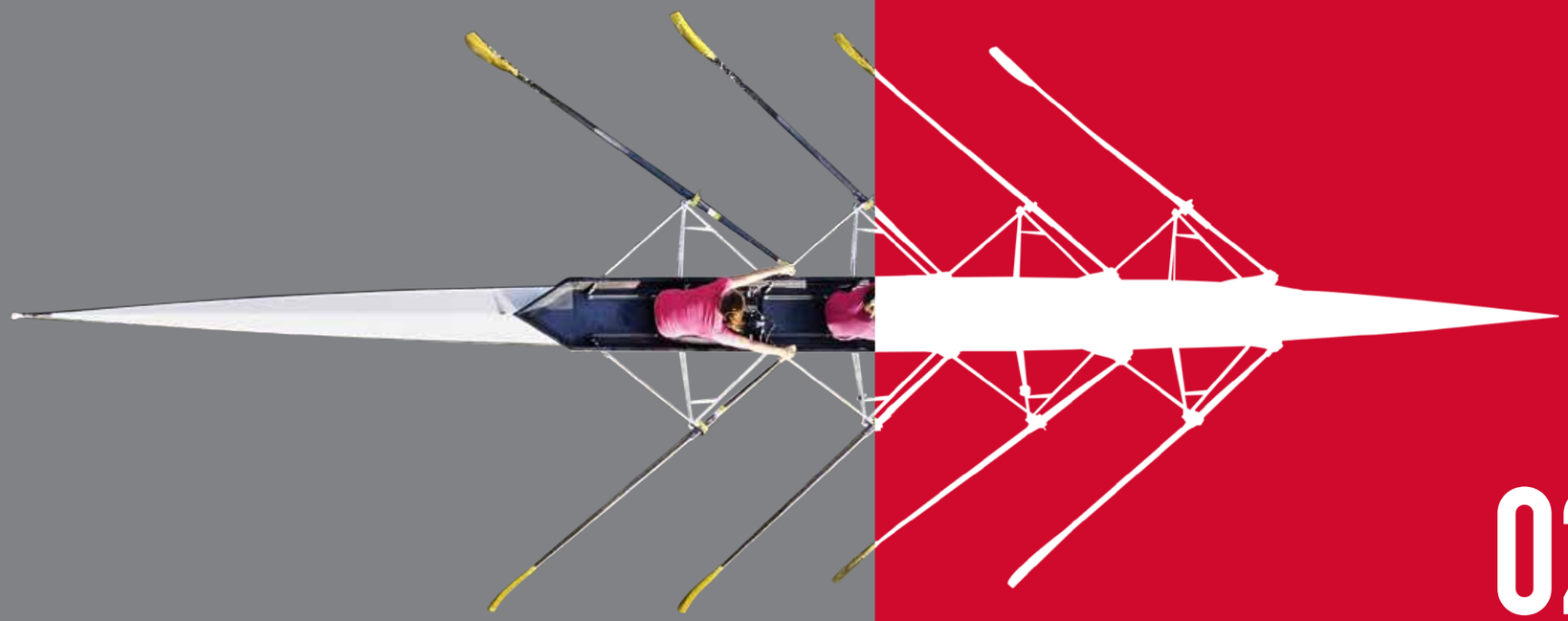
Ms. Hoang Viet Phuong
Director - Institutional Research & Investment Advisory



Ms. Cao Thi Ngoc Quynh
Director - Institutional Sales & Corporate Access



Mr. Nguyen Duc Hung Linh
Director - Retail Research & Investment Advisory

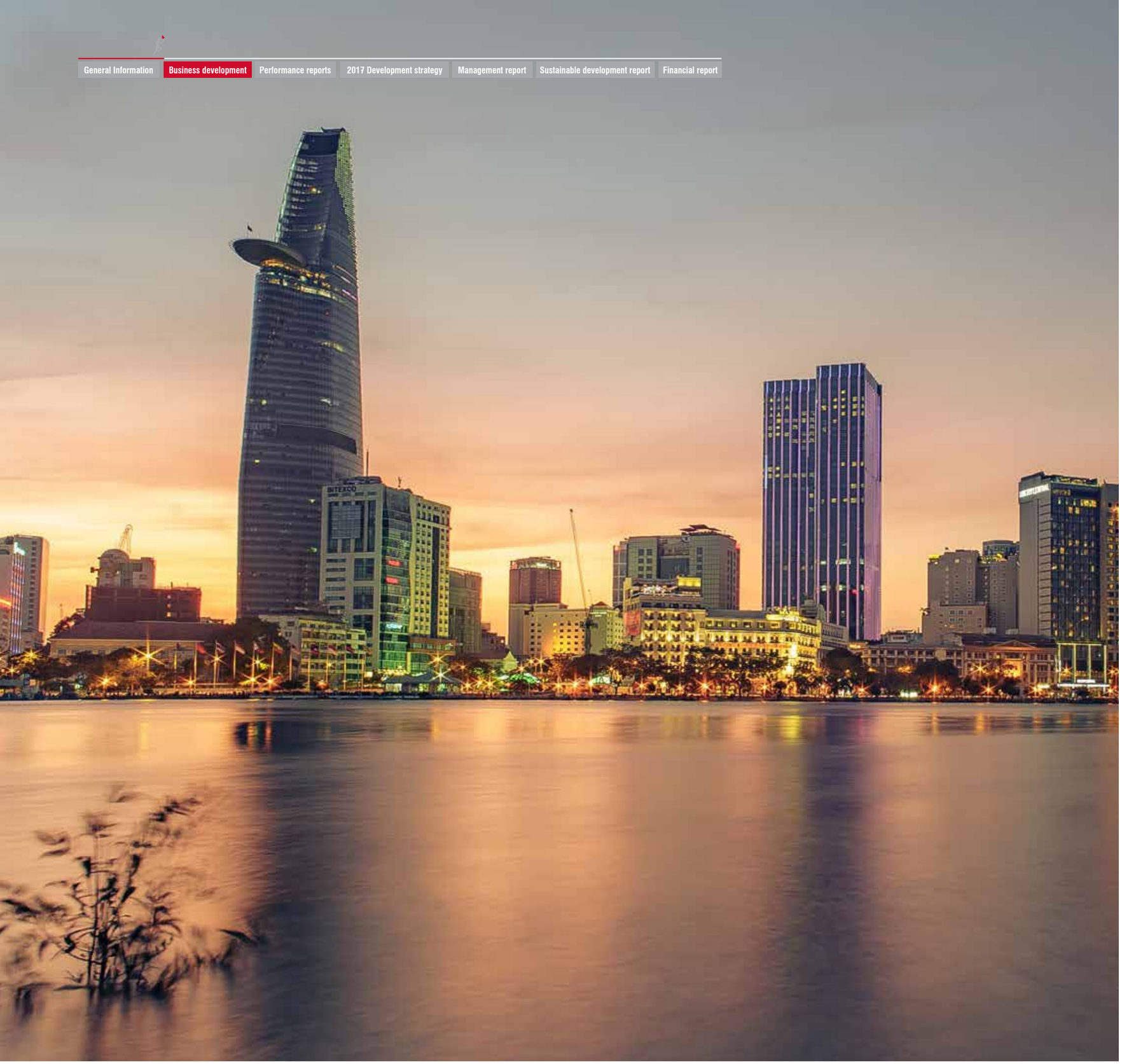


02.

BUSINESS ENVIRONMENT

2016 Macro Review

2017 Macro Outlook

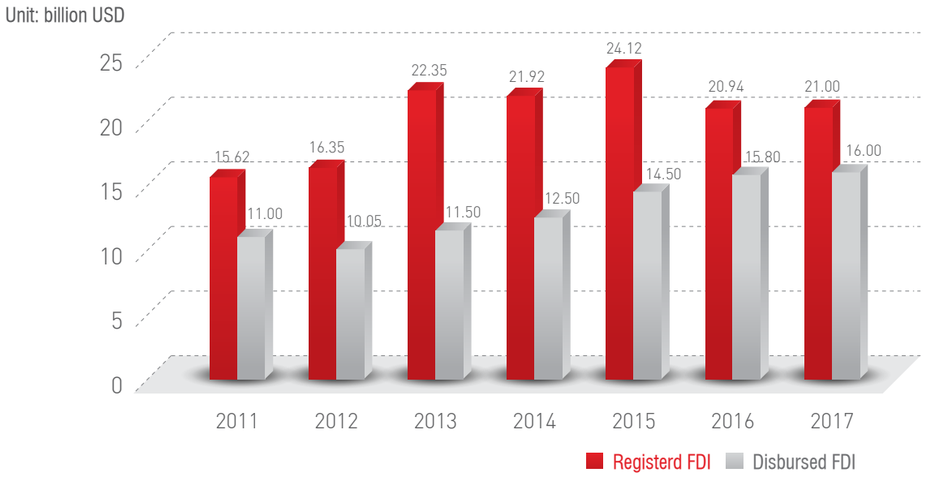


2016 MACRO REVIEW

2016, the first year in the 5-year plan, was indeed a tumultuous year for Vietnam. It headlined by Brexit, a Trump presidency, a tempering Yuan, and the US Fed rate hike which collectively triggered outflows from emerging markets. No one expected Vietnam would fluidly transition in an election year. There is a multitude of unforeseen factors, among which included El Nino, the environmental scandal at the Formosa steel factory in Central Vietnam and the Samsung Note 7 recall. That is the main reason for the economic growth is only 6.21% YoY, lower than the target set at the beginning of the year (6.7% YoY). However, the bright spot in 2016 lies in the fact that the new government has quickly built up confidence, taking concrete and clear steps in stabilizing the macro economy and helping it to gradually recover in the second half of the year. In particular, a number of pro-growth measures were instituted, including:

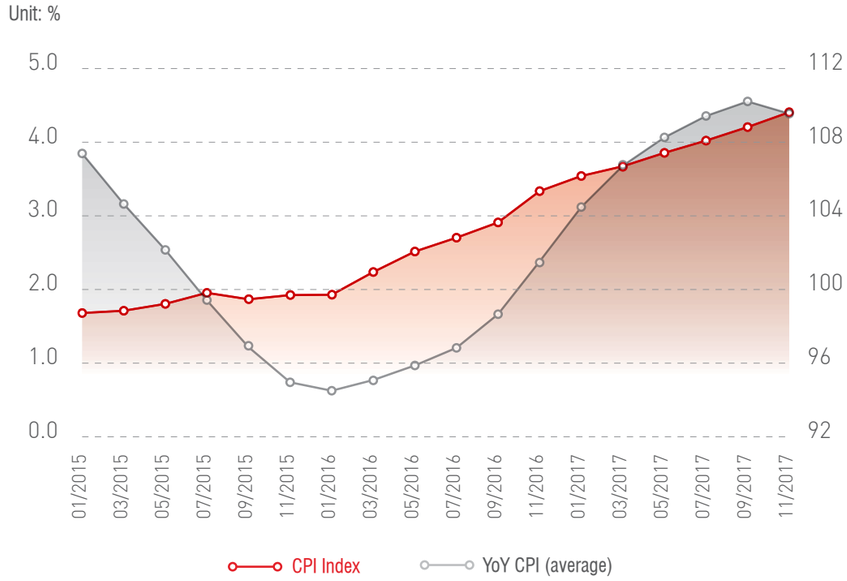
i. lowering interest rates (both deposit and lending rates) in the second half of 2016 (especially from the 4th quarter);
ii. accelerating SOEs reform by effectively relaxing foreign ownership limit, shortening the IPO and listing gap, and completing divestments of a multitude of businesses, even if they were profitable, and;
iii. implementing administrative measure reforms to bring the business environment of Vietnam closer to ASEAN-4.

In 2016, **many positive factors have been in line with our expectation**, including i) impressive manufacturing growth (at 11.9% YoY), ii) rising FDI disbursement and iii) tamed inflation (CPI averaged 2.66% YoY, of which core inflation remained below 2%).



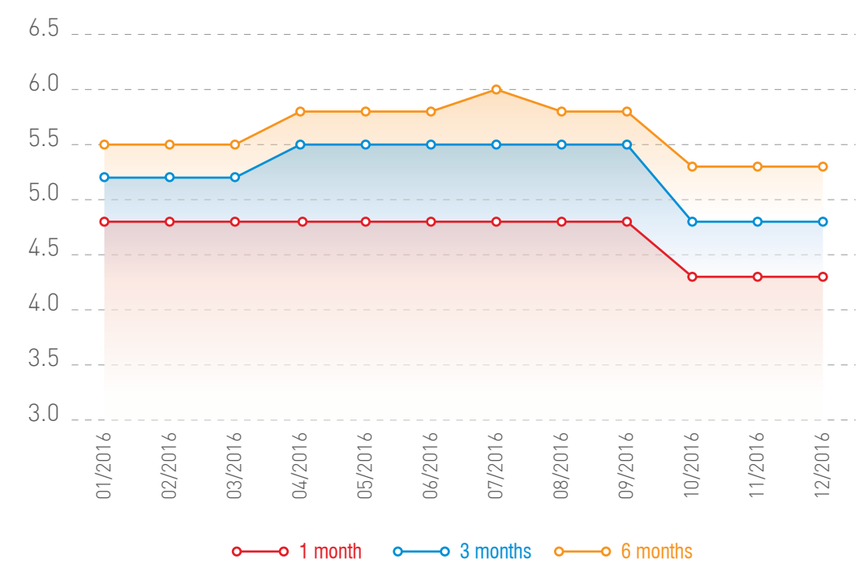
Vietnam Foreign Direct Investment 2011-2017

Source: Ministry of Planning and Investment, SSI Research



Vietnam CPI (month-end and average) 2015-2017

Source: General Statistics Office of Vietnam (GSO), SSI Research



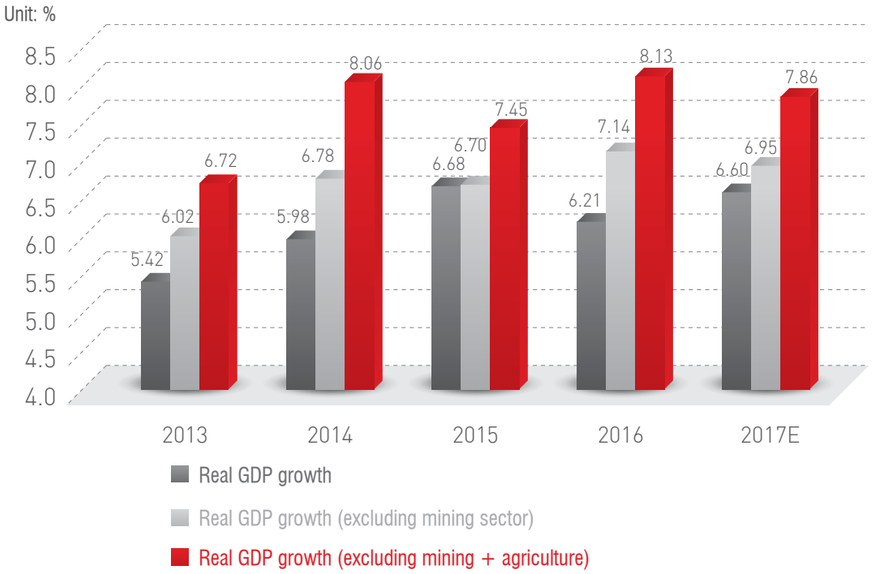
Deposit rates 2016

Source: Bank for Investment and Development of Vietnam, SSI Research

However **there are still many unforeseeable negative factors in 2016.** Dormant mining and agriculture sectors inhibited GDP growth. If we were to exclude the mining sector, the rest of the economy grew at 7.14% YoY (much higher than last year's level of 6.7%). In the context of lower commodity prices, a dormant mining sector would not have overburden the economy.

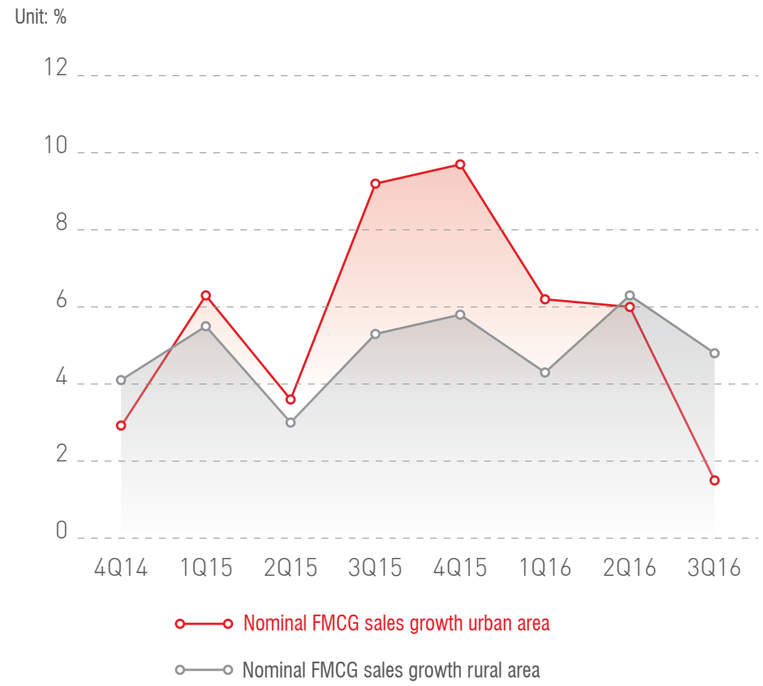
Consumption growth has been lower than expected, especially in rural areas. Final consumption growth totaled 7.32% YoY as compared with 2015's level of 9.12% while real retail sales increased 7.8% as compared with 2015 level of 8.5%.

Last but not least, the banking reform progress fell short of expectation. In fact, most of the focus of the reform goal has not progressed. Specifically, bank recapitalization, Basel II implementation, the 5-year roadmap to reform the sector, the sale of purchased debts by VAMC, the solution on Zero-bill banks, the search for strategic partners and FOL extension in banking sector, all saw no new developments in 2016. That may be the reason for the banking sector was the worst performer in the stock market.



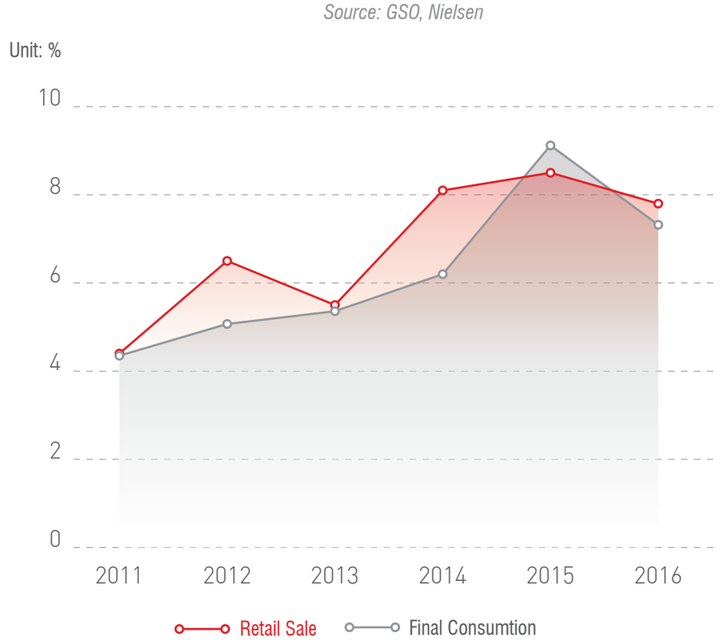
Vietnam GDP Growth

Source: GSO, SSI Research estimates



FMCG sale in urban & rural area

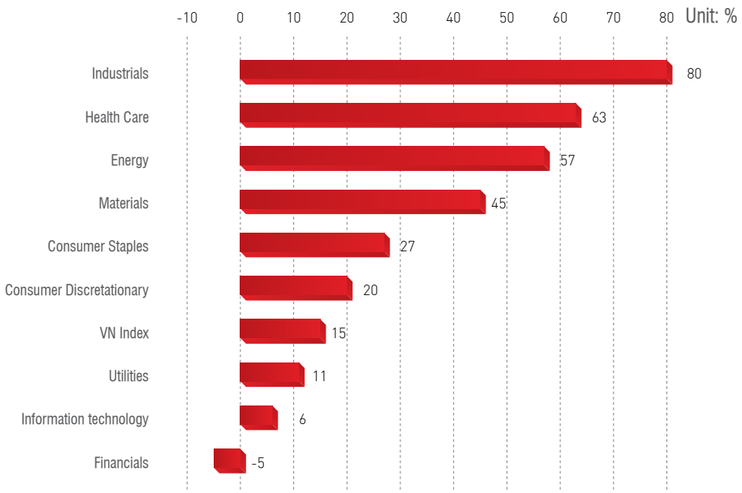
Source: GSO, Nielsen



Retail sale and final consumption real growth 2011-2016

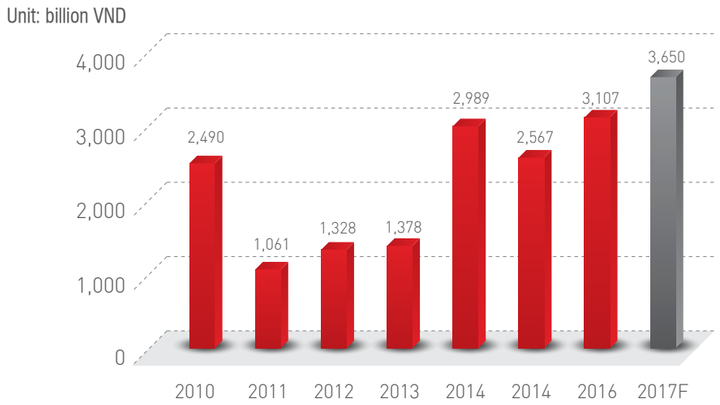
Source: GSO, Nielsen

2016
STOCK MARKET



Sector performance 2016

Source: SSI Research



Average daily turnover

Source: SSI Research

In 4Q2016, the VNIndex plateaued to an 8-year high at 688.89 but closed the year at 664.87, 15% higher than 2015. 2016 marked the listing of many big caps. While the total number of stock listed on HOSE increased by 14 stocks, the total market cap of HOSE increased by 30% YoY. Notably, out of the 85 points increase of the VNIndex, ROS and SAB accounted for 48 points. If we were to exclude the newly listed ROS and SAB, the VNIndex would only have increased by 6% in 2016.

Average daily turnover (ADT) climbed 21% YoY to VND 3,100 billion in FY16 after it had retreated 14% YoY in FY15. The improvement of ADT might be primarily explained by (i) stronger indices (i.e. VNIndex: +15.33% in FY16 vs. +6.35% in FY15) on the back of a healthy economy and listed companies' improved business performances (i.e. 2016E net profit growth of 11.49% YoY vs. 2015 net profit growth of 1.79% - SSI estimates), (ii) extension of foreign ownership limit (FOL) at several listed companies, and (iii) expansion of brokers' margin loans with diminished interest rates. According to the National Financial Supervisory Commission (NFSC), total margin financing balances climbed by 19% YoY.

In a year with repetitive volatility in the global markets, foreign investors shifted more focus to Vietnam. The weight of Vietnam in the MSCI Frontier Index increased from 3.69% in May 2016 to 7.42% as of Jan 2017 with the foreign room extension of VNM. Although the reported data from the Ho Chi Minh Stock Exchange (HOSE) and the Hanoi Stock Exchange (HNX) revealed a net outflow of USD 0.3 billion, the data does not accurately reflect transactions related to convertible bonds and issuances (both to existing shareholders and private placement).

According to our calculations for foreign investor's ownership on the HOSE and the HNX in 2016 increased by USD 3 billion (increased 22.9% YoY, much higher compared to the VNIndex augmentation), the absolute foreign holding reached USD 16.1 billion.

HOSE + HNX	2015	2016
Foreign holding (in USD billion)	13.1	16.1
Foreign ownership (% of total market cap)	22.8%	22.3%
Total market cap (USD billion)	57.4	72.3



2017 MACRO OUTLOOK

The National Assembly convened in October 2016 with an aim to achieve the following economic plans for 2017: 2017 GDP growth at 6.7%, CPI (average) of roughly 4% YoY, budget deficit at lower than 3.5% of GDP. Among these targets, GDP growth is attainable by given the obvious growth catalysts while other targets could be more difficult to achieve. The following catalysts are needed to stimulate growth:

Domestic consumption continues to grow strongly, thanks to stable interest rate environment and rising trend of the middle income class. This is the most basic internal force of growth, in the context of the world situation is more turbulent with the rise of trade protectionism.

Development investment (mainly infrastructure investment), could return to old growth momentum after one year of slow growth in 2016. The government's development investment plan to increase by 36.7% YoY. In addition, ODA disbursement will recover after falling nearly 20% YoY in 2016, before Vietnam officially graduates from a low-income to middle-income country in Sep17 (after this deadline, development loans from global donors might be subject to higher interest rate).

Regarding FDI, although committed FDI decreased in 2016, most likely it will not compromise FDI disbursement in 2017, as many projects might be licensed and disbursed in the year, including large thermal power projects (Vung Ang 2, Nghi Son 2).

Two underperformed sectors in 2016, are likely to recover due to better weather (agriculture sector) and commodity prices are on the upward trend (mining sector).



Credit to GDP ratio

Source: GSO, State Bank of Vietnam, SSI Research estimates

Inflation taming is likely to be challenging for government in 2017. With new calculation method, CPI in the first months of 2017 will exceed the full year target level right away, and it is a major challenge for the government to ensure macroeconomic stability. On contrary, inflation at the beginning of 2016 was quite low, so there was room for monetary policy expansion then. Regarding monetary policy, in addition to pressure from rising inflation, banking sector' undercapitalization also negatively impacted the possibility of high credit growth to support economic growth:

- **Credit growth at 17% - 18%** in recent years has led credit-to-GDP ratio reached 10-year high, which implies higher risk for the banking system.
- **The pressure of bank recapitalization** extended as their CAR fell from ~14.0% in FY14 to ~12.7% at end-Sep 16. SOCBs are the group with lower CAR in the system and if their goal is to achieve high credit growth, they will need to recapitalize soon.

Banks' robust loan growth in 2016 was mostly fueled by retail loans, in which mortgage loans were estimated to account for 54% of retail loans. Both the government and the State Bank of Vietnam (SBV) are aware of the risks of mortgage loans for banks and the property sector is unlikely to grow rapidly from 2017, so credit growth comes from mortgage loans might be peaked and slowed down in the coming years.

For monetary policy, the exchange rate is also a major concern of market participants. As export growth softened in the wake of increasing protectionism, and import growth accelerated on the back of higher growth with capex expansion; the trade deficit is likely to resurface, coupled with expected lower remittances due to the US Fed rate hikes, while interest rates on deposits for USD in Vietnam remained at 0%. These factors can exert further pressure on Vietnam's balance of payment. However, foreign indirect investment and SOE divestment could help to balance the pressures on the exchange rate. As a result, the SBV could be continue to take the initiative in managing the exchange rate. In regards to interest rates, accelerated inflation could push deposit rate higher, while the same might not be applicable for lending rate, as the government will try to maintain it at a stable level for the sake of higher growth.

For a lower budget deficit target, although there is great expectation for innovation in managing budget spending for 2017, the sharp reduction of the budget deficit to 3.5% of GDP will also be a challenge and the budget deficit continues to limit the ability to use fiscal policy to support economic growth.

In 2017, the revised Law on State Budget will take effect, which changes the budget deficit calculation (mainly removing debt repayments from the expenditure). For simplicity, the 2016 budget deficit is estimated at 5.64% of GDP in the old calculation (target 2016: 4.95% of GDP), converted to a new calculation of about 4.33% GDP. This means that even in a new way of calculating, a budget deficit of 3.5% of GDP is not just a change of calculation, but also a strong balance of payments effort. More strongly in the context of public debt has reached (and may have exceeded) the 65% of GDP.

On the spending side, the government targets to curb the current expenditure by 5% YoY. As the current expenditure normally accounts for over 70% of total spending, this reduction will constitute for the expansion of development investment. On the revenue side, the structure of budget collection revealed diminished contribution from foreign trade activities (due to FTAs implementation), crude oil (revenue from crude oil only reached 69% of the year plan) and SOEs.

Looking at the whole, the emphasis on agricultural restructuring (climate change adaptation, high-tech agriculture, enhance the value chain, land accumulation), and the service sector (especially tourism) will create new impetus for economic growth. In the context of increased trade protectionism, focusing on internal development, focusing on domestic consumption, taking advantage of the opportunities of the young populations and the rise of the middle class is the major directions to sustain growth for Vietnam.

2017 STOCK MARKET OUTLOOK

According to SSI Research & Investment Advisory, the main trends of Vietnam's stock market in 2017 include:

Revenue Growth (%)			Net Profit Growth (%)			Dividend Yield (%)		
2015	2016E	2017E	2015	2016E	2017E	2015	2016E	2017E
8.7%	10.9%	16.4%	1.79%	11.49%	11.45%	6.8%	4.6%	4.3%

Estimated revenue, profit and dividend growth of listed firms by 2015-2017

Source: SSI Research estimates

MORE SOE DIVESTMENT

Equitization and divestment of SOEs will continue to create investment opportunities to change the face of the Vietnamese stock market. We expect that at least 50% of the Top 30 market cap will be replaced by newcomers in 2017. Consumer, industrials and energy sectors will grow the most in terms of market cap, therefore, the VN30 will become more representational of the overall market. In Decision 58/2016 on SOE classification for 2016-2020 issued by the Prime Minister, many SOEs do not need state-owned dominance, this will create more investment opportunities in the coming years.

MORE BANKING REFORMS

Banking reform is expected to improve in 2017. However, a down year might be followed by an up tempo year. In 2017, although we still see a lot of risks facing the sector, any progress in M&A or FOL extension will strengthen investors' confidence

IMPACT FROM EXTERNAL FACTORS

Besides the impacts from the US Fed rate hike, increasing protectionism and a softening RMB, we believe that Vietnam will continue to be an attractive frontier market destination, given the progress in FOL extension and market cap expansion. We expect that in May-June Review, the weight of Vietnam might increase significantly in the MSCI Frontier Index (MSCI Frontier will upgrade Pakistan to emerging market status and might exclude Nigeria and consider upgrading Argentina to emerging market as well).

COMMODITIES OUTLOOK

In our opinion, commodities (Oil, natural gas and coal) uptrend is beneficial for fiscal balance and the energy & material sectors. On the other hand, high input price is negative for the consumer and industrial sectors as margin could contract.

03.

OPERATION REVIEW

The Board of Management's Report on Business Result

Business Sectors

Key Success Drivers





THE BOARD OF MANAGEMENT'S REPORT ON BUSINESS RESULTS

2016 BUSINESS PERFORMANCE

In 2016, SSI's consolidated revenue exceeded the revenue target set out in the business plan by 60%, reaching VND 2,312 billion, or a growth of 28% compared to 2015. 2016 consolidated profit before tax reached VND 1,056.8 billion, exceeding the target by 11.24%.

Positive business performance was achieved in all business sectors.

Revenue from **Securities Services** accounted for 37.5% of the total revenue, achieving approximately VND 868 billion, 42.3% higher than 2015. This mainly resulted from a remarkable growth of brokerage fees and revenue from financial products. The two groups made up more than 90% of total revenue of the Securities Services in 2016. In 2016, SSI continued to maintain the No. 1 position on both exchanges of HOSE and HNX, with the brokerage market shares of 13.69% and 11.03% respectively, increasing the gap with the second rank compared to 2015. This result shows SSI's serious investment in improving product & service quality and diversifying investment analysis and recommendation reports, as well as the development of human resources with high qualifications and good professional ethics. Margin lending activity also experienced a significant growth with average margin balance of over VND 3,890 billion in 2016, maintaining the highest level in the market and with updated and appropriate margin stock list. By late 2016, SSI managed more than 100,000 client accounts.

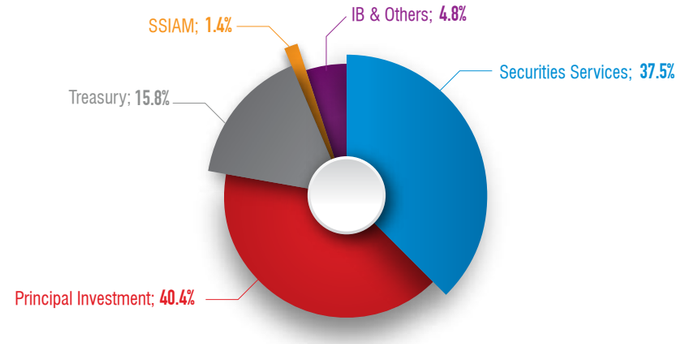
Principal Investment revenue was VND 934 billion, accounting for 40.4% of the total revenue of the Company, a rise of 8.4% compared to 2015. With total 2016 market value of investment up to VND 4,176 billion, at the end of 2016, SSI continued its effective value investment strategy, accompanying companies in their endeavors. At the year-end, SSI had 3 associates, namely The PAN Group JSC. (PAN - HOSE), Dong Nai Port JSC. (PDN - HOSE), and Vietnam Fumigation JSC. (VFG - HOSE), all of which achieved positive business performance for the last year.

Investment Banking regained its leading position by a series of successful deals in 2016 totaling up to hundreds of millions of US dollars, such as advisory service for offering of 78.38 million share of Vietnam Dairy Products Joint Stock Company (VNM – HOSE), advisory service on the sale of shares of Hau Giang Pharmaceutical Joint Stock Company (DHG – HOSE) and private offering advisory service for No Va Land Investment Group Corporation (NVL – HOSE) under the book building method. Revenue from these services hit its highest level in recent years, reaching VND 106.6 billion, an increase of 145% compared to 2015.

2016 continued to witness a successful year of **SSI Asset Management Company Limited (SSIAM)** in raising capital from foreign investors, increasing the total assets under SSIAM's management to over VND 7,913 billion, up 27.4% against 2015. On the other hand, all of the funds under SSIAM's management achieved superior rates of returns compared to the VN Index. The Company's 2016 revenue rose by 137% compared to 2015, reaching VND 32.5 billion.

Treasury successfully completed its assigned tasks in 2016 in terms of revenue, increasing the total assets to more than VND 13,000 billion, 9% higher than 2015, ensuring the highest level of liquidity for customers and effectively supporting the capital needs of other Business Units, successfully issuing corporate bonds with interest rates equivalent to those of commercial banks in the same period, enhancing the image and reputation of SSI as one of the most prestigious intermediary financial institutions in the securities market in particular and in the financial market in general. Revenue from the Treasury in 2016 reached VND 366 billion, contributing approximately 16% to the Company's total revenue and growing by 37,3% compared to the previous corresponding period.

Details of business performance by sector will be presented in later sections of the report.



2016 revenue structure

Source: SSI Consolidated Financial Report



NET REVENUE



TOTAL ASSET



PROFIT AFTER TAX



Source: SSI

CHARTER CAPITAL

2016 FINANCIAL PERFORMANCE

In 2016, SSI's total consolidated assets saw a 9% increase to approximately VND 13,228 billion compared to 2015 and its owners' equity reached VND 7,152.6 billion. Total assets increased thanks to the increase in bank loans in order to support two business activities: Margin lending and Treasury

FINANCIAL HIGHLIGHTS

Income Statement	2012	2013	2014	2015*	2016
Net revenue (VND)	849,294,221,184	726,943,829,636	1,564,510,137,885	1,802,941,289,604	2,311,968,320,548
Net profit from operating activities (VND)	376,778,240,068	328,444,936,244	859,922,881,979	1,048,759,561,585	1,054,323,861,119
Profit before tax (VND)	487,258,631,205	505,834,184,178	927,840,400,057	1,053,797,641,057	1,056,825,860,115
Profit after tax of parent company's shareholder (VND)	464,299,378,161	418,044,800,068	744,830,193,840	841,566,556,381	877,035,858,056

(*) 2015 data was restated and amended in accordance with the new accounting guidance for securities companies, following Circular 201/2014/TT-BTC and Circular 334/2016/TT-BTC, which amend, supplement and replacing Annex 02 and 04 of Circular 210/2014/TT-BTC

For more details, please see Note 4.1 and 44.7 in SSI 2016 Consolidated Financial Statement

Balance sheet	2012	2013	2014	2015*	2016
Total asset (VND)	7,980,875,901,875	7,705,073,825,594	8,914,435,465,737	12,153,431,597,528	13,227,969,251,704
Charter capital (VND)	3,526,117,420,000	3,537,949,420,000	3,537,949,420,000	4,800,636,840,000	4,900,636,840,000
Weighted average outstanding shares	349,577,749	350,654,030	464,358,318	471,713,404	489,825,250
Owner's equity (VND)	5,275,272,217,294	5,325,172,426,892	5,773,805,744,525	6,727,609,014,290	7,152,567,156,682

Other ratios	2012	2013	2014	2015*	2016
Asset structure					
Current assets/ Total Assets	60.6%	58.0%	71.9%	90.30%	89.8%
Non-current assets/ Total Assets	39.4%	42.0%	28.1%	9.70%	10.2%
Capital structure					
Total liabilities/ Total Assets	33.9%	30.9%	35.2%	44.64%	45.9%
Owner's equity/ Total Assets	66.1%	69.1%	64.8%	55.36%	54.1%

Profitability ratios	2012	2013	2014	2015*	2016
Net profit/ total assets (ROA)	5.8%	5.4%	8.4%	6.91%	6.6%
Net profit/ owner's equity (ROE)	9.0%	8.0%	13.1%	12.6%	12.4%
Net profit/ charter capital	13.2%	11.8%	21.1%	17.49%	17.9%
Net profit/ net revenue	54.7%	57.5%	47.6%	46.58%	37.8%
Earnings per share (VND)	1.328	1.192	1.492	1.658	1.698



BUSINESS SECTORS

SECURITIES SERVICES

2016 HIGHLIGHTS

SSI continued to reaffirm the No. 1 brokerage position on both Ho Chi Minh City Securities Exchange (HOSE) and Hanoi Securities Exchange (HNX) with 2016 market share at SSI's market share in the former reached 13.69%, up 4.7% compared to 2015; and 11.03%, up 15.3% compared to 2015 in the latter.

The number of new retail accounts rose by 98% compared to 2015, totaling over 100,000 accounts at the end of 2016.

100,845
Total client accounts

Retail Brokers continued to grow in both quantity and quality. In 2016, SSI had 353 full-time brokers working at 10 branches and transaction offices nationwide, an increase of nearly 30% compared to 2015.

13.69%
Brokerage market share at HOSE

Margin lending services also experienced a significant growth with 2016 average margin balance of over VND 3,890 billion, maintaining the highest level in the market and with updated and appropriate margin stocks list.

11.03%
Brokerage market share at HNX

Products from Institutional Research and Investment Advisory are introduced to a great number of domestic and foreign investors, receiving a lot of positive feedback in the context of Vietnamese market likely to be upgraded to the MSCI Emerging Market.

Direct Market Access (DMA) Services were successfully introduced, providing direct order placement tools for Institutional Customers. Moreover, in the past year, SSI has successfully organized hundreds of corporate access events to obtain the understanding of companies, exchanging information and introducing investment opportunities to foreign and foreign institutions, and has been awarded "Best for events and/or conferences in Vietnam" by Asiamoney.

SSI Securities Services continued to receive a great number of prestigious awards from regional reputable institutions such as: "Best Broker in Vietnam" by Finance Asia, "Best Local Brokerage" by Asiamoney, and several awards for excellent individuals from Research and Investment Advisory, Institutional Sales and and Institutional Broker Departments.

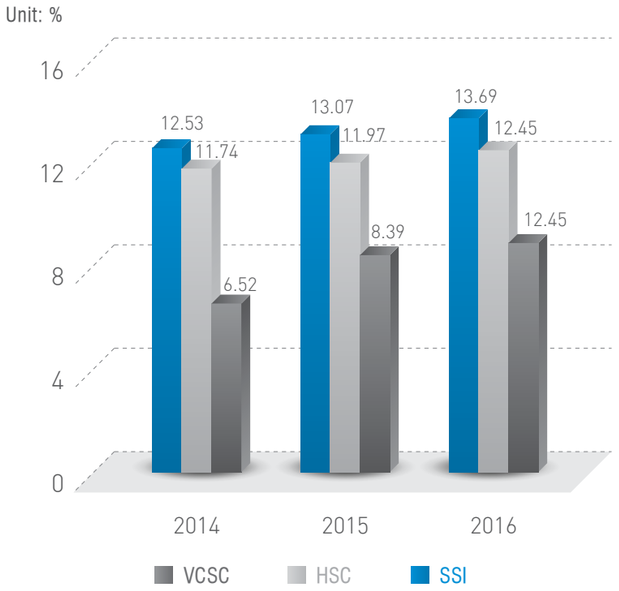
2016 PERFORMANCE

In 2016, the market was remarkably impacted by international events such as the fall of crude oil prices, the United Kingdom's withdrawal from the European Union (Brexit) on June 24, and the results of the United States presidential election on November 9. A series of regulations have been issued in Vietnam such as: Circular No. 115/2016/TT-BTC has contributed to enhancing publicity and transparency of companies subject to equitization and protecting the interest of investors; Decision of HOSE on trading units and order types applied on HOSE has provided investors with more utilities, contributing to the market liquidity enhancement. Room expansion was performed on a large scale; State capital divestments from large companies such as Vietnam Dairy Products Joint Stock Company (VNM - HOSE) and listings of companies having the market capitalization of more than USD 1 billion became more positive. The market scale was extended, leading to much more choices for domestic and foreign investors than before, especially more opportunities for foreign investors to invest in their favorite shares of which rooms had been full earlier. Excess liquidity in the banking system caused low interest rates. Easy capital mobilization for securities investments pushed up domestic cash flows, offsetting the overall deficits from foreign cash flows. Revenue from margin lending became a new growth motivation thanks to mobilization of margin lending capital with low interest rates and highly-increased margin needs in the market. Workloads to deal with margin requirements and risk management, therefore, also witnessed a sudden leap. Investors have been more professional so far, diverting more attention to fundamental analysis and needing more information from securities companies. This results in fiercer competition among securities companies in the provision of investment analysis and recommendation reports, services to support investors in meeting companies, financial products to support investors.

In 2016, SSI Securities Services continued to succeed in increasing the number of customers; developing retail customer brokers; growing the brokerage market share; diversifying investment analysis and recommendation reports; expanding margin stocks list and rising margin loan balances; supporting customers by organizing events where investors could meet listed companies and find an investment opportunity. Also, Securities Services received many prestigious awards for brokerage and investment analysis from reputable institutions in the region such as FinanceAsia and Asiamoney. However, institutional customer activities experienced a decline in the face of other securities companies' competition for market share by reducing fees, and a small number of institutional sales staff led to a lot of limitations on caring existing customers and developing new customers.

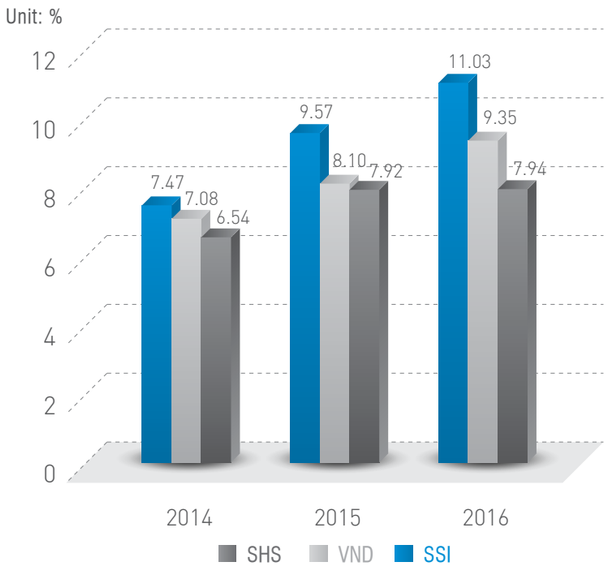
Market share growth

The brokerage market share continued to reaffirm its highest position in both stock exchanges, reaching 13.22%, up 7.4% compared to 2015, in which the market share on HOSE reached 13.69%, up 4.7% compared to 2015 while that on HNX reached 11.03%, up 15.3% compared to 2015. The market share growth resulted from the extension and development of new customers, increased outstanding balances of financial products, improvement of customer care services, and enhancement of the quality of investment analysis and recommendation reports.



Top 3 market share of stock/ETF on HOSE

Source: HSX, collected by SSI



Top 3 market share of stock/ETF on HNX

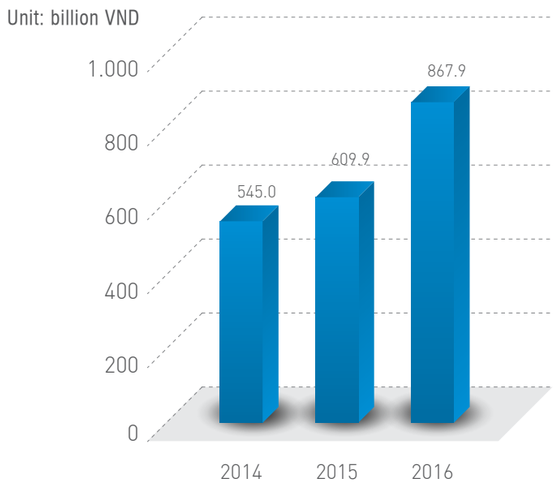
Source: HNX, collected by SSI

Revenue growth

2016 revenue from the Securities Services reached more than VND 868 billion, a rise of 42.3% compared to 2015, resulting from a remarkable growth of brokerage fees and revenue from financial products. The two revenue groups made up more than 90% of total revenue.

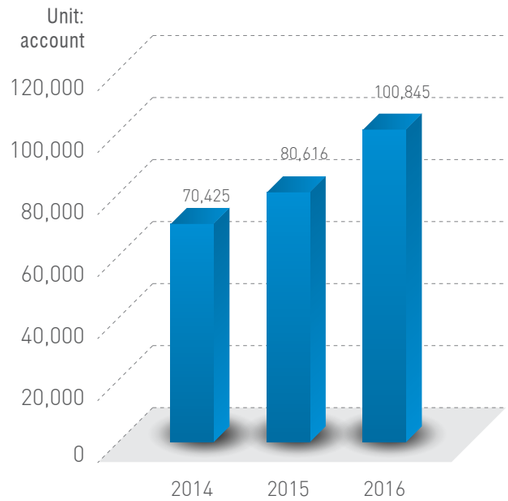
Growth in customers

By late 2016, SSI managed more than 100,000 accounts, accounting for 5.9% of total investor accounts of the whole market, of which 156 accounts were of new foreign institutions mainly from the US, Hong Kong, Singapore and Europe. The impressive growth in the number of customer accounts shows a great concentration on investment advisory services, financial products, as well as the development of well-trained and professional brokers.



Revenue from Securities Services

Source: SSI Consolidated Financial Report



Number of accounts

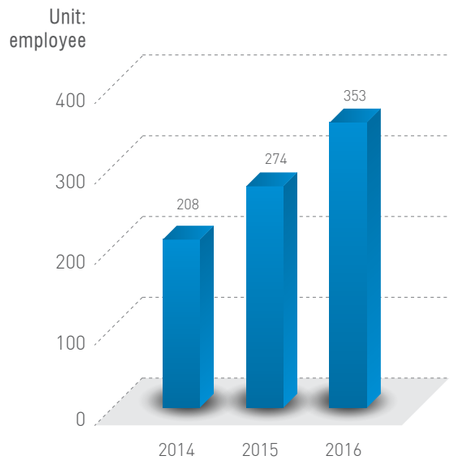
Source: SSI



Growth in Retail Brokers

With the targets of share market growth and scale expansion, SSI continued to implement a large number of programs and policies on recruitment of brokers who were highly qualified and suitable with the working environment and corporate culture of the Company. Not only the increase in quantity, SSI also attached importance to broker training programs so that its brokerage personnel could become financial consultants with high expertise, good professional ethics, consulting capability and customer care skills.

At the end of 2016, SSI had 353 full-time Retail Customer Brokers working at 10 branches and transaction offices nationwide with net average fees of over VND 60 million/person/month.



Number of brokers

Source: SSI

Improving the quality of products and services & Developing new products

With endless efforts to improve the quality of products and services, in 2016, the SSI Securities Services successfully deployed new products and increased the utility of existing products, meeting customers' increasing demands.

SSI investment advisory and recommendation products for retail customers were closely aligned with the market with the combination of fundamental and technical analyses to provide appropriate recommendations for customers, enhancing their investment returns and minimizing risks. In 2016, SSI Retail Research and Investment Advisory launched two breakthrough new products, namely Monthly Macro Report "Vietnam Chartbook" and Semi-annual Strategy Report "2016 Stories". In addition, reports in Japanese language were developed into a specialized section including 3 types of reports, providing sufficient investment information and recommendations for Japanese customers.

Institutional investment advisory and recommendation products have been one of SSI's strengths in recent years and highly appreciated for the trust built with domestic and international customers. SSI has been providing specialized reports for 29 industries and 70 listed companies, accounting for 90% of total market capitalization value.

Online trading products have also been improved with more features and utilities for customers such as online securities transfer, which helps customers trade and manage their portfolios more easily, and online order confirmation, which helps customers actively track and manage orders placed on their accounts without signing an order voucher in person.

The Institutional Sales, in cooperation with the IT Department, successfully provided Direct Market Access (DMA) services for domestic and foreign institutional customers. Also, Institutional Brokerage launched Good Morning Vietnam products, receiving high appreciation from customers.

TREASURY

2016 HIGHLIGHTS

Reached a striking growth in revenue (37.28% higher than 2015) and total assets (up approximately 9% compared to earlier 2016)

Absolutely ensured liquidity for customers and effectively supporting high fund demands from other Business Units within the Company, enhancing the image and reputation of SSI as one of the most prestige intermediary financial institutions in the securities market in particular and in the financial market in general.

Continued to create safe and effective structured products targeting potential customers.

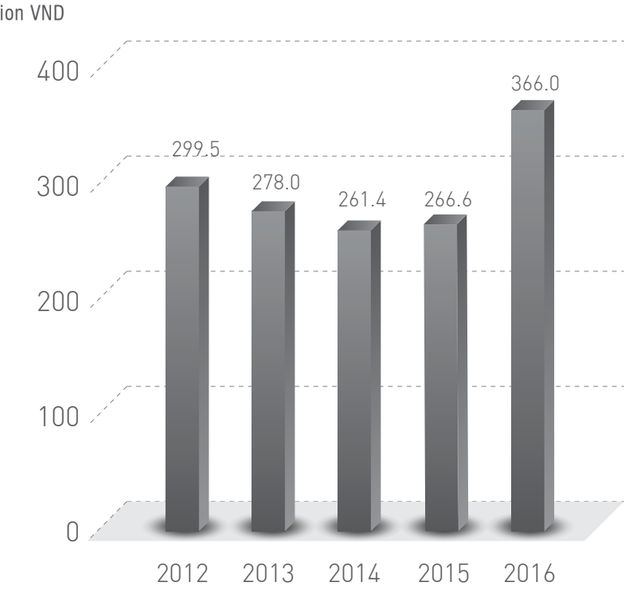
37,28%
Growth in revenue compared to 2015

9%
Total assets increase compared to earlier 2016



2016 PERFORMANCE

Treasury had an excellent performance in 2016 with increases in total assets by 9%, revenue by over 37.28% and profits by the same percentage compared to 2015. Treasury did not only meet high financial targets but also had remarkable achievements in other activities such as developing products, extending markets, partners and customers, and developing human resources.



Revenue from Treasury
Source: SSI Consolidated Financial Report



High growth in core business activities

With the target of a strong growth in total assets to ensure the No.1 position in the market compared to competitors, in 2016, SSI had total assets of over VND 13,000 billion, a rise of approximately 9%. This is one of important competitive advances when SSI engages in complicatedly-structured and large-sized transactions.

Although interest rates in the market remained low due to the market supply and demand as well as the State Bank of Vietnam's orientation towards stable interest rate policies, SSI Treasury continued its growth with a sharp increase in revenue and profits from the monetary trading activities, mainly from long-term deposits.

Besides, in the past year, SSI earned a large profit from the principal trading of Government bonds and Government-guaranteed bonds as it actively seized opportunities from interest rate fluctuations in the market. In addition to the principal trading of Government bonds, corporate bond investment and repo transactions also generated high profits based on appropriate risk levels, contributing to the 2016 highlights.

Profits from structured products

Along with the development of the financial market, there was an increasing demand for Derivatives and Structured Products, requiring the products designed appropriately with the characteristics of each group of investors and the market practices. Since 2015, new product investment, research and development have contributed to the effective operations of SSI Treasury in 2016, which was shown not only by a revenue increase but also by the development of new business sectors as well as new customers, creating development momentum for such products next year.

Ensuring the highest level of liquidity for the Company and Investors as well

Besides equity trading activities, ensuring the highest level of liquidity of the Company as well as investors, in any circumstances, was a very important mission of SSI Treasury in 2016. In the face of high fund demands from other Business Units, especially those for margin loan balances from the Securities Services, at certain times exceeding VND 4,200 billion, SSI Treasury must ensure demand satisfaction in a timely manner. It was committed to supporting and providing the funds through issue of various debt instruments with interest rates at a record low, enhancing the image and reputation of SSI as one of the most prestige intermediary financial institutions in the securities market in particular and in the financial market.

Broadening and strengthening relations with financial institutions in the market

2016 also marked the efforts of the Treasury and Finance Trading Department to strengthen, foster and build sustainable and close business relations with large financial institutions in the market such as: Joint Stock Commercial Bank for Foreign Trade of Vietnam (VCB), Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV), Vietnam Joint Stock Commercial Bank for Industry and Trade (Vietinbank), and Vietnam Bank for Agriculture and Rural Development (Agribank) as well as enhance further cooperation with such joint stock commercial banks as: Asia Commercial Joint Stock Bank (ACB), Military Commercial Joint Stock Bank (MBB), Orient Commercial Joint Stock Bank (OCB), Vietnam International Commercial Joint Stock Bank (VIB), and Petrolimex Group Commercial Joint Stock Bank (PGB). Moreover, SSI also broadened relations with other economic organizations such as groups, listed companies with a series of high-potential deals next year.

ASSET MANAGEMENT

2016 HIGHLIGHTS

Successfully launched SSIAM UCITS - Vietnam Value Income and Growth Fund from European individual and institutional investors. This is a UCITS open-ended fund registered in Luxembourg, and SSIAM is the fund manager.

Increasing the size of Andbanc Investments SIF – Vietnam Value and Income Portfolio (incorporated in December 2015) more than 3 times to USD 52.2 million

Officially ending the capital mobilizing period for Daiwa – SSIAM Vietnam Growth Fund II LP with total committed capital of USD 39.4 million from investors in Asia. This is a private equity fund managed by Daiwa Corporate Investment and SSIAM.

Strong increase in size: Total assets under SSIAM's management reached more than VND 7,913 billion, a rise of 27.4% compared to 2015. AUM growth came from both newly mobilized capital and investment returns that SSIAM brought back to its customers.

High rates of returns for funds and portfolios under SSIAM's management.

2016 prestigious awards

- "Best Fund House" awarded by Asia Asset Management for the 3rd time;
- "CEO of the Year" awarded to Ms. Le Thi Le Hang by Asia Asset Management for the 5th successive time.

7,913 BIL VND

Total assets under SSIAM's management in 2016, a rise of 27.4% compared to 2015

2016 PERFORMANCE

Business Environment

Vietnam's asset management industry witnessed many achievements in 2016. According to the SSC, at the end of 2016, total assets under management of the industry increased by 17% to VND 146,000 billion compared to 2015. By the end of 2016, a new fund was launched, increasing the total number of funds in the marketplace to 30 funds, including 17 open-ended funds with assets size of VND 3,400 billion. Domestic individual investors began to pay more attention to the products of asset management companies. By the end of 2016, total number of investors in open-ended funds was estimated to be more than 10,600, 65% higher than the previous year. This shows positive signs for the market and a motivation for asset management companies to diversify their products and services to better meet the needs of investors in future.

Many open-ended funds with impressive returns

Currently, there are 13 open-ended share and balanced funds, and 5 open-ended bond funds operating in the market. Several share funds had higher performance in 2016 in the market, building trust with investors in open-ended funds. Particularly, certain funds had rates of return from 16 to 24%, much higher than the VNIndex growth of 15%. The growth of open-ended bond funds was effected by low and less volatile interest rates; however, most funds showed their good performance with rates of return from 7% to 9%.

Strong increase in the size of open-ended funds

By the end of 2016, total assets of domestic open-ended funds reached VND 3,400 billion, an increase of 70% compared to 2015. This mainly resulted from the superior performance of many open-ended funds in recent years as well as great efforts of asset management companies in providing information about open-ended funds for investors. In addition, in 2016, many asset management companies actively expanded the open-ended fund certificate distribution channels through the banking system. Thanks to human resources and customers of banks, more and more individual investors were able to access open-ended fund products.

The increase in fund size made a great contribution to busy trading of fund certificates in 2016. According to the Vietnam Securities Depository, by late October 2016, there were more than 1,100 billion fund certificates traded after 818 periodic call auction sessions with total transaction value of over VND 1,667 billion (a rise of 76.29% in the number of sessions and 27.12% in total transaction value compared to 2015. The number of buy orders for fund certificates saw a sudden jump to 5,231 with the value of more than VND 1,000 billion, 258.24% higher than 2015.

Diversified fund sources with high quality listed stocks

The increase in fund size required fund diversification in the market and listed stocks with high liquidity and large capitalization value. The 2016 securities market saw the listings of many State-owned groups and corporations such as Saigon Beer Alcohol Beverage Joint Stock Corporation (SAB – HOSE), Hanoi Beer Alcohol Beverage Joint Stock Corporation (BHN – HOSE), Vietnam National Textile and Garment Group (VGT – UPCOM), and Airports Corporation of Vietnam (ACV – UPCOM). This resulted from the Government's great efforts in speeding up the equitization and listings of stocks in the formal exchanges.

Legal documents facilitating the development of new products

Several legal documents were issued in 2016, aiming to create legal framework for the development of new products of the asset management industry.

In July 2016, Decree No. 88/2016/ND-CP on voluntary supplemental retirement program was officially issued. This is an attractive product that allows employees to prepare their retirement finance and provides employers with a tool to retain talents. The voluntary supplemental retirement program helps diversify the products of asset management companies.

In terms of derivatives, the Ministry of Finance issued Circular No. 11/2016/TT-BTC guiding Decree No. 42/2015/ND-C on derivatives and derivatives market, and Circular No. 107/2016/TT-BTC on guidelines for the offering and transaction of covered warrants. Such new products are expected to be launched in 2017. The introduction of Future Contracts and Warrants provided asset management companies with more risk-hedging tools for funds and investment portfolios.

SSI AM reaffirms its position as a leading Asset Management Company

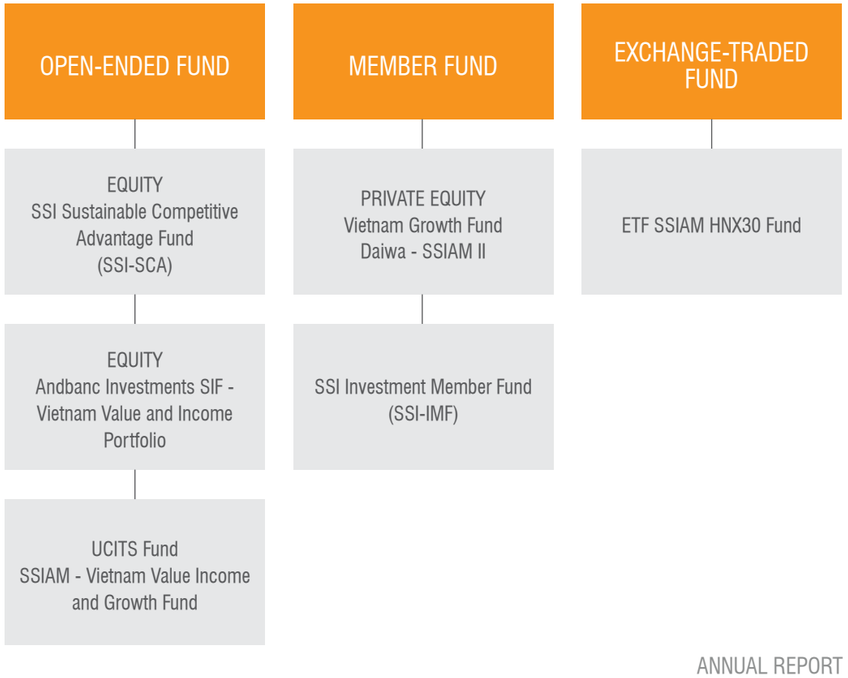
Capital raising

In 2016, SSIAM continued to successfully raise capital from foreign investors. After introducing Andbanc Investments SIF – Vietnam Value and Income Portfolio in late 2015 with the capital contribution of European institutional investors, SSIAM continued to successfully launch SSIAM UCITS - Vietnam Value Income and Growth Fund from European individual and institutional investors in November 2016. Total assets under management of SIF Fund increased 3 times, from USD 13.9 million in late 2015 to USD 52.2 million in late 2016. SSIAM UCITS Fund reached USD 15 million more than 1 month after its launch date. In the context of severe competition among asset management companies, SSIAM remains a reliable partner of foreign investors in Vietnam's asset management industry.

In the year, SSIAM continued to strengthen and broaden portfolio management activities on behalf of individual customers with large asset values. In late 2016, total assets under SSIAM's management reached VND 107 billion, a rise of 78.9% compared to 2015. This business sector is highly potential but challenging.

In order to meet capital raising targets set out, SSIAM exerted their non-stop efforts to improve the quality of entrusted capital management. Procedures for investment, risk management and internal control have been well-run and professional, not only meeting legal requirements but also ensuring the minimization of conflicts of interest that may have negative effects on benefits of investors. With the motto of sustainable development, SSIAM always aims to build trust, transparency and long-term asset value growth for investors.

Funds under SSIAM's management



Investment activities

In 2016, all of the funds under SSIAM's management achieved superior rates of returns to the VNIndex. Meanwhile, ETF SSIAM HNX30 Fund was closely aligned with the fluctuation of this index.

• ***SSI Sustainable Competitive Advantage Fund (SSI-SCA)*** had the highest rate of returns in the domestic open-ended fund market, reaching 24.1%, much higher than the VNIndex of 14.8%.

• ***ETF SSIAM HNX30 Fund*** achieved its investment objective of replicating the performance of HNX30 Index and ensured its tracking error at a low of below 1.05%.

• ***Andbanc Investments SIF - Vietnam Value And Income Portfolio*** is a Special Investment Fund registered in Luxembourg and managed by SSIAM in terms of investment portfolios. In 2016, the Fund's rate of returns (in USD) far exceeded the expected hurdle rate of 10%.

Rate of Returns (%)				
	2014	**2015**	**2016**	**From the launch***
SSI-SCA	-1.8%	17.7%	24.1%	43.4%
VNIndex	-9.8%	6.1%	14.8%	9.9%

SSI Sustainable Competitive Advantage Fund (SSI SCA)

Source: SSIAM

** Launch date: 26/09/2014*

Rate of Returns (%)				
	2014	**2015**	**2016**	**From the launch***
NAV/CCQ	-13.1%	-11,0%	3,6%	-19,8%
HNX30		-11.0%	1,7%	-22,5%

ETF SSIAM HNX30 Fund

** Launch date: 10/12/2014*

Source: SSIAM

Type of fund certificates	NAV/CCQ (unit)	Rate of Returns (%) – USD	
		2016	**From the launch***
A1 (USD)	119.46	19.72 %	19.46%
A1D (USD)	119.46	19.71%	19.46%
B1 (GBP)	140.55	39.35%	40.55%
B1D (GBP)	140.52	39.32%	40.52%
C1 (EUR)**	123.29	23.29%	23.29%
C1D (EUR)****	101.81	1.81%	1.81%
D1 (USD)***	103.72	3.72%	3.72%
VNIndex		13.39%	15.80%

Andbanc Investments SIF - Vietnam Value And Income Portfolio

Source: Bloomberg, Adepa. Fund movement, net of all expenses

**Launch date 12/18/2015, **Type C1 (EUR) from the commencement date of 08/01/2016, ***Type D1 (USD) from the commencement date of 07/15/2016; ****Type C1D (EUR) from the commencement date of 11/11/2016*

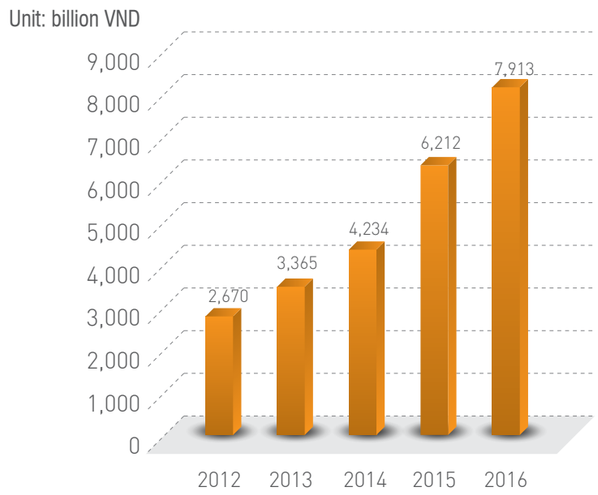
SSIAM also yielded high returns on discretionary portfolio management services for institutional customers. Dividend portfolio is the largest institutional customer portfolio with the size of approximately VND 1.287 billion and the 2016 rate of returns of 48.4%.

Private wealth management services catering to high-net-worth individual also gained high returns when the average rate of returns of portfolios reached 30% in 2016.

With the successful launching of multiple new funds and high returns on its operating sectors, SSIAM continued a high growth in total assets under its management. By late 2016, SSI managed more than VND 7,913 billion, 27.4% higher than 2015.

Improving the quality of human resources

High quality human resources are key to the success of the Company. SSIAM remained its focus on building and improving the human resource recruitment and training policies. Recruitment was conducted publicly and transparently to attract highly qualified and experienced candidates. Each employee was entitled to development opportunities through a policy of financial support for employees participating in training courses and certification exams both domestically and internationally. Also, the Company facilitated employees to attend intensive training sessions from the state authorities or internal training sessions of the Company. With competitive remuneration policies based on competence and contribution of employees, SSIAM followed a target of building a good working environment with a highly connected workforce towards a stable workforce. From the point of view of an open and creative corporate culture, we are always open to ideas from the staff and change in a way that is consistent with the development trend of society.



Total Asset under Management

Source: SSIAM

INVESTMENT BANKING

2016 HIGHLIGHTS

2016 revenue from the SSI Investment Banking at its highest level in recent years, reaching VND 106.6 billion, an increase of 145% compared to 2015.

Continuing to reaffirm the leading position in the Investment Banking sector in Vietnam with several successful large-scale deals, including advisory service for offering of 78.38 million share of Vietnam Dairy Products Joint Stock Company (VNM – HOSE), valued at VND 11,286 billion, to State Capital Investment Corporation (SCIC); advisory service on the sale of shares of Hau Giang Pharmaceutical Joint Stock Company (DHG – HOSE) to Japan's Taisho with the transaction value of approximately USD 120 million, and private offering advisory service for No Va Land Investment Group Corporation (NVL – HOSE) under the book building method with the transaction value of over USD 100 million.

Receiving the awards "Best Domestic Investment Bank in 2016" and "Best Domestic Equity House in 2016" granted by Finance Asia.

106.6 BIL VND

Revenue from SSI Investment Banking increased of 145% compared to 2015



2016 PERFORMANCE

The 2016 M&A deals in Vietnam saw a dramatic growth in both quantity and value. According to the Institute for Mergers, Acquisitions & Alliances (IMAA), M&A value in Vietnam reached USD 5.6 billion with 640 deals in 2016, breaking the 2015 record of USD 5.2 billion. Some of the big and outstanding deals of 2016 included the acquisition of 78.38 million Vietnam Dairy Products Joint Stock Company (VNM – HOSE)'s shares worth VND 11,286 billion by Singapore's Fraser & Neave Ltd (F&N) of Thai billionaire Charoen Sirivadhanabhakdi; Big C Vietnam stake sale to Central Group; Thailand's Singa entering into a strategic partnership agreement with Vietnam's Masan Group; Vingroup's Maximark takeover deal; Japan's Taisho's strategic partnership with DHG Pharmaceutical Joint Stock Company, etc. If in the past few years, most M&A deals had been advised by international investment banks, in 2016, SSI Investment Banking was engaged in several large-scale M&A deals as an advisor.

Moreover, the 2016 securities market witnessed the stock listings of large companies such as Hanoi Beer Alcohol Beverage Joint Stock Corporation (BHN - HOSE), Saigon Beer Alcohol Beverage Joint Stock Corporation (SAB - HOSE), No Va Land Investment Group Corporation (NVL - HOSE), Vietnam National Petroleum Group (PLX), Airports Corporation of Vietnam (ACV - UPCOM), and Quang Ngai Sugar Joint Stock Company (QNS - UPCOM), which led to a remarkable increase in the capitalization value of the Vietnam securities market and created more investment opportunities, attracting both domestic and foreign capital sources.

Revenue from the SSI Investment Banking in 2016 reached VND 106.6 billion, an increase of 145% compared to 2015. This showed the highest revenue level of the SSI Investment Banking in recent years. To achieve such performance, the SSI Investment Banking used its best endeavors to approach customers and offered successful consultancy on several large-scale trade deals in 2016 as follows:

Advisory service for offering 78.38 million shares of Vietnam Dairy Products Joint Stock Company (VNM – HOSE) valued at VND 11,286 billion to SCIC. This deal had the highest value in Southeast Asia in 2016 and also illustrated the determination of state-owned capital divestment from the large-scale and highly influential company in the Vietnam securities market. SSI was engaged in the deal as one member of the consultant group, including Morgan Stanley Asia (Singapore) Pte. and VinaCapital Corporate Finance Vietnam, which signed a consulting contract with SCIC.

Advisory service on the sale of shares of Hau Giang Pharmaceutical Joint Stock Company (DHG - HOSE) to Japan's Taisho - a leading pharmaceutical company in Japan - with the transaction value of over USD 100 billion. This was one of the largest M&A deals in Vietnam in 2016 in which 34 sellers were domestic and foreign prestige institutional investors.

Private offering advisory service for Nova Land Investment Group Corporation (NVL - HOSE) under the book building method with the successfully mobilized capital of over USD 120 million. This was the first large-scale private offering of shares under the book building method in which about 85% of the purchasers were big and reputable foreign financial institutions from Hong Kong and Singapore.

Advisory service on the sale of total shares of PAN Group JSC. (PAN – HOSE) in two subsidiaries operating in sanitary services to its Japanese strategic partner Nihon Housing Company Limited.

Advisory service on controlling rights for large shareholders of Domesco Medical Import-Export Joint-Stock Corporation (DMC – HOSE) with total transaction value of VND 240 billion.

Advisory service for issuance and distribution of bond for National Citizen Commercial Joint Stock Bank and Kido Group Corporation (KDC - HOSE), An Duong Thao Dien Real Estate Trade Joint Stock Company (HAR - HOSE), National Phytopharma Joint-Stock Company, and Transimex Joint Stock Company (TMS - HOSE) with total mobilized capital of over VND 2,394 billion.

Advisory service for issuance and distribution of bond and certificate of deposit (CD) for several consumer loans companies such as Home Credit Vietnam Finance Company Limited, HD Saigon Finance Company Limited, VPBank Finance Company Limited, and Orient Commercial Joint Stock Bank with total mobilized capital of VND 2,231 billion.



PRINCIPAL INVESTMENT

2016 HIGHLIGHTS

4,176 BIL VND

Total of investment value(1)

35.4%

Investment return of active portfolio

32.8%

Investment return of passive portfolio



(1) Market value as of 31 Dec 2016

2016 BUSINESS RESULTS

SSI's principal investment is managed by SSI Asset Management Ltd. (SSIAM)

SSI Investment approach is value investment. SSI seeks opportunities in sectors benefiting the most from the economy such as Agriculture, Fishery, Logistics, etc. and hold significant position in these companies in order to employ active post-investment management strategy. Accordingly, our team members will join the company's Board of Directors and/or Board of Supervisors and work closely with the company management to enhance the company's value towards sustainable development. Investment companies benefit from this while SSI can also create capital appreciation of its investments.

SSI's screening criteria is based on company's fundamentals combined with attractive valuation of the stock compared to company's growth potential and environmental, social and corporate governance (ESG) factors. SSI also focuses on mid-cap stocks, as mid-cap companies have more growth potential than large-cap companies.

Having employed this active investment strategy for a number of years, in 2016, SSI decided to exit several investments that met the targeted return. The Company also continued the whole investment cycle by identifying other suitable investment candidates, gradually increasing shareholding in these companies in order to join the company's Board of Directors and working to enhance the company's value. As a result, SSI active portfolio returned 35.4% in 2015, outperforming return of market index of 15%.

In passive investment strategy, SSI does not have representation in companies' BOD but employs a rational asset allocation strategy and increases shareholding ratio in the sectors benefiting from movements of domestic and world economy, including low-priced raw materials (due to falling commodity prices), and sectors benefiting from free trade agreements, etc. Rate of return from these investments reached 32.8% in 2016.

ASSOCIATED COMPANIES

THE STRATEGY "ACCOMPANYING AND DEVELOPING WITH ASSOCIATED COMPANIES"

By the end of 2016, SSI has 3 associated companies: These are industry-leading companies which have maintained stable revenue, profit and high dividend payout ratios with highly competitive products. All 3 of SSI's associated companies are included in the value chain of Agriculture - Food, Transportation and Warehousing.

In 2016, SSI continued to work closely with associated companies to restructure operating cost and enhance operating efficiency. Profit margins in most of these companies were higher than last year's figures. These companies also focused more in looking for partners to build value chain and enhance company's value. In particular, one of the 3 associated companies, PAN Group JSC. (PAN - HOSE), has been ranked 6th among the top 50 businesses with the most impressive growth in 2016.

SSI identified Agriculture as the core pillar of Vietnam's economy so far. Although the share of agriculture in the national economic structure has fallen recently but still contributed 18% of total export turnover in 2016 (equivalent to USD 31.2 billion). Moreover, the total agricultural production value has tripled from USD 11.8 billion in 2006 to USD 38.6 billion in 2016. SSI believes current economic integration offers tremendous opportunities for Vietnam's agriculture with labor abundance, experience built over generations, fertile land, and favorable climate in numerous areas. However, like other sectors, Agriculture's competitiveness also poses certain challenges.

In recent years, Vietnam's logistics industry has maintained a growth rate of 10% - 15%/ year and contributed 20% to the country's GDP. Around 1,200 enterprises are currently operating in the sector and Vietnam's Logistics Performance Index (LPI) has been enhanced thanks to improved legal institutions and efforts of logistics enterprises. However, as reported by the World Bank in 2014, Vietnam's LPI is relatively low compared to Thailand (35), China (28), Malaysia (25), etc. Domestic enterprises only assume a small market share and focus only on transport services and operating related assets such as port and handling service, customs clearance procedures. This is mainly attributed to the scattered and weak infrastructure facilities and business scale among domestic enterprises. In addition, about 85% of the businesses are still in the early stages of the industry value chain, i.e. mainly operating as the first-party logistics provider (1PL) and second-party logistics provider (2PL) handling export permit, warehousing and charter services. Forth-party logistics providers (4PL) offering supply chain logistics services are still underdeveloped due to incomplete infrastructure and weak demands. Currently, the largest component in the logistics cost structure is freight, which is mainly focused on consumer goods.

Over the course of supporting associated companies with cost restructuring, SSI found that logistics is a potential sector and can obtain high growth speed if integrated into the value chain of consumer goods, agriculture, forestry and fisheries. The value chains such as warehousing operations, particularly refrigerated warehouse with highly sophisticated technical specifications and in high demand by businesses operating in the consumer goods, agriculture, forestry and fisheries have somewhat been neglected by domestic logistics enterprises.

SSI has been and will continue to seek opportunities in agriculture and logistics sectors in the coming years.

	Company name, address and logo	Businesses	Actually paid-in charter capital (VND)	Ownership Rate at Associated Company (*)	Business Result 2016	Participation in Board of Directors/Supervisory Board
1	The PAN Group JSC (PAN – HOSE) No. 236/43/2 Dien Bien Phu Street, Ward 17, Binh Thanh District, HCMC. .	Mixed crop and livestock farming Crop and livestock farming activities, and post-harvest services Real estate trading Investment advisory (excluding financial advisory) Management advisory service Market research service Landscaping services.	1,023,424,970,000	20.10%	Revenue reached VND 2,752 billion, representing 83% of the target or 103% higher than 2015. Profit after tax was VND 257 billion, increasing by 119% compared with 2015. The achievements can be attributed to: (i) contributions of Vietnam National Seed JSC. (NSC - HOSE); (ii) good business results from other subsidiaries such as PAN Food JSC., Long An Food Processing Export JSC. (LAF - HOSE), Bibica Corporation (BBC - HOSE). The company has been maintaining the dividend payout ratio of 10% annually.	2 members in Board of Directors 1 member in Supervisory Board
2	Dong Nai Port JSC. (PDN - HOSE) Long Binh Tan Ward, Bien Hoa City, Dong Nai Province	Port facilities operations and management Handling & transportting cargoes in or outside the port area Repairs of handling equipment and transportation means Ship agent and maritime services Supplying fuel to vessels/vehicles: petrol, lubricant,... Taxi transporting sevices Trading construction materials: soil, stones, sand, gravel Organizing entertainment services for seamen: Duty free shop, seamen's club Surveying, designing and constructing communication works Real estate Trading, and importing wood logs, steels, argriculture products except cotton and cashew. Trading and supplying other products/services in compliance with law and regulations.	123,479,870,000	20.01%	Revenue reached VND 422 billion, representing 120% of the target or 131% higher than 2015. Profit after tax reached VND 66 billion, representing 132% of the target or 29% higher than 2015. The company has been maintaining the dividend payout ratio of 17 - 20% annually.	1 members in Board of Directors 1 member in Supervisory Board
3	Vietnam Fumigation JSC (VFG - HOSE) 29 Ton Đuc Thang, Ben Nghe Ward, District 1, Ho Chi Minh City	Manufacture and trading of agricultural chemicals: pesticides, disinfectants Providing decontamination services Crop seed production and trading	176,854.360.000	20.01%	Turnover reached VND 2,283 billion, representing 98% of the target or 13% higher than 2015. Profit after tax reached VND 146 billion, representing 100% of the target or 5% higher than 2015.	1 members in Board of Directors 1 member in Supervisory Board

(*) Figures are based on voting rates



KEY SUCCESS DRIVERS

INFORMATION TECHNOLOGY

2016 is an excited and busy year for SSI Information Technology (IT). On one hand, SSI kept on maintaining the well-established technology environment ensuring smooth and fast solutions for the business operations. On the other hand, SSI spent most effort on rolling out solutions to enable the business for new challenges in the market.

IT OPERATIONS

With the strengthened system redundancy and the enforcement on Software Development Life Cycle (SDLC), SSI minimized the technology incidents happened in the company with significant amount of deduction on time for incident recovery.

With the enforcement of our policy and procedures, SSI IT achieved in average 96% of over 12,000 service requests within the Service Level Agreement (SLA).

The Company further enriched its Business Analyst team by adding more business analysts with solid experiences on securities trading industry. This team of experts significantly improves our turn-around time on handling new business requests increased our competence level in the market.

This enabled SSI putting most of our efforts on the implementation of new technology and new business solutions.



STABILITY & AVAILABILITY

A stable environment for business operations is always our top of the line in technology operations. Therefore, SSI spent most of the time to improve and/or maintain the stability of its system environment.

In 2016, the Company improved its data center to Tier 3 industrial standard with proper redundancy on server and storage facilities, dual UPS, dual data path, redundant air conditioners (Data Center grade) and dual power generator. SSI kept on maintaining and ensuring the solution without any single point of failure, with proper capacity sufficient for all planned or unplanned situations required for the business operations.

SSI also enhanced the backup/restoration procedures and facilities ensured full data protection without any single bit of data lost.

Our Disaster Recovery Plan (DRP) is maintained to review quarterly. This year, SSI covered 5 more DRP scenarios by automated recovery with total 44 out of 48 scenarios. The solution for the remaining 4 scenarios has been planted in our new core systems going to roll out in early 2017. The Company also performed the yearly rehearsal of the DRP on November.



INFORMATION SECURITY

Information Security is the other area that we put full attention. SSI is fully aware that a simple attack can damage the business dramatically. The Company also understood that security threat in technology world changing so fast. SSI has proper experts taking care all matters related to technology security.

We worked on technology security by 3 different categories, end-users devices, data center facilities, and external environment. We have proper protection in each of these categories such as anti-virus and Data Lost Protection for end-users; firewall, server level anti-virus, anti-spam on email facilities for data center protection; facility for cyber-attack prevention, and vulnerability scanning facility for the prevention and protection of external intruders and attack;

SSI also has policies and procedures on governing our technology operations running in proper secured manner.

Besides, the Company kept on refining, improving, and maintaining our security protection to cope with the latest development of security threat found in technology world.

INNOVATIVE

“Standing in advance to prepare the challenges” becomes the slogan of technical section of the Company.

In 2016, SSI ran an intensive process to select solution to replace the trading core system for cash market and implementing a new trading solution for derivative market. Both selected vendors are well-known in the field. Their solutions are highly configurable to meet the Company’s business needs coping with the rapid and new challenges in securities trading industry. With these solutions, the Company is well equipped for the trading on stock, fund, index and bond future, covered warrant and other known derivatives instruments going to launch in Vietnam market.

Business Intelligent is maintained as one of the key technology improvement. In 2016, SSI did an in-depth analysis for what it need from this area. A road-map has been made. Information analysis has been done. In 2017, it will be implemented as planned.

On technology or process improvement, agile has been adapted in certain areas of technical section of the organization. SSI will further promote this methodology to the whole section or even to other departments.

In 2017, The Company will focus on the roll-out of 2 trading platforms as well as further automation on business automation. Solution for customer loyalty and retention is also our focus.

HUMAN RESOURCES MANAGEMENT

Saigon Securities Inc. (SSI) always believes that, by optimizing each employee's morale, the Company can increase customer satisfaction and continually enhance shareholders' value. SSI has implemented several measures in order to ensure that all members of the Company are satisfied with their jobs and self-motivated to continue further development along with the Company. Throughout over 17 years of development, SSI has built and continued to nourish the SSI Culture - a unique characteristic of SSI - promoting unity, collaborative spirit and innovation to overcome all difficulties and challenges.

HUMAN RESOURCE DEVELOPMENT STRATEGY

To develop a human resources that are well trained, highly qualified and able to adapt to the constantly changing environment of fierce competition. Every individual in the Company is fostered and provided with opportunities to try and develop their talent in a team spirit and close knit environment, sharing the same goal. In particular, developing a team of excellent experts in key areas and combining international knowledge with long experiences in Vietnam are emphasized. SSI has always striven to provide its team with a candid and open working environment, where talents are nurtured, innovations are encouraged, pride is passed on and company ownership is shared.





SELECTING AND NURTURING TALENTS

SSI always aims to foster motivation for employees from the first step of the recruitment process in order to promote long-term commitment of each member with the Company. Recruitment process is always strictly conducted to ensure transparency and fairness, bringing about equal opportunities for candidates and continuing to reaffirm to new members confidence and pride in the Company. We focus on recruiting suitable employees of all races, nationalities, gender and ages Opportunities are open to all candidates from all over Vietnam and other countries. SSI always welcomes active, enthusiastic and aspiring candidates who are ready to take on new opportunities and challenges at work and in the SSI business environment.

In 2016, SSI welcomed 206 new members throughout the system to strengthen its human resources as well as make replacement of resigned personnel to meet the Company's development strategy, an increase of 15% compared with that of 2015. In particular, new employees are mainly under 30 years of age who are well-trained with 90% having university qualification and 10% having post-graduate qualification. All of them are dynamic, enthusiastic and full of creativity.

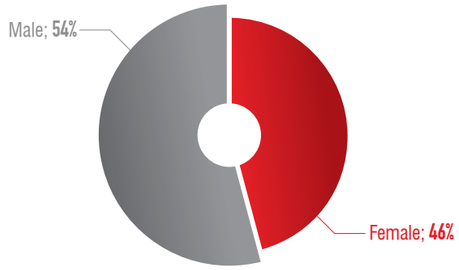
In an environment of increasing competition, SSI has continued to develop highly interactive recruitment channels to improve the effectiveness of recruitment information communication as well as maximizing recruiting efficiency. Through these information channels, SSI wants to establish two-way and frequent communication with candidates during the recruitment process. Enhancing information exchange will also increase SSI's brand awareness of human resources, helping to access better selection of qualified personnel for the Company. In 2016 SSI has developed professional recruitment channels via LinkedIn, proactively and effectively expanding its pool of candidates and increasing connectivity to meets human resource expansion demand of the Company. SSI will continue to utilize different media channels to promote SSI's work opportunities and working environment.

Beside working with our staff, we position ourselves as a cradle to nurture and train young talents in the securities industry, offering them the opportunities to gain exposure to the professional working environment, assisting them to identify career path, and connecting them to SSI via SSI's Internship and Apprentice Broker programs. The SSI Internship Program has been conducted in three consecutive years. The rigorous selection process and internship program offered fresh graduates with an opportunity to gain a better understanding of SSI's environment, as well as helping SSI to select qualified candidates for full-time positions. The SSI Apprentice Program implemented in 2016 targets fresh graduates with a major in Economics/Finance/Banking, or candidates who are inexperienced yet have want to work in securities - brokerage sector. The program aims at developing young, enthusiastic and high-quality human resource who are willing to make long-term commitment with the Company. Under this program, candidates will be trained and guided from the most basic steps to become a broker at SSI through hands-on tasks and customized training sessions. By this approach, SSI wants to provide the candidates with an insight into the working environment of a securities company, and also contributes to SSI's long-term sustainable human resource development.

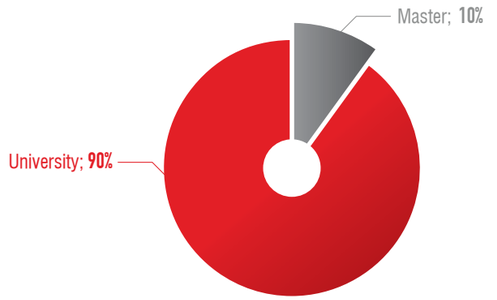
SSI believes that its employees are the ones to have the highest commitment and the best understanding of the work; therefore, we offer internal recruitment opportunities. In other words, we reserve open and suitable positions for our employees to try and develop in a position that is best suited for their ability and the needs of the Company. Internal recruitment also follows professional and transparent procedures to ensure fairness in employment opportunities at SSI.

To maintain quality human resources and strong SSI's culture, we always focus on creating a working environment in which every individual can explore and develop all potential capabilities to best contribute to the Company. We facilitate innovation, encourage new ways of thinking and doing, and are willing to offer opportunities for experiment and development for all SSI's members. This is our approach to preserve and nurture a human resource of high standard and flexibility, meeting market demand not only domestically but also internationally.

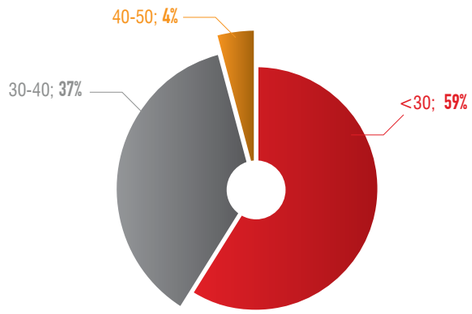




Statistics of new employees by gender



Statistics of new employees by education



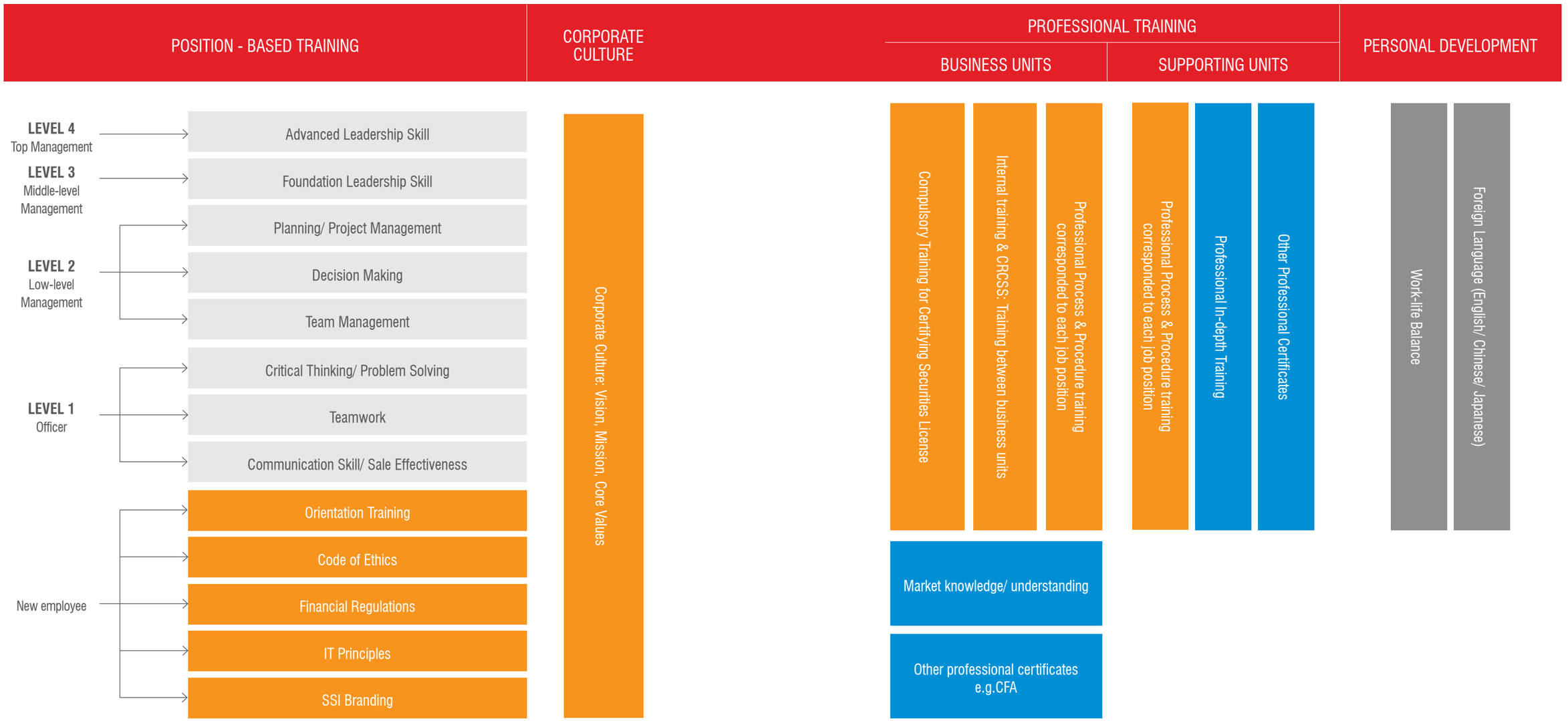
Statistics of new employees by age group

Source: SSI

HUMAN RESOURCE DEVELOPMENT HAS MADE CONTINUOUS PROGRESS IN TERMS OF PROFESSIONAL KNOWLEDGE AND SKILLS

In our field of operations, SSI always faces great challenges from competitors, macroeconomic volatility as well as changes in domestic and international financial markets. Recruiting right people is the key to SSI's competitiveness. We focus on developing quality human resources to meet the increasingly strict requirements of the market. In addition to careful input selection, SSI encourages and creates the best conditions for all employees to develop comprehensively in terms of both professional qualifications and soft skills, appropriately to each job position and level via training courses under the Company's Training Program:

- Compulsory Training
- External training according to proposal of Human Resources Department and approval of the Management Board.
- External training according to approved proposal of individuals/ department
- Optional training



SSI has developed a series of position-specific training and development programs for employees at all levels to ensure that they have the skills and knowledge needed to perform their duties, as well as encourage them to continue to develop and embark on their career at SSI. The Company aims to become a "learning organization" where training activity is the right and responsibility of each individual in the company. In 2016, the Company has developed a detailed plans and allocated VND5 billion budget for formal and informal training through physical classes, distance learning, and on-the-job trainings.

At the beginning of employment, all SSI employees shall attend Orientation Training, and during employment term, on the job training is provided to ensure fulfillment of job requirements. With mechanism to encourage participation in professional training, as well as strict implementation of mandatory training regulated by the State Securities Commission, SSI constantly increases the percentage of employees having Securities License, and other professional certificates such as CFA, ACCA, etc.

In 2016, the Company has organized and co-organized many professional training courses and sent employees to participate in compulsory training for a total number of 18,000 training hours (professional training) and 13,586 compulsory training hours. Internal training courses for Professional Competence division throughout the system via in-house training sessions, seminars, and consultations receive positive feedback. Favorable policy for internal trainers to promote sharing of knowledge and experience in the organization continues to prove its effectiveness. Internal trainers gradually improve their training capacity and have organized useful and practical courses. With experienced and enthusiastic internal trainers that always pro-actively update their knowledge, the internal training program held consecutively over weekends has received support and exerted a positive impact on the staffs.

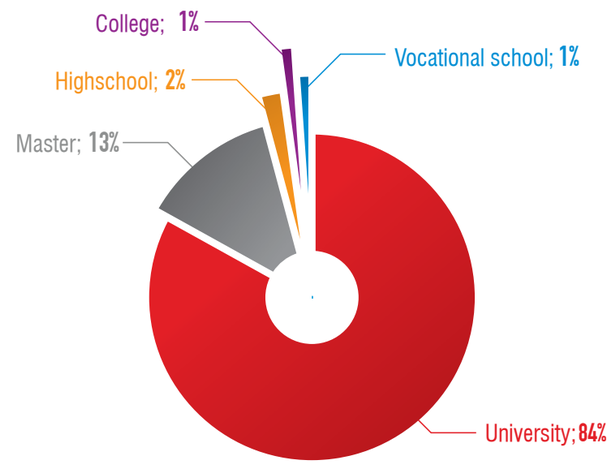
Following the Company' training roadmap, more training programs on soft skills targeting at different groups, such as courses on Leadership, Presentation, or Sales skills, also help inspire, motivate and provide new tools for employees to boost their performance at work. These training courses provide fundamental knowledge and skills to provide employees with a positive and scientific perspective of their work in particular and life in general, and help them develop their communication and problem-solving skills. In addition, these training programs are great team building opportunities where employees can share their working experience and understand their colleagues better.

Professional training courses receive much interest not only from business units, but also from governance units and support units. Training courses on Corporate Governance, Project Management (PMP), Advanced Accounting; Corporate Finance Analysis, Marketing courses, Advanced Human Resource Management organized by professional and reputable training partners have contributed to improve overall performance of the Company.

SSI believes that its employees should have a solid understanding of core values and adhere to the ethical rules of the organization, so that SSI can continue to develop sustainably, overcome challenges and mitigate risks. Therefore, every year, SSI organizes periodic training on Code of Conducts chaired by the Legal & Internal Control with the participation of all employees. At these training sessions, employees not only are informed of and updated with information but also can share and discuss actual cases encountered in order to minimize potential risks for each individual and the Company.

Besides conventional training methods, SSI also employs innovative internal training models such as Gala 2015, year-end parties of departments, business luncheon and some other internal activities to facilitate information updates, promoting corporate culture and bridge the management with the staff and among staff in the pursuit of common goals namely a more prosperous company, better working environment and personal and organizational development.

All these factors, ranging from professional competence, soft skills, code of conduct to corporate culture altogether shall be incorporated in staff's thinking and behavior. This also constitutes SSI's human resource brand, which is dynamic, competent, aspiring and compliant. SSI values continuous human resource development and upholds our human resource brand towards greater professionalism.



Statistics of employees by education

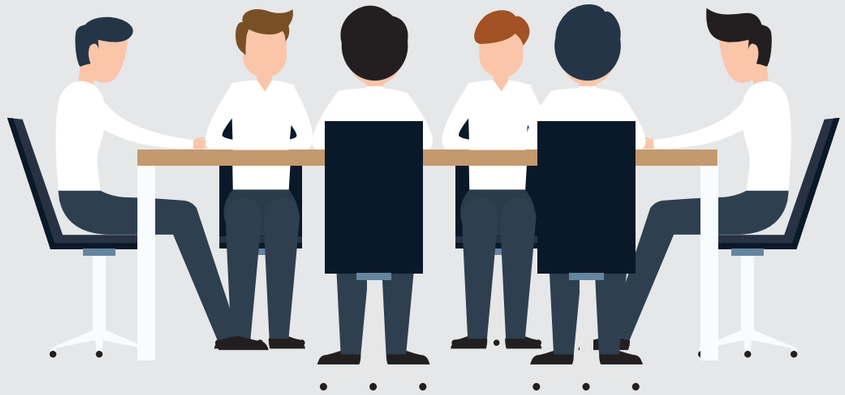
Source: SSI

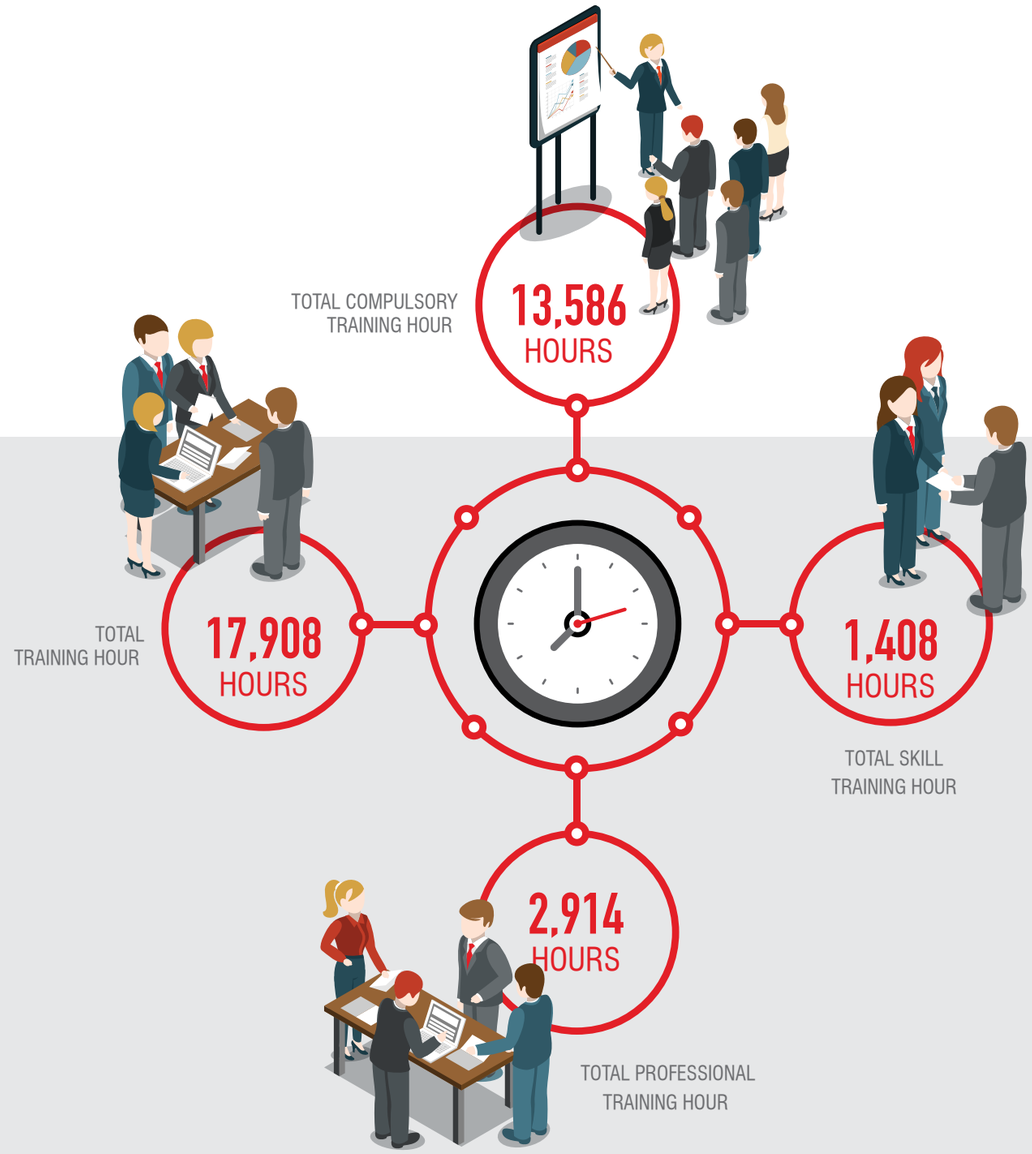
↑ 7.4%
Training hour
per one employee

24.87
HOURS

30.25
HOURS

↑ 9.8%
Compulsory training hour
per one broker





DEVELOP TALENTS AND NURTURE THE NEXT GENERATION OF LEADERS

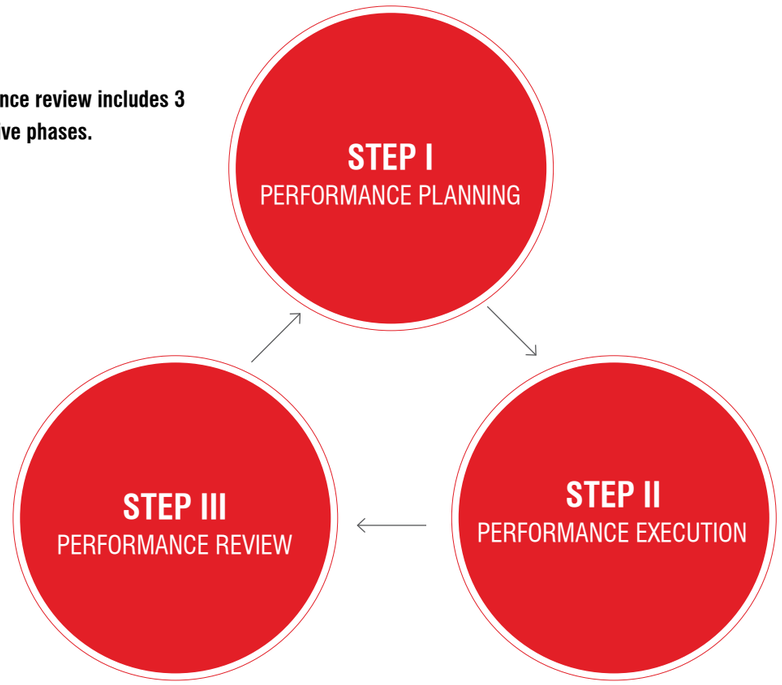
In 2016, the number of middle managers (Heads of department or higher) of the Company is 123/720, accounting for 17% of the total number of SSI staff. In order to develop human resources ready for key positions when needed, leaders pay close attention to seeking and developing next generation managers through human resource planning, job placement and management skills training.

In 2016, the Company has appointed 44 new middle or higher managers; newly appointed employees are provided with training courses to supplement skills, knowledge and tools for the work, including leadership skills, corporate governance skills, business strategy development and professional updates... At the same time, direct support and on-the-job training are conducted regularly to facilitate newly appointed employees accomplished the assigned tasks and continue to develop.

FAIR PERFORMANCE EVALUATION SYSTEM AND MERIT-BASED INCOME POLICY

SSI continues to develop a Performance Management System (PMS) to ensure equity and accessibility to employees at all positions. The evaluation system was developed to improve accuracy of the evaluation and ranking of employees based on actual annual performance, which is directly linked to personal rewards; and more importantly, each employee are developed an orientation for improvement and development of professional knowledge and skills through the establishment of goals for the review period. The online performance evaluation process allows for interaction and two-way exchange between evaluators and evaluatees, enabling employees' clear understanding of management expectations, as well as managers to know key aspects in staffs' work. This factor enhances job management skills, team management, and time and goal management for each individual, and also improves the efficiency of the whole organization. With a comprehensive and interactive assessment system, the Company also aims to motivate and encourage employees, both newly recruited, senior staffs or management levels, to measure personal performance effectiveness and continue striving to conquer the next level of career goals. Maintaining growth and economic stability of SSI helps ensure employees' vested interests through a market competitive compensation and benefit policy, reaffirming staff confidence and attachment to the Company, contributing to the goal of corporate sustainable development.

Performance review includes 3 consecutive phases.



Objectives of Performance review

REMUNERATION POLICIES

- Identify positions for promotion
- Identify benefit packages
- Motivate individuals with outstanding performance

ORGANIZATIONAL DEVELOPMENT

- Provide guidance to individuals with under-performance
- Identify objectives and implementation results
- Assess training needs of employees
- Improve employees' work performance
- Improve the company's operational efficiency

Inheriting human resource management philosophy over the past years, SSI has maintained and developed the 3 Ps income model (Position, Person and Performance) in order to link income to contribution and work performance of each individual as well as ensure internal fairness, market competitiveness and employees' motivation. For 6 successive years from 2010 to 2016, SSI continues to participate in Vietnam's most prestigious Salary Survey conducted by Mercer, and connect and communicate regularly with renown consultants to receive proposals and policies to optimize HR efficiency. Based on the wage survey results of the whole market and non-bank financial sector in particular, during the year, the Company has made adjustments to the salary bracket to increase competitiveness in the market. The company continues to provide supplemental health and accident insurance so that employees feel secured, sharing financial burdens in cases where employees experience health care risks.

In addition to insurance benefits under the normal policy of the Company, in 2015 and 2016, SSI as a team also shared financial burdens with 4 employees suffering from chronic diseases. When employees are faced with hardship, the Board of Management also joins hands with the contributions from other members of the Company to share the cost burden and facilitate the treatment process.

In 2016, SSI has successfully issued 10 million shares under the Employee Stock Ownership Plan (ESOP), which aims to align the interests of employees and the Company's; attract, retain and motivate talents to engage with the company for a long-term horizon through: (i) generate other benefits for the employees apart from salaries and bonuses, (ii) Attach employees' efficiency with interests and the development of the whole company, and (iii) share the benefits when the company achieves success in the future. In addition, the Program also raised additional working capital for the Company.

Furthermore, the overall benefit scheme of the Company also considers allowances such as per diem; gas allowance; telephone allowance, etc. to provide maximal support for staffs to fulfill their tasks. Additionally, during annual holidays, the Company always has appropriate welfare programs to celebrate and encourage employees, contributing to improve employee satisfaction and team spirit.

In 2016, SSI has spent approximately VND 260 billion on salaries, insurance premiums and other benefits, performance-based bonuses following year-end performance review; of which performance bonuses accounted for a relatively large proportion, reflecting a rational merit-based remuneration mechanism.

Total direct costs for human resource in 2016	
Salaries (VND)	125,779,387,024
Social insurance - Health insurance - Unemployment insurance (VND)	14,323,694,755
Other benefits (VND)	34,378,492,099
Performance bonuses - Sales commission (VND)	85,175,994,741

The Company continued to pay keen attention to the staff's health. In addition to raising awareness of health care and disease updates for employees, internal activities also aim to build a healthy lifestyle to protect and enhance the health of employees and their families. On a quarterly basis, the Company held counseling programs with the participation of experts and doctors to enhance health care knowledge for employees. Health care newsletters are also prepared by experts and circulated in a timely manner to give alerts on seasonal disease outbreak and precautions while taking medicine to help employees maintain good health of themselves and family. Once every quarter and on a turn-taking basis, the Company held a health care seminar in Hanoi and Ho Chi Minh City with highly current topics such as cancer; emergency first-aid; liver diseases and how to avoid them; how to select food and maintain a healthy diet in the family, etc.

Sports and physical fitness activities are encouraged and facilitated by the Board of Management via financing and organization of clubs like yoga, rumba, soccer and table tennis tournaments among the company and with other companies, etc. The activities are well organized and help employees stay well, refresh and feel a stronger sense of bonding the team.

The Company has collaborated with clean food suppliers to provide employees with a safe and quality source of food supply such as Ban Mai rice, Ba Vi clean vegetables and Hadico, and more, ensuring adequate nutrition and health for employees. This model, which has been very received and trusted by staffs, will continue to grow stronger in the coming years.

Regular checkups are conducted by reliable and renowned health care facilities to monitor employees' health and detect any problem for early intervention. Health-related information is stored through years and used as input for additional health insurance schemes for employees.







TOWARDS WORK - LIFE BALANCE

In 2016, SSI continued the Great Workplace campaign whereby SSI Leadership continued to pay due attention to creating a balance between work and life of employees at all levels. SSI facilitates and encourages members to innovate work approach to ensure work-life balance. The Company continued to implement policies to encourage employees to take leaves for energy renewal after periods of intensive work, which is also a chance to test alternative staffing mechanism in each department. In terms of management system, we are make strong improvement efforts to reduce overtime hours to allow employees have more time for family and still achieve targeted results.

The Company also tries to create working environments and fair development opportunities between male and female staffs. SSI still maintains a gender balance between male and female employees. With female employees, the Company always complies with all regulations on female labors and creates favorable conditions for female employees returning to work post maternity. Understanding and sharing family responsibilities with employees, SSI believes that only when an employee rests assured of his/her family, the desirable performance can be achieved. Job sharing and backup personnels in cases of employees on sick leave, maternity, caring for sick family members are positively engaged by both leaders and employees.

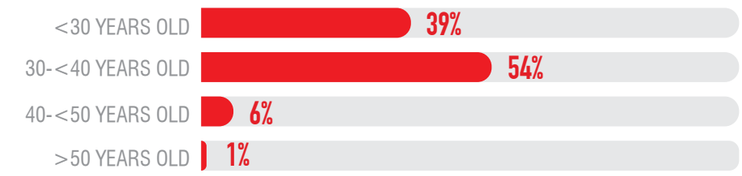
SSI's Family day has become a well-expected annual event for all members, where families can have fun and connect. Such events have enhanced family bonds as well as the connection between staff's families and the Company. Through the event, each "extended" member of SSI somewhat becomes more understanding, sharing, and proud of SSI, and more willing to continue their "support role" for each SSI's employee.

SSI staff activities such as 2 regional soccer teams, photography club, yoga or zumba clubs are encouraged by the Board of Management and welcomed by the majority of employees. With these activities, each member of SSI can pursue their personal preferences to relax after stressful working hours. Internal events such as the annual Gala where talents, forte and collective strength of SSI are showcased, provides an opportunity to bring more laughters and joys for the entire staff.

2016 is also the 2nd year SSI participated in the "Happiness at Work" survey organized by Anphabe. The results of the survey can serve as an input for SSI's Management to take employees' comments into account in improving the company as a long-term workplace and enhance its competitiveness in the industry.

In addition, the Board of Management also value employees' work-life balance as evidenced by policies such as: The employees are entitled to 2 more days of sick leaves in the year, staff birthday gifts and occasions such as International Women's 8/3, the Vietnam Women's Day 20/10, Autumn Gifts Program and Children's Festival for children Kids staff, etc. Style gifts are frequently changed, updated in line with the needs and tastes of our employees, bringing joy, pride and more binding for every member of SSI.

We aim toward sustainable development for both individuals and the entire Company. And to achieve such sustainability, SSI commits its best efforts for the creation of a work-life balanced environment in many ways and will continue to study and develop policies and activities to achieve this balance.



Personnel Statistics by Age



Management Statistics by Gender



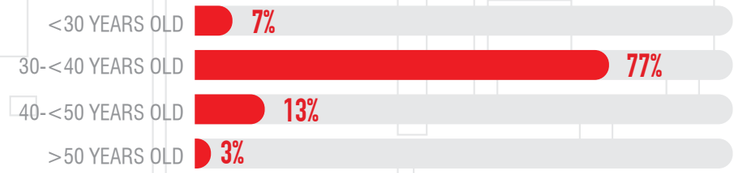
PERSONNEL STATISTICS



Personnel Statistics by Gender



Personnel Statistics by Function



Management Statistics by Age

Source: SSI

CORPORATE CULTURE

During 16 years of development, besides achievements as recorded in numerous reports, statistics and awards, SSI's unique corporate culture represents one of the biggest prides of the company and the core value in the company's formation and development. It is these cultural distinctions of SSI that attract talents, inspire sense of pride and resilience to help the company overcome all difficulties and challenges, contributing to a strong "SSI Big Family" as today. SSI's unique culture is demonstrated not only in the 9 business principles, but also in the consistent communication, key person solidarity and shared vision of each individual within SSI.

These principles are the basis on which SSI design our business operations and create sustainable values. Recognizing core values as the most important elements in a business, SSI's 9 principles are reiterated in the media, events and internal training, and to every SSI member.

SSI's business principles are always placed in the most visible and accessible locations in SSI offices. This is a heritage and motivation for each employee to uphold SSI values.

09 SSI'S 9 BUSINESS PRINCIPLES

SSI's 9 business principles have consistently been exerted in every activity of the Company and a declaration of its identity and band

SSI people always keep these 9 business principles, which are also core values of the Company and guiding principles of all SSI employees and activities.

1. The customer's success is at the center of all our efforts
2. We deliver the best of the firm to every client and take pride in the quality of our work.
3. Our shareholders and our staff are invested in us, and our aim is to maximize returns to them.
4. We recruit, reward and nurture the best talent in the industry.
5. We value and encourage initiative among our people.
6. We will uphold the highest standards of integrity in all aspects of our operation.
7. Teamwork is an integral part of our culture.
8. We are committed to strengthening and improving the financial market of Vietnam.
9. We strive to better the communities in which we work.

CONSISTENT INTERNAL COMMUNICATION IS THE KEY SUCCESS FACTOR IN SSI'S CORPORATE CULTURE

As the company expands, consistent and seamless internal communication is crucial to all activities. Therefore, SSI has paid due attention to establishing and frequently improving internal communication channels so that it is complete, accessible and connecting all members.

Internal communication is a common voice across the entire company which effectively communicates the leadership's messages to the members and vice versa and is crucial to the internal unity.

Given the importance of internal communication, any information from the leadership, events and activities of the company are communicated thoroughly to each SSI member. Internal newsletters, activities and events of SSI are sent to each employee twice / month in a well-presented manner. In this way, every individual truly becomes an integral part of the company, sharing the same vision, social activities and internal activities for a better connected team.

Realizing the employees' sharing needs, SSI even went extra miles by establishing SSI Insider Forum - a place for members to share not only information, events but also their own experience at work and in life, joys and laughters, and sadness. Against the backdrop of technological advancement and social network prominence, SSI's internal communication channels are also improved to responds to emerging needs and trends and deliver information to each SSI member more effectively.

In particular, interactive information sharing within SSI is increasingly advanced and effective. SSI's Management always wants to stay abreast of business situation and new policies to actively and promptly update the employees accordingly, ensuring consistent and precise communication. Moreover, employees' feedback on workplace environment is highly valued by the Board of Management. Through workplace surveys, e-mailing campaigns, online voting or direct comments on internal communication channels, employees at all levels can express their views and expectations to help SSI improve and develop more sustainably.

In addition, SSI's awards, achievements and charity/sponsoring activities are frequently updated in the media to uphold pride among SSI people.

NURTURE AND PROMOTE SSI'S UNIQUE CULTURE

SSI people are not only talents in the financial world with professionalism and expertise but also the people who know to work hard and play hard - a culture highly valued within the company.

GALA - Annual Meeting of SSI is held each financial year-end (April) to gather SSI members from all over the country to meet, interact and participate in team building and honoring activities. This is the chance for all SSI staff to relax and have a great time with team building activities. On this occasion, people can look back and reflect on the past year(s), their highs and lows, thereby gaining momentum to aim towards next year's goals.

In particular, the award "Employee of the Year" honors SSI individuals who have been and will continue to have the significant contributions to the development of the whole company. The honor helps to highlight SSI's core values and encourage further efforts of each SSI member.

In 2016, SSI staff had many after-work activities to help relieve stress after work and enhance team spirit. Clubs like soccer, yoga, zumba, photography, etc. are maintained on an ongoing basis. Besides, SSI people also enthusiastically participate in friendly football, table tennis, tennis etc. tournaments and performance activities with Government Agencies, Securities Companies, Banks and made high achievements. In addition, SSI people also enthusiastic participate in activities dedicated to team building and challenge overcoming.

SSI went regularly organizes contests and programs in celebration of major holidays such as International Women's Day 8/3, International Children's Day 1/6, and especially SSI Family Day - a big year-end program pay tribute too SSI people trying their best over the past year and gratitude to their families. These activities are usually expanded to include family members and accompanied by welfare policies to improve living quality of each employee so that SSI will truly be a "Big Family" of smaller nuclear families where they can meet and interact with one another.



COMBINATION OF UNIQUE PERSONALITIES, INNOVATION, PROFESSIONALISM AND SPECIFIC EXPERTISE IN EACH SSI INDIVIDUAL ALTOGETHER HAS MADE SSI'S UNITY AND HARMONIZATION

SSI people always strive to learn and improve knowledge, taking initiative at work for better performance. However, it takes more than a single talent to build a sustainable business. For this reason, SSI always uphold the unity across the entire company, team spirit, and team work, which are shown in the 9 business principles, internal communication and other activities.

Each individual is an indispensable chain which makes SSI "system" operate in a seamless and efficient manner. SSI members are complementary to each other and work closely together in sharing ideas, discussing, seeking initiatives, solutions and how to achieve the best results.

SSI perceives that a sustainable business must focus on internal resources, emphasizing personal development without overlooking harmonization so that every individual can maximize their strengths, minimize weaknesses and devote to the company's mission and vision. Professional, enthusiastic staff who always strive to become an active factor in the company's development is the greatest pride of SSI.



04.

2017 DEVELOPMENT STRATEGY

Strategic Direction

Action plan for 2017

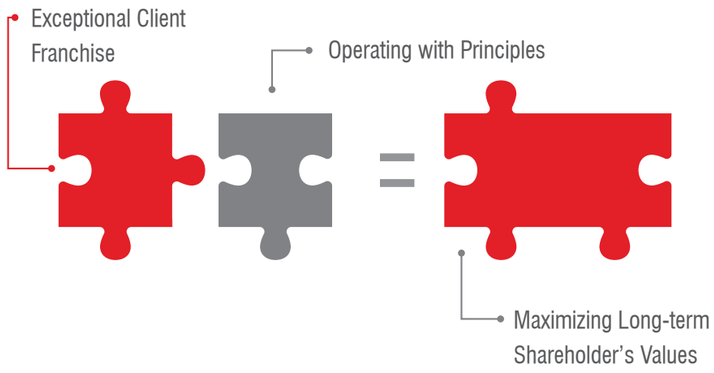


STRATEGIC DIRECTION



With the goal to maintain its position as the leading financial institution in Vietnam market and reach out to international markets, SSI will strive endlessly for operational innovation as well as product and service diversification. In the coming time, SSI will develop more derivative products and voluntary pension services to meet the needs of Investors. Customers are always placed at the center with the Company's commitment to a long term partnership and cooperation for mutual development. Many technological solutions need to be provided to increase the utility for customers and investors. SSI will also continue to focus on developing a high quality human resource team to meet the rigorous market demands; create a working environment in which each individual is given opportunities to explore and develop full potentials, contributing the highest value for the Company. SSI will continue to tightly control costs and manage risks in order to improve financial performance.

SSI believes that the combination of an exceptional client franchise and operating with principles will help maximize long term shareholders' value.



Objectives for each Business Units are set forth as follows:

Securities Services

- Boosting brokerage market share growth - continuing to maintain the No. 1 position by market share in the market
- Improving the quality of products and services - guaranteeing to meet customer needs as well as help customers improve the investment efficacy. Continuing to improve the quality of online trading products
- Expanding the retail distribution network
- Expanding network to international partners
- Coordinating closely with the Asset Management to provide financial solutions meeting the needs of customers.

Treasury

- Improving the quality of treasury management
- Diversifying products to minimize risks while growing the Company's assets
- Strengthening participation in and seeking for investment opportunities in the bond market
- Developing derivative products

Asset Management

- Continuing to grow the total assets under management
- Diversifying products to meet the various needs of investors
- Providing customized financial investment solutions to meet and improve performance for investors.

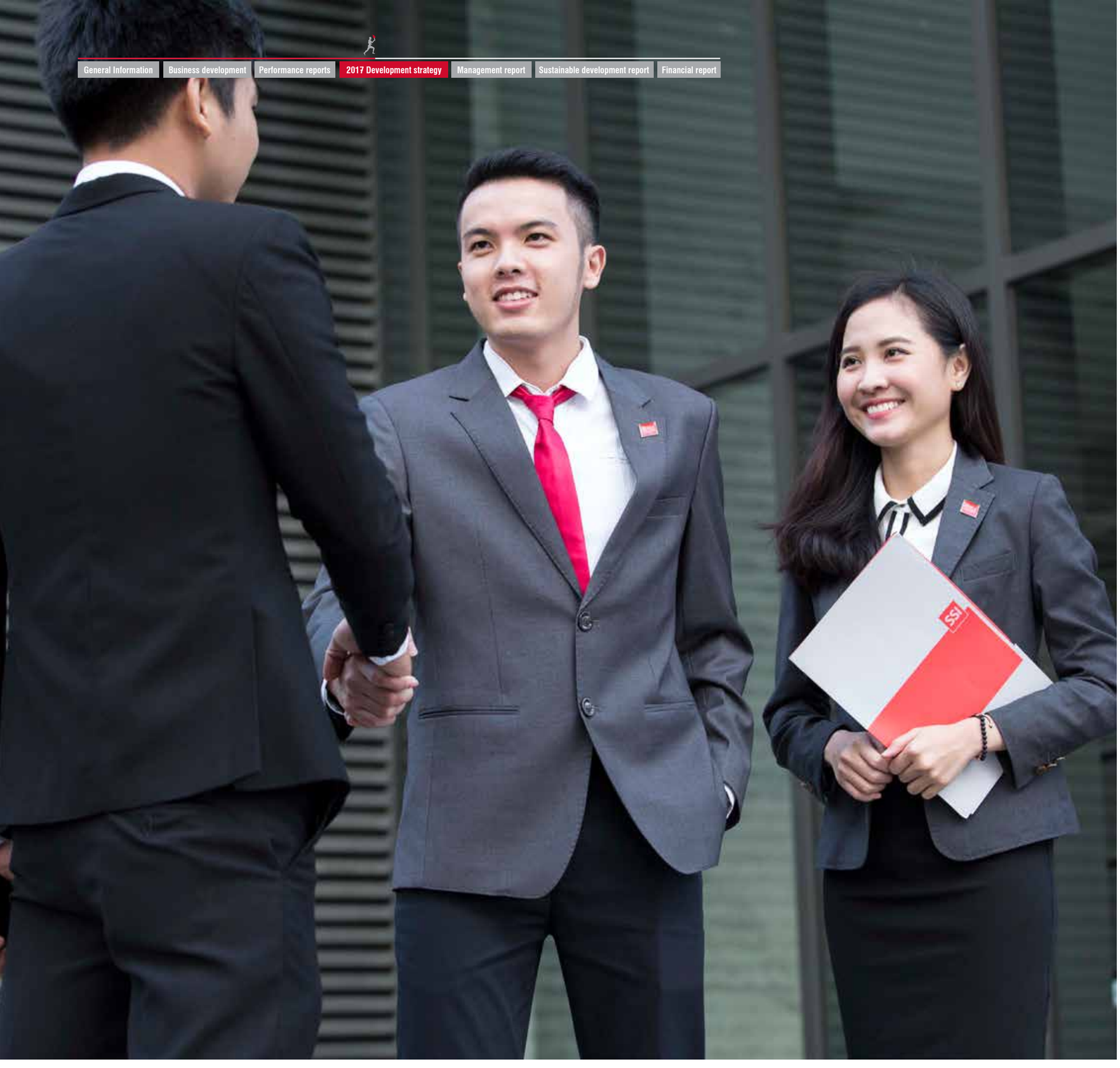
Investment Banking

Striving to maintain the leading position in the market through:

- Providing comprehensive financial solutions to clients
- Expanding the network of customers both in the country as well as abroad
- Extending cooperation with leading financial institutions in the world

Principal Investment

- Focusing more on value creation
- Strong performance across investment strategies
- Achieving strong risk-adjusted returns



ACTION PLAN FOR 2017

SECURITIES SERVICES

With strong growth of the stock market and increasing access to the global market, the entire system of products and services catered to both institutional and individual customers must reach regional standards using professional human resources and modern trading system. SSI Securities Services therefore shall focus on upgrading our trading system to meet the needs of both manual trading and algorithmic trading; developing a system of products and services customized for each customer; continuing to invest and expand network, branch network, transaction offices and retail brokerage services. In addition, in the context of integration, it is necessary to build a network closely linked with international financial intermediaries in order to expand the global customer network. The transition into emerging market of Vietnam is only a matter of time, involving the strong involvement of financial institutions and foreign investment funds in the country. Therefore, the two factors being systems and people at SSI need be ready to meet international standards, and establish and promote mutually beneficial cooperation with international brokers in search for new customers, especially investment funds mandated for emerging market index.



With a view toward sustainable development, competitiveness and profit maximization for clients, SSI Securities Services sets out the following action plan:

Continue to grow brokerage market share

SSI Securities Services will continue to hold the No. 1 position in brokerage market share in the market while simultaneously focusing on standardize investment advisory products, margin lending, and online trading products. In addition, new products will be developed continuously to diversify product portfolio, meeting the needs of each customer segment. The Division will also continue to expand its network of highly qualified personal brokers, recruit more brokers and expand its network to attract new customers.

Focus on servicing existing customers and acquiring new customers

In 2017, SSI will continue to develop transactional tools to develop online trading customers; take initiative in approaching joint stock companies that are getting ready for IPO or listing; strengthen relationships with reputable organizations at home and abroad to reach potential customers; and work closely with reputable partners to organize seminars to introduce investment opportunities to customers.

Develop specific products and services catered for each target customer group

In addition to seeking investment opportunities, the Securities Services Division undertake research and provide new products such as Open-ended Funds, Bonds, VN30 Index, ETFs, etc. to maximize the ability to meet investment needs of customers. Derivative products with superior technology and functionality will continue to be rolled out in 2017. Investment advisory products will be expanded and deepened according to market trends and specific to each customer group.



Promote corporate relations and investor relations

In addition to organizing meetings with listed companies at the request of institutional clients, in 2017, Corporate Access will take the initiative to hold monthly meetings with listed companies featured sectors including Consumer, Real Estate, Mining, Pharmaceutical, Aviation, Agriculture, Banking, etc., and at the same time, cooperate with reputable organizations to bring Vietnamese companies to Institutional Investment Funds abroad. In addition, seminars to introduce investment opportunities to individual customers at branches and transaction offices throughout the country will also be launched in 2017.

Recruit Personal Brokers and and Institutional Brokers

SSI continues to expand and recruit qualified retail brokers from its market sources and develop internship programs to train talented, ethical, well-qualified students to become brokers. Institutional Brokerage department will be reorganized for lean operation, focusing on improving the quality of its human resources and parting insufficient personnel. This is an important move towards increasing the automation of order placement through the system as well as towards the introduction of more sophisticated new products such as derivative products. The Institutional Sales department plans to recruit more experienced personnel for customer development in key markets such as the US and Europe.

Collaborate with other Business Units

SSI Securities Services to actively coordinate with the Investment Banking to develop IPO and listed corporate clients, divestment transactions, large batch transactions; collaborate with SSIAM to sell open-end funds, ETF certificates, and portfolio management products; collaborate with Treasury to carry out bond brokerage transactions and raise funds to support financial products.

Continue to build a professional working environment

Policies that elicit passion, cooperation, coordination, competition and mutual development will be built into the entire network of Branches, Transaction Offices, and Departments within the Securities Services. SSI continues to further strengthen our professional training programs in professional areas, communication skills and new customer development skills for the retail and institutional brokerage teams, and always maintain a friendly, competitive and cohesive working environment for a strong SSI.

TREASURY

2017 is considered by SSI Treasury to be a relatively challenging year with wide range variables from macroeconomic to industry expectations. The possibility of interest rate fluctuations in 2017 is expected to be higher than that in 2016. For the stock market, a large number of large state-owned corporations is scheduled to be listed, which will help them grow in size and provide more competitive products, drawing more domestic and foreign capital to the stock market. In addition, the introduction of derivative market also presents a challenge and a great opportunity for the market in general and SSI in particular.

In 2017, SSI Treasury sets out the work plan as follows:

Accelerate the growth of total assets in a sustainable and stable approach. Improve asset quality and asset utilization of the Company.

Based on expected macro conditions as well as market assessments, SSI Treasury aims to continue growing their total assets by at least 10% per annum through expansion of treasury trading as well as capital raising products to bring about benefits and effective use of funds for both SSI and its customers. To achieve this goal, it will continue to strengthen cooperation and expand business co-operation with existing financial institutions and new partners, developing a system of quotas and services to ensure liquidity safety of the Company as well as to maximize profit in the market.

Improve and strengthen bond trading activities

2017 is expected to be a difficult year for government bond trading as the bond interest rate level has been near record low and cyclical interest rate fluctuations have been predicted. In order to continue the success of bond trading in 2016, the pressure on the 2017 plan is relatively high and requires careful monitoring of the market's volatility in order to make sound movements accordingly.

In addition, the corporate bond segment is expected to be active in 2017 due to credibility of the issuing companies and improving transparency, as well as increasingly internationalized bond terms. Continuing to maintain and accelerate the search for trading opportunities of corporate bonds issued by both listed and unlisted companies through proprietary trading as well as equity financing transactions is a priority in 2017.

Continue to conduct research and development of structured products and derivative products

In 2017, SSI will focus on structured products related to interest rates, exchange rates, and commodities, etc., to provide a diversified and comprehensive product range to customers. In addition, along with the advent of the derivative market in 2017, the Company will also continue to participate in policy development and derivative proprietary trading models, especially in government bond futures to seek profit as well as to hedge the holding position.



ASSET MANAGEMENT

SSIAM's long-term development strategy is to develop a strong local retail customer base. In the past few years, individual investors have tended to invest on their own instead of entrusting funds to professional fund managers. However, individual investors have limited time as well as access to companies and access to information leading to ineffective asset management outcome. Meanwhile, along with the development of the stock market, the Asset Management Company has made continuous efforts to improve its investment management, risk management, and professional skills in service provision. We believe that the number of individual investors choosing services from asset management company will increase over time. This trend will create tremendous growth potential for SSIAM in fund raising from local individual investors.



Maintain outstanding investment performance

In 2016, both investment funds and portfolio of institutional and individual clients managed by SSIAM yielded positive investment results. Entering 2017, we will continue to maintain and improve the investment efficiency of investment funds as well as the existing trust portfolio to better meet the needs of institutional and individual investors.

Continue boosting sales to increase total assets of products serviced to new investors

In 2017, SSIAM will continue to work closely with many partners to distribute fund products and portfolio management products. In addition, the quality of services provided to investors will be emphasized, ensuring that customers can trade more conveniently and receive information in a transparent and timely manner.

Benchmarking to oversea markets, the Vietnam's stock market is still considered fast-growing with many valuable investment opportunities at low valuations compared to other regional stock markets. Given this view, SSIAM will continue to raise more funds for the two European open-ended funds that are managed by SSIAM.

Develop new products

In 2017, we plan to introduce and offer SSI bonds open – ended fund for the first time to meet market demand. The fund will target both individual and institutional clients that have low risk appetite.

At the same time, we will focus on the legal framework for the Voluntary Supplementary Pension Fund and improvement of business model for this product. With this preparation, SSIAM expects to be ready to provide the product to customers when relevant regulations go into effect and market conditions are favorable.

INVESTMENT BANKING

Continuing to pursue the mission of "Connecting capital to opportunities", affirming the leading position and promoting the development of investment banking, SSI will continue to carry out various solutions in 2017 to create many new and high quality products for customers.

Strive to maintain the leading position by diversifying products and services, while emphasizing professional services and high added value.

SSI Investment Banking strategically aims to provide high quality transaction arrangement advisory products of high quality, professionalism and customization to our clients. SSI has been researching and designing capital products, including both equity and debt to diversify products to meet the increasing demand of clients as well as the requirements of the market, connecting foreign investors with local firms and leveraging capital from international financial markets.

Continue to prioritize the development of M&A Advisory Service.

In 2017, SSI Investment Banking will continue to focus on Mergers & Acquisition (M&A) Advisory Service. In the context of the economy with many positive changes, coupled with the elimination of foreign ownership limits in listed companies, Vietnam has become an extremely attractive market for M&A deals. This presents a great opportunity for SSI Investment Banking, given a team of senior finance professionals with years of experience in M&A advisory and wide spreading networks of partners, financial institutions and large customers from large potential markets such as Thailand, Japan, and Hong Kong etc.

Focus on expanding client networks, emphasizing Corporations with the need to divest from public and listed companies.

In 2017, beside the core client base of private, large-scale, credible, potential and sustainable businesses, SSI will also focus on large Corporations and SOEs that are planning to divest from large cap public and listed companies. With experience in advising on SCIC's divestment of Vietnam Dairy Products Joint Stock Company (VNM – HOSE), at the end of 2016, SSI has obtained hand-on experiences in the advisory process and is confident of having the capacity and experience to advise similar transactions in the future.

Expand cooperation with leading global financial institutions

to exchange experiences and seek for investment opportunities, thereby providing our clients with professional financial products of international standards. In 2016, SSI has successfully cooperated with Daiwa Capital Markets Hong Kong Limited ("Daiwa") in No Va Land Investment Group Corporation (NVL - HOSE)'s private placement deal through book-building and Morgan Stanley Asia (Singapore) Pte. in SCIC's divestment from Vietnam Dairy Products Joint Stock Company (VNM – HOSE), based on which open more opportunities for SSI to cooperate with other international financial institutions in future transactions.

Restructure the Investment Banking through the standardization of high quality human resource recruiting and training procedures, serving as a basis for enhancing the quality of SSI's advisory services

People are one of the key determinants of organizational success. Recognizing this, SSI has consistently focused on developing, revising and refining the recruiting mechanisms as well as on personnel training aimed the development of advisors that are of international quality, highly proficient, knowledgeable about the market, and can always grasp and meet all the clients' needs. With adequate recruiting and training policy, SSI expects to become one of the best investment banks in Vietnam, continuing to compete healthily and aiming to develop the image of an investment bank that is proficient and professional in servicing while adhering to professional ethics.

PRINCIPAL INVESTMENT

In 2017, SSI continues to implement value investment strategies and co-operate with investee companies. The stock market is predicted to remain difficult and challenging, although having increased significantly, P/E of the market still remains lower than that of stock markets in the region. SSI believes that the stock market in Vietnam is still attractive for value investors and that market corrections are a good opportunity to capture higher profits for the Company.



05.

MANAGEMENT REPORT

The Board of Directors' Report
The Board of Supervisors' Report
Remuneration and Benefits for Board of Directors and Board of Supervisors
Risk Management
Share information and investor relation activities in 2016
Corporate Governance Report based on ASEAN
Corporate Governance Scorecard





THE BOARD OF DIRECTORS' REPORT

MEMBERS OF THE BOARD OF DIRECTORS

In 2016, the SSI Board of Directors (BOD) has carried out activities in accordance with the Company's Charter and Management Regulation.

The BOD consists of 6 members, two (02) of whom, Mr. Ngo Van Diem and Mr. Bui Quang Nghiem, are independent members. The structure of the BOD balances an appropriate ratio between members with experience and expertise in management, law, finance and securities, as well as their roles (executive members, non-executive members and independent members). Accordingly, at least 1/3 of the board members must be independent and non-executive members in order to ensure the objectivity and independence in BOD activities. The regulation on the number of independent non-executive board members is stated clearly in the Company's Charter.

The list of board members, the ratio of share ownership with voting right at the Company as of 31 December 2016 is as follows:





MR. NGUYEN DUY HUNG

Chairman cum Chief Executive Officer (CEO)

Mr. Hung is the Founder of Saigon Securities Inc.

He is also the Founder and Chairman of The PAN Group - a leading company in agriculture and high quality packaged food industry.

MR. NGO VAN DIEM

Board Member



Mr. Diem has more than 30 years of experiences in foreign and domestic investments, state-owned enterprise reform, and industrial zone development and economic integration when holding middle and senior positions in Government agencies. He was the former Chairman of the State Committee for Cooperation and Investment, former Director of the State Council for Appraisal, former Director of Vietnam Industrial Zones Board of Management and former Vice Director of the Prime Minister's Research Council. Mr. Diem graduated from Leipzig University and has a PhD in Economics from Martin Luther University from Germany.



MR. NGUYEN HONG NAM

Board Member

Mr. Nam has been a successful business executive in various areas. He holds a Master of Science from Lugansk University, Ukraine.

MR. BUI QUANG NGHIEM

Board Member



Mr. Nghiem is the Director of Nghiem & Chinh Lawyers and Vice Chairman of Ho Chi Minh Law Association. He graduated from Halle University, Germany.



MR. NGUYEN DUY KHANH

Board Member

Mr. Khanh holds a Bachelor of Finance, George Washington University, the United States.

Mr. Khanh used to work with SSI during the implementation of the Reforming Consultancy Project provided by McKinsey (2010). He also helped in the founding of SSI International Corp., and made significant contribution to its successes.

MR. HIRONORI OKA

Board Member



Mr. Hironori Oka has over 20 years of experiences in the finance and securities fields, holding various positions in Japan, Hong Kong, the United States, Singapore and Taiwan. He used to be in charge of many senior positions in Daiwa Group Inc. and started to assume the leading position since 1994. During the period, he gained in-depth knowledge and experience in management and supervision of a number of areas such as services, products, clients, and operations of Daiwa Group and its subsidiaries, branches, and affiliates - entities under management in relevant countries or areas within scope of powers.

Mr. Oka is currently the Executive Managing Director, Head of Asia and Oceania region, and Chairman and CEO of Daiwa Capital Markets Hong Kong Limited.

No.	Board Member	Year of Birth	Type of member			Share ownership	
			Independent Member	Non-executive Member	Executive Member	Number	Propotion
1	Mr. Nguyen Duy Hung - Chairman	1962			✓	3,012,400	0.61%
2	Mr. Nguyen Hong Nam	1967			✓	900,000	0.18%
3	Mr. Ngo Van Diem	1951	✓	✓		150,000	0.03%
4	Mr. Bui Quang Nghiem	1957	✓	✓		273,174	0.06%
5	Mr. Hironori Oka	1963		✓		0	0%
6	Mr. Nguyen Duy Khanh	1991		✓		300,000	0.06%

SSI did not make any changes to board members in 2016. Board members maintained their activities as usual during their terms without any abnormal events leading to member changes in 2016.

ROLES, RESPONSIBILITIES AND ACTIVITIES OF THE BOARD OF DIRECTORS

The BOD assumes the responsibility of orienting, guiding, managing and supervising the Company's activities (including business activities), unless it falls under the authority of the Annual General Shareholder's Meeting (GSM) and Investors.

BOD exercises its functions by issuing resolutions. The management policy of the Company is expressed via compliance with the law, the charter and management regulation of the company, and via resolutions of the GSM and of the BOD. These documents are kept at the Company's head office and publicized to all shareholders. The shareholders have equal rights in viewing, copying and referencing these documents according to regulations.

When carrying out their functions and responsibilities, the BOD must comply with the law, the Company's Charter, the Resolution of the GSM and the Management Regulation of the Company. In case the decision passed by the BOD is against the law or the Company's Charter, causing loss for the Company, the members in favor of such decision must take joint responsibility and indemnify the Company; members who voted against such decision will be exempted.

In 2016, the BOD maintained business activities according to the Law, the Company's Charter and Management Regulation. In addition, the BOD made several efforts to enhance the company's managerial capacity in accordance with current laws and in line with regional as well as global practice. Specifically:

- The BOD ensures that the number of BOD meetings and the number of invited members meet legal requirements and effectiveness while specifying each member's role, differentiating between independent and executive members in order to ensure maximum interest for shareholders.

- The BOD approves Resolutions which fit the Company's vision and business strategy for each specific period, ensuring the interests of clients, shareholders and employees, respecting associates, contributing to the building of a strong business community which will provide social values and eventually fulfill the Company's mission.

- The BOD monitors the implementation of resolutions issued by the GMS and the BOD while evaluating the effectiveness of these resolutions; regularly reviews policies and regulations of the Company and make timely adjustments in accordance with new situations and requirements.

- The BOD decides on the direction, leads and supervises on a regular basis all activities of the Management as well as supporting departments, ensuring that the Management's leadership is in line with the company's regulations and policies.

The BOD has carried out 05 meetings including 02 direct meetings on 25 April and 19 September 2016 and 03 meetings based on written surveys on 14 March, 28 July and 23 November 2016. All BOD meetings were attended by 100% of its members, who discussed and voted on every issue.

The contents of the meetings and Resolutions approved by the BOD are as follows:

No.	Resolution No.	Date	Content
1	01/2016/NQ-HĐQT Written opinions solicited	14/03/2016	Newly establishing the Nguyen Chi Thanh Transaction Office and changing the name and location of the Tran Binh Trong Transaction Office under Hanoi Branch
2	02/2016/NQ-HĐQT Voting at the meeting	23/03/2016	Agreeing on the 2016 GSM
3	03/2016/NQ-HĐQT Written opinions solicited	28/07/2016	Issuing SSIBOND012016 bond
4	04/2016/NQ-HĐQT Voting at the meeting	19/9/2016	2015 dividend payment and authorizing the Chairman to decide to recall ESOP shares and purchase SSI odd-lot shares
5	05/2016/NQ-HĐQT Voting at the meeting	9/19/2016	Issuing the Regulation on share issuance according to the Employee Stock Ownership Plan
6	06/2016/NQ-HĐQT Written opinions solicited	23/11/2016	Establishing the Nguyen Van Cu Transaction Office and authorizing the BOD chairman to establish new Transaction Offices in 2017

ACTIVITIES OF THE SUB-COMMITTEES UNDER THE BOARD OF DIRECTORS

The corporate governance model was designed to include the BOD's independent subcommittees, taking responsibilities for risk management and internal auditing in order to assist the BOD in implementing these functions. Currently, the BOD has appointed its independent members to take charge of risk management and internal audit.

Activities of independent board members in charge of risk management

- Review and comment on risk policies and limits before submitting to the BOD for approval;
- Review the reports of the CEO, Risk Management Department and other related units on risk management;
- Evaluate the effectiveness of risk management of the Company as a whole.

Activities of independent board members in charge of internal audit

- Review and appraise issues related to organizational structure of internal audit, draft internal audit strategy and policy before submitting to the BOD for approval;
- Inspect and evaluate the compliance of accounting standards and procedures, and operating principles of internal audit;
- Report to the BOD on activities and performance of internal audit during the year; recommend proposals to resolve shortcomings and constraints in order to enhance business operation of the Company;
- Advise the BOD on the establishment of internal audit strategy and policy.

ACTIVITIES OF THE CHAIRMAN

The Chairman is responsible for overall guidance of BOD's activities in accordance with the functions, tasks, and powers provided for in the Company Charter as well as the current provisions of the Law, particularly:

- Preparing action programs and plans of the BOD;
- Preparing programs, agenda, and documents for the meetings; convening and chairing BOD meetings;
- Organizing the adoption of BOD resolutions;
- Supervising the implementation of the BOD resolutions;
- Chairing GSM and BOD meetings.

The Chairman also acted as the CEO of SSI, leading the Board of Management and employees to effectively carry out the resolutions of the GSM and the BOD on business plans, investment plans and other activities. The plurality of offices was adopted by the annual GSM.

ACTIVITIES OF INDEPENDENT BOD MEMBERS

Independent BOD members are assigned to carry out responsibilities related to risk management and internal audit as presented in the section on activities of the subcommittees. In addition, these members also participate in the BOD's meetings to critically comment on strategic orientation proposals, business plans; supervise and prepare monthly reports on activities of the BOD and the results of supervising the Board of Management, and send the reports to board members as prescribed by the Company's Charter.

PERFORMANCE EVALUATION OF THE BOARD OF MANAGEMENT



The Board of Management ran the Company to efficiently implement the Resolution of GSM and of the BOD regarding business plan and investment plan, significantly contributing to the exceeding of 2016 business target, firmly maintaining the leading market share in HOSE and HNX. The Board of Management fully performed the assigned tasks related to organizing and running SSI's daily business in accordance with the good corporate governance practices, actively and timely proposing initiatives and measures to improve the business and management performance. Reports to GSM and BOD has been timely prepared and submitted with good quality. Information was disclosure in compliance with the law in transparent, adequate and honest manner.

PERFORMANCE EVALUATION OF THE COMPANY

SSI has had a successful business year thanks to suitable business strategies based on accurate socio-economic predictions.

By the end of 2016, the Company recorded VND 2,312 billion in consolidated income, a 28% increase compared to 2015 and achieving 160% of the revenue target. The 2016 consolidated profit before tax was VND 1,056.8 billion, exceeding the profit target by 11.24%. The Company's consolidated asset was VND 13,228 billion, of which VND 7,152.6 billion was owners' equity.

In 2016, SSI continued to hold the number 1 position in brokerage market share on both HOSE and HNX, with 13.69% and 11.03% respectively.

In the context of decreased interest rate, more strictly managed monetary policy for investment in securities, SSI could still ensure our treasury trading activities fully and timely meet investors' demand for margin lending. SSI's funding sources did not only ensure liquidity but also significantly contribute to our profitability.

By mobilizing over VND 7,900 billion from institution and retail investors both inside and outside of Vietnam, SSI Asset Management (SSIAM) has proven its leading position in Vietnam's asset management industry. This is also the only Vietnamese company to successfully mobilize funds in a foreign market.

Investment Banking has also shown growth potentials via several successful deals worth hundreds of millions of dollars, such as advisory service for offering 78.38 million shares of Vietnam Dairy Products Joint Stock Company (VNM – HOSE); advisory service for the sale of shares of Hau Giang Pharmaceutical JSC (DHG - HOSE); private placement advisory service for No Va Land Investment Group Corporation (NVL - HOSE) under the book building method

By the end of 2016, SSI has had 3 associated companies which are the The PAN Group (PAN - HOSE), Vietnam Fumigation Joint Stock Company (VFG - HOSE) and Dong Nai Port Joint Stock Company (PDN - HOSE), with positive business results, contributing to the consolidated income of the entire company.

SSI continued to ensure security for liquidity management, without any risks occurring. Along with that, the support system, which was coordinated smoothly, with specific strategies and solid operations, well-invested technology infrastructure, also contributed to the achievements of 2016.



BUSINESS PLANS AND ORIENTATION IN 2017

In 2017, there will be unpredictable events on a global scale. Macro-economic will face the challenges of inflation and exchange rates. The domestic market is not big enough due to weak purchasing power and the average income per capita of only USD 2,215. Even if more resources are directed towards the domestic market in 2017, it's still unlikely that we will see a breakthrough.

In 2017, the National Assembly has announced the GDP growth target of 6.7%, together with macro-economic stability and social security. In order to achieve this target, the Government is moving steadily towards building an enabling Government model. The business community believes that the decision to build an enabling, transparent Government which acts to serve the people and businesses will not only stop at the Government but also become the guideline for all other Central and local agencies, authorities. They will do as they say and make it as convenient as possible for businesses and people to operate legal businesses and contribute to the country's development.

The stock market will become more attractive for investors by enhancing the transparency of the market and the strictness of audit standards so that investors can properly consider and compare investment decisions. Raising market ranking is an important factor in attracting foreign investment in 2017, meeting all the requirements of an emerging market: free money flow transfer, easing the ownership ratio of foreign investors, minimum liquidity and market capitalization.

SSI steps into the year 2017 with innovative activities which enhance competitiveness, building a business plan suitable for the 4th scientific and technological revolution and global integration. SSI is also fulfilling the mission of "connecting capital to opportunities", focusing on improving the quality of human resource, building business culture, complying with the law and business management regulations in the best ways possible.



THE BOARD OF SUPERVISORS' REPORT

MEMBERS OF THE BOARD OF SUPERVISORS



MR. NGUYEN VAN KHAI

Mr Khai joined the Board of Supervisors (BOS) in 1999 and has been re-appointed Head of the BOS throughout tenures.

He possesses rich experience in corporate management and is currently BOD Member of The PAN Group JSC, operating in agriculture and high quality packaged food industry.



MR. DANG PHONG LUU

Mr. Luu has been appointed as Member of the BOS since 2005. He was former Tan Binh Branch Director of Vietnam International Bank (VIB). He has more than 20 years of experience in finance and banking and graduated from Banking University, Ho Chi Minh City.

He is now running his own business, An Bao Manufacturing Trading Ltd., Co, where he serves as Chairman.



MS. HO THI HUONG TRA

Ms. Tra has been appointed as Member of BOS since 2007. Ms. Tra has more than 14 years of experience in JSC Bank for Foreign Trade of Vietnam (Vietcombank). She used to work for Vietcombank accounting department and is now at a senior level in Loan Management. She held a bachelor degree at Accounting and Finance University.

Name	Position	Year of birth	Degree of Independence	Share ownership	
				Numbers	Proportion
Mr. Nguyen Van Khai	Head of BOS	1967	Non-employed by SSI Holding SSI stock	70,455	0.01%
Mr. Dang Phong Luu	Member of BOS	1967	Non-employed by SSI	89,668	0.02%
Ms. Ho Thi Huong Tra	Member of BOS	1975	Non-employed by SSI Holding SSI stock	30,661	0.01%

ACTIVITIES OF THE BOARD OF SUPERVISORS

The BOS consists of three members with specific duties as follows:

- Mr. Nguyen Van Khai, Head of BOS, is responsible for overall management. He carries out supervision of the activities of the Board of Directors (BOD), the Board of Management (BOM), and takes part in the Board of Directors' meetings;
- Mr. Dang Phong Luu, BOS member, is in charge of examining and supervising the Company's finance and preparation of financial statements;
- Ms. Ho Thi Huong Tra is in charge of regulatory and Charter compliance, the execution of resolutions of GSM, and handling claims of shareholders and related parties within the BOS's authority.

Summary of the BOS's activities in 2016

- Reported to shareholders on the supervision of the activities of the BOD and BOM in 2016, and the BOS's action plan for 2017.
- Mr. Nguyen Van Khai, Head of the BOS, represented the BOS to participate in all meetings of the BOD in 2016.
- Carried out the examination and supervision of the preparation of audited financial statements of 2015, financial statements of the 1st, 2nd, 3rd and 4th quarters of 2016, and the reviewed semi-annual statements of 2016.
- Carried out the examination and supervision of compliance to regulations and the Company's Charter as well as the implementation of the Shareholder's Meeting's resolutions by the BOD and BOM in 2016.
- On May 31st, 2016, a BOS meeting was held where the following were adopted:
  i. Report on the implementation of the Company's internal control and risk management;
  ii. Unanimous consent to recommend the BOD to select Ernst & Young Vietnam Limited the independent auditor of the Company's financial statements in 2016.

- On September 15th, 2016, a BOS meeting was held where the following were adopted:

  i. Assessment of the BOS's activities in the first 9 months;
  ii. A recommendation to the CEO to implement the capacity building project for internal control.

- The BOS worked with the internal control, internal audit and risk management and noted a number of noteworthy internal control and risk management operations of the Company as follows:

  i. The Head of Legal & Internal Control was to work out a plan to provide training as well as professional competency and skills to internal control staff. Such a plan is to be implemented in tandem with the reality of market development as well as the State Securities Commission's schedule of launching new products to ensure that the staff would be sufficiently qualified for the dedicated job;
  ii. Transfer of internal control staff to business divisions was carried out in order to provide them with exposure to practical experiences for later utilization in their job;
  iii. The training and communication of professional ethics was strengthened for improved awareness of compliance among the staff;
  iv. The risk management division improved its internal work-flow and implemented a well-engineered and professional risk management process

- The BOS noted that the Chief Financial Officer and the Chief Accountant properly complied with the new accounting principles applicable to securities companies under Circular N0.210/2014/TT-BTC dated December 30th, 2014 and Circular N0. 334/2016/TT-BTC dated December 27th, 2016 issued by the Ministry of Finance (MOF) and provided timely reports of any difficulties encountered to the CEO for subsequently seeking of instructions from MOF and the State Securities Commission (SSC).

Compliance to regulations and the Company's Charter, and execution of resolutions of GSM

The Company's operations in 2016 were in compliance with regulations of law as well as the Company's Charter. The Company properly complied with regulations on information disclosure applicable to securities companies listed on HOSE. The Company's managers and shareholders properly complied with information disclosure regulations when trading SSI stock.

The Company's Charter was amended in accordance with the provisions of the Enterprise Law as well as the form of corporate charter issued under MOF's Circular No. 07/2016/TT-BTC dated January 18th, 2016.

Quarterly and semi-annual statements were timely disclosed.

In December 2016, the Company completed the issuance of 10,000,000 shares under an employee stock options program under Resolution 01/2016/NQ-DHDCD dated April 25th, 2016 of the GSM. Dividends were paid to shareholders within 6 months of the end of the GSM.

Results of financial supervision

The Company prepared and disclosed periodical financial statements in accordance with regulations governed by SSC. Semi-annual financial statements, financial safety ratio report, and annual report of 2016 were reviewed and audited by an independent auditor, i.e. Ernst & Young Vietnam Limited, in accordance with existing regulations governed by SSC and MOF.

The financial statements of 2016 presented fairly and in all material aspects the Company's financial position as at December 31st, 2016, results of operations, and cash flows in conformity with Vietnam's existing enterprise accounting principles as well as relevant provisions of law. The creation of funds and remuneration for BOD and the BOS were performed in accordance with the resolution of the GSM in 2016. The Company's accounting and book keeping activities were performed on a conservative basis, as a result of which no sudden changes were found when comparing quarterly and semi-annual data with annual report data or when comparing pre-audit data with post-audit data.

Results of supervision over members of the BOD and CEO

So far, the BOS has found no violations of responsibilities and obligations of the Company's managers. Information on transactions with managers and related persons was fully disclosed as required.

The Board of Directors and CEO also facilitated the BOS's performance of its functions. The BOS received full materials for and invitations to meetings of the Board of Directors and attended all such meetings. Recommendations of the BOS to the BOD and the CEO have been replied in a timely and adequate manner.

Results of handling recommendations to the Company

In 2016, the BOS received no recommendations or claims from shareholders as to the Company's operations or governance.



REMUNERATION AND BENEFITS FOR BOARD OF DIRECTORS AND BOARD OF SUPERVISORS

2016 operation fund for BOD and BOS was VND 3 billion, which was approved by the GSM and in accordance with GSM Resolution 01/2016/NQ-ĐHĐCĐ dated 25 April 2016.

At 31/12/2016, the BOD comprises of 06 members, of which 02 are independent members. The BOS comprises 3 members, all of them are independent.

No.	Name	Position	Non-executive member	Executive Member	Salary	Remuneration	Performance bonus	Welfare
	Board of Directors							
1	Mr. Nguyen Duy Hung	Chairman		✓	✓	✓	✓	✓
2	Mr. Nguyen Hong Nam	Member of BOD		✓	✓		✓	✓
3	Mr. Ngo Van Diem	Member of BOD	✓		✓		✓	✓
4	Mr. Bui Quang Nghiem	Member of BOD	✓			✓		
5	Mr. Nguyen Duy Khanh	Member of BOD	✓			✓		✓
6	Mr. Hironori Oka	Member of BOD	✓			✓		✓
	Board of Supervisors							
1	Mr. Nguyen Van Khai	Head of BOS	✓			✓		✓
2	Mr. Dang Phong Luu	Member of BOS	✓			✓		✓
3	Ms. Ho Thi Huong Tra	Member of BOS	✓			✓		✓

Periodic bonus and welfare of members of the BOD and BOS

The BOD executive members, BOD members who participated in Company's operation, and BOS members received periodic bonus and welfare from the Company welfare fund, which was created from retained earnings and based on business performance approved by the GSM.

Other benefits for members of the Board of Directors and Board of Supervisors

Currently, the Company' business expenses benefits (including those relating to the use of company cars, telephones, social, medical and other insurance, the annual health check) and other benefits in internal policies are only applicable to the executive member of BOD or the member who participated in Company's operation activities. The Company only pays expense related to business trip (if any) to other members of BOD and member of BOS.

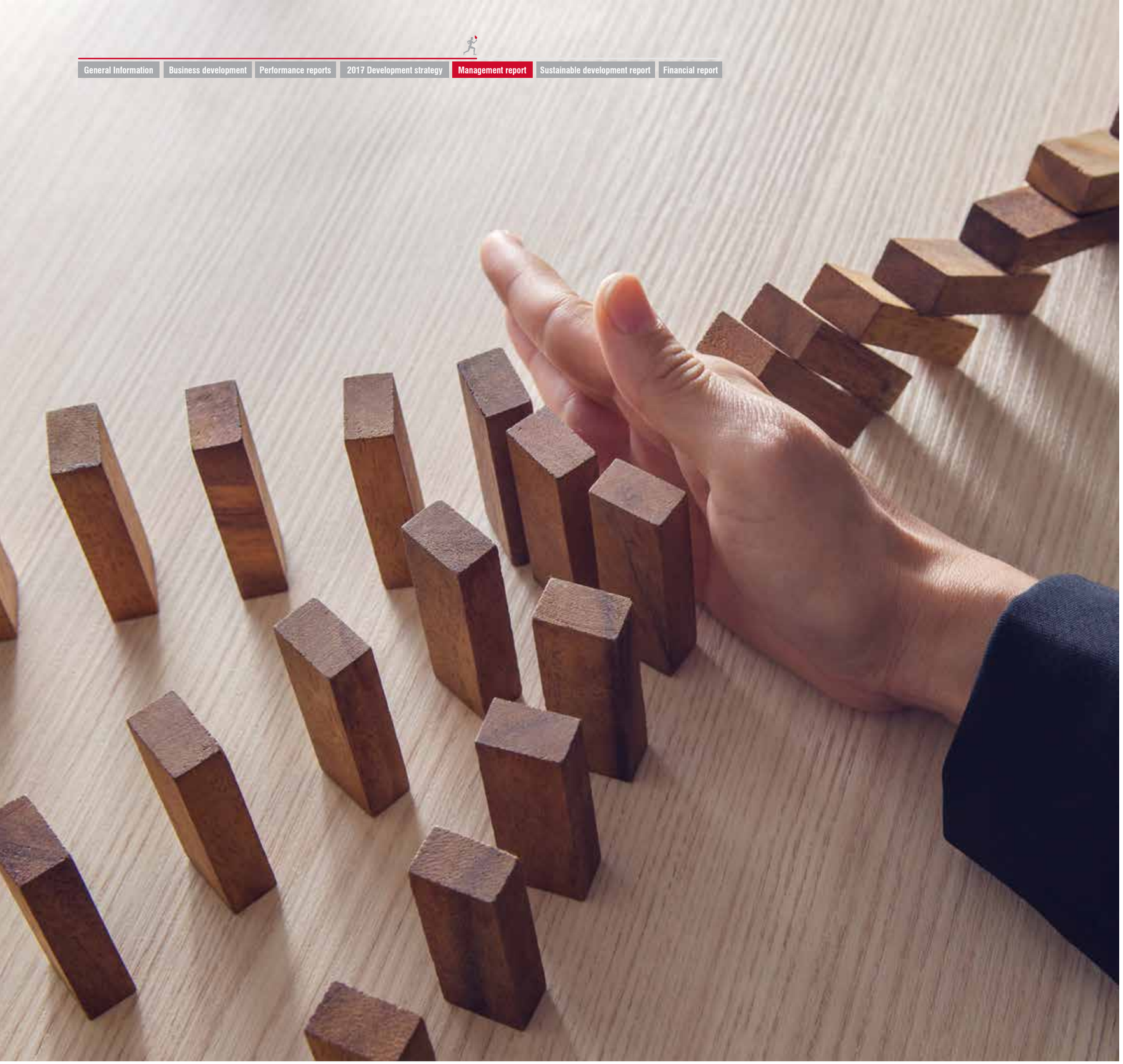
ESOP for Members of BOD and BOS

During the year, SSI has successfully issued shares under the Employee Stock Ownership Plan (ESOP), which aims to align the interests of employees and the Company; attract, maintain and motivate qualified staff to dedicate and make long-term commitment to the Company.

The number ESOP shares bought by BOD and BOS members are as follow:

NO.	Name	Position	Number of shares
1	Nguyen Duy Hung	Chairman cum CEO	1,223,000
2	Nguyen Hong Nam	Member of BOD/ Deputy CEO/ Spokesman	600,000
3	Ngo Van Diem	Member of BOD	100,000
4	Bui Quang Nghiem	Member of BOD	30,000
5	Nguyen Duy Khanh	Member of BOD	200,000
6	Nguyen Van Khai	Member of BOS	30,000
7	Dang Phong Luu	Member of BOS	15,000
8	Ho Thi Huong Tra	Member of BOS	15,000

Total income of members of BOD and BOS in 2016 was VND 12,097,800,000



RISK MANAGEMENT

OVERVIEW OF RISK MANAGEMENT SYSTEM

2016 was marked with many major economic and political events, both domestically and internationally, exerting observable effect on the global stock market in general and the Vietnam market in particular. Besides, a series of events related to notable listed companies, namely dishonesty in information disclosure to investors, unreasonable stock price hikes, followed by extended period of floor price dropping, loss of liquidity, has increased market risk as well as eroded investors' confidence. However, with sound and transparent development strategy and action plan, combined with a team of high-quality personnel, SSI has managed to steadily maintain the largest market share on both Stock Exchanges, and achieve continual strong growth in personnel, network, and clients, etc., while keeping risks at a minimal level, below the risk limit approved by the BOD.

SSI has completed the development of the Risk Management Systems (RM) as required by Circular No. 210/2012/TT-BTC, and guidance on setting up and operating RM system of securities companies in accordance with Decision No. 105/QD-UBCK dated February 26, 2013 of the SSC. The implementation of the RM system ensures conformity in both functions and personnel as required.





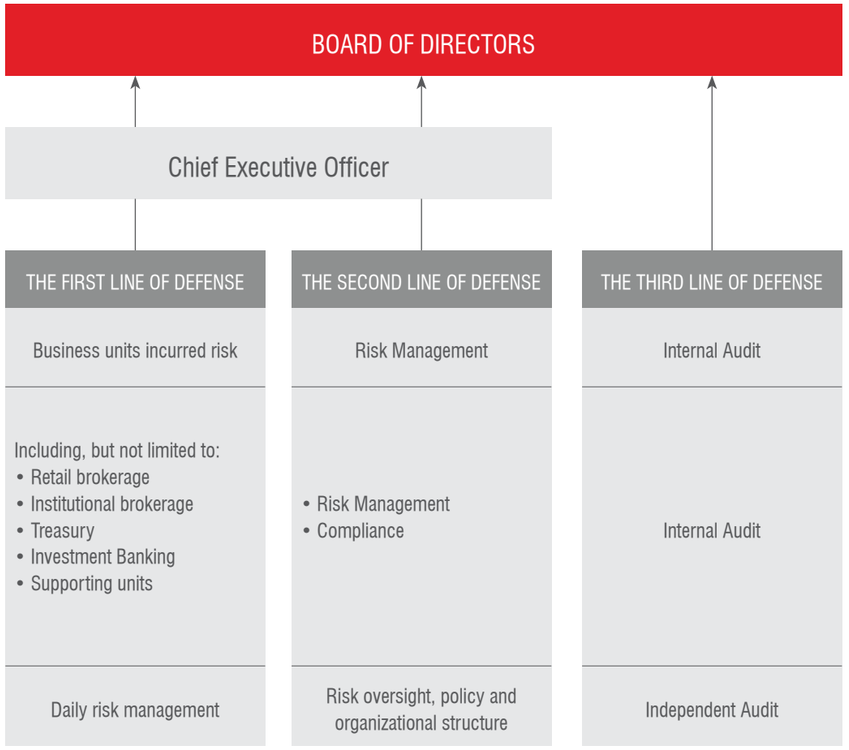
Realizing the potential risks facing the Company due to strong growth in the number of employees, branches and clients, and capital size, as well as getting prepared for the Company's growth in the coming years, the BOD has announced plans to improve the effectiveness of risk management activities through setting up a capacity building project for risk management capabilities in August of 2015. In 2016, the project was completed with a highly specialized risk management apparatus, carrying out risk management activities specific to each type of risks, and bringing on board additional high quality staff in knowledge and practical experiences.

Additionally, in 2016 the Company has conducted review, supplemented and updated RM policies and procedures to improve the efficiency of risk management supervision and risk warnings, as well as updates to keep up with actual operations. Such activities shall continue to be carried out in 2017. Moreover, in anticipation to the introduction of derivatives products, in 2016, the Company has fully prepared human resources as well as developed a system of policies and procedures for risk management of the products.

Risk management activities are carried out seamlessly from top to bottom, initiated by the BOD through the development of business strategy and risk tolerance limits for each type of risks and each specific Business Unit, as follows:

- To develop and align a culture of risk management to every employee whereby each individual to engage and contribute to risk management activities;
- To develop a strong and transparent corporate governance structure in order to determine accountability of each individual and department in the organizational structure;
- To develop a mechanism of control and oversight to keep risk within the limits allowed;
- To issue of documents under policy framework and methods to identify, measure, control and mitigate key risks.

The Company uses the three lines of defense model in risk management activities as follows:



The Risk Management is organized by types of risk in order to ensure a high level of specialization:



Risk management activities are conducted specifically according to the 5-step process as follows:

Risk identification

Risks are determined based on indicators or areas with exposure to potential risk in the Company's business operations. Input data to determine risks includes:

i. Database of risks occurred in business operations that have been identified, and have been reported and detected through Internal Control, Internal Audit, and Independent Audit activities. Based on this data, the Company can assess and predict the risks likely to occur in the future;

ii. Based on analysis of historical data on the risks occurred and the likelihood of future risks to identify areas with high risk exposure. This method contributes to improve risk management based on the inheritance of experiences and lessons from the past;

iii. Changes in business strategy, the operating procedures as well as the development of new products, new business activities or execution of business restructuring;

iv. Recommendations and feedbacks from Government Agencies, Independent Audit, Internal Audit, and Internal Control;

v. Changes in business environment, policies and laws.

Risk measurement and assessment

SSI uses qualitative and/or quantitative methods of assessment to appropriately measure each specific type of risk.

Quantitative models are prioritized to quantify risks. These models could calculate and estimate exposure values of market risk, settlement risk, operational risk, liquidity risk, as well as others. These risk exposure values are quantified to a specific figure or a specific percentage. A number of typical models used by SSI to measure risk include:

- Standard models, as stipulated in Circular no. 226/2010/TT-BTC dated December 31, 2010 and Circular no. 165/2012/TT-BTC dated October 9, 2012 issued by the Ministry of Finance;
- Quantitative models VaR (Value-at-Risk) used to calculate the maximum level of volatility for a stock, or index to be used in derivative transactions with a predefined confidence level and time period;
- Stress testing model used to assess the maximum loss that may occur according to a predetermined scenario for the Company to take loss limiting measures when necessary;
- Quantitative scoring model and quantitative stock model based on historical data of price and volume volatility;
- Banks' appraisal and rating models.

Risk limit identification

To ensure that risk is limited to the lowest level of tolerance, as well as to improve the effectiveness of risk oversight, the Company has established a set of risk indicators and limits for key risk exposure.

Risk limits are determined by both qualitative and quantitative methods. In particular, the latter has priority over the former.

Limits for each type of risk is determined based on:

- Data and historical events related to the risks being monitored;
- Risk appetite and targets of the BOD;
- Actual operating activities of trading and related business divisions based on views of the divisions' heads.

The Risk Management Director proposes limits for each type of risk, with references to the characteristics of each business department for approval by the CEO.

The CEO proposes the total risk limit as well as specific risk limits for each business department for approval by the BOD.

Risk monitoring

Risk monitoring activities are carried out on a daily basis, mainly through risk indicators and limits of the indicators. A number of risk parameters are set and limited automatically on the system, and others based on daily risk management reports in accordance with predetermined forms, or both.

Risk monitoring activities are carried out firstly by the business departments where the risk incurring transactions take place, followed by supervision of independent departments including Risk Management, Internal Control and ultimately Internal Audit.

When risk positions approaching warning levels, the Risk Management will issue a warning and request specific measures from the risk-generating business departments, and at the same time, coordinate with them to develop action plan to bring the risk positions back to safety threshold.

Risk handling

Risk handling activities are based upon review and assessment of factors such as the severity of the risk to be handled, the frequency of risk occurrences, costs of risk mitigation, risk characteristics, etc. The company implements a number of measures of basic risk handling as follows:

i. Risk tolerance: When the cost of risk handling is a significantly higher than that of the losses incurred due to risk exposure, no handling measure is necessary;

ii. Risk avoidance: Any activity that could lead to the risk exposure that the BOD has a zero or very low risk tolerance, or that exerts potentially serious impact on the image and activities of the Company shall not be carried out;

iii. Risk mitigation: Applying measures to mitigate potential impact on the Company or to minimize the probability of risk occurrences, or both;

iv. Risk sharing: Transferring all or part of the identified risks to another party, such as purchasing insurance (if comparable services are applicable) for operating activities;

v. Developing a monitoring and risk warning system for timely detection of potential risks and marginal risks for prompt risk handling.

General risk handling process:

i. Identifying causes of increased risk positions, and causes of risk generating events;

ii. Selecting and developing handling plan, including specifications of responsible units for implementation, implementation schedule, expected results, resource assessment and planning, and required procedures;

iii. Performing risk handling in accordance with selected plan;

iv. Reviewing and updating relevant policies and procedures to avoid similar incidents;

v. Adjusting relevant limits if necessary to align with reality.

MARKET RISK



SSI's core business activities exposed to market risks include investments in bonds, shares, deposits, margin lending, and derivative products which will be launched in 2017.

Revenues from these activities are affected by fluctuations in interest rates, stock prices, derivative indexes, possibly due to market conditions or changes in monetary policies or macro policies of the government of Vietnam or other countries concerned, possibly due to geopolitical turmoils such as unrest in the South China Sea, as well as other legal regulations. When interest rate and stock price fluctuations are unexpected, there exists the risk that revenue and profit of the Company would move in adverse direction.

To mitigate these risks, SSI ensures that risk management is carried out in a specialized manner and separated by risk types and that there is close coordination among related department with Risk Management from monitoring, assessment, market view and prediction, and investment strategy, to the limit system, risk diversification strategy, risk warning and handling process.

Investments in Deposits/ Bills/ Bonds/ Margin Lending

Over the past several years, the Treasury and Finance Trading Division has actively grown business operations, managing cash-in-hand in a large scale. Such activities in 2016 even exceeded previous years with owners' equity, reaching over VND 7,152 billion, total assets over VND 13,228 billion, average cash-in-hand of VND 5,000 billion, including over VND 1,200 billion from investors. In addition, investment activities in Government bonds also received special attention in 2016 with average portfolio value of VND 2000 billion. Cash flow movements were executed according to payment activities, clients' borrowings/repayments, and investment disbursements, occurring daily without a specified time frame. Such operations require SSI to balance short-term and long-term capital and corresponding interest rate across different maturities to optimize returns and realize predictions on interest rates. Even with modest interest rate fluctuations in 2016, SSI Treasury still managed to optimize interest rates trading, contributing a significant part to the Company's revenue while ensuring the highest level of safety.

To anticipate the risk of stock price volatility that affects margin lending, the Company conducts assessment of macroeconomic conditions and geopolitical issues that may impact the overall market or a specific sector either periodically or unexpectedly upon occurrences of events for appropriate adjustments in margin lending activities.

Investment in Stocks

Stock investment portfolio is directly affected by internal factors of the economy as well as international evens; unanticipated changes of macro factors can cause stock prices to fall, creating adverse impact on the business results of securities companies. However, in 2016, SSI managed to capture market opportunities to divest and invest in companies in the basic and staples sectors of the economy that underwent little impact from market fluctuations while possessed potential for stable development. SSI remained consistent with long term investment strategy, avoiding risks arising from short term speculations, in which, the Company expanded support for our associated companies in maximum capital mobilization, establishing a solid financial foundation for manufacturing and business expansion, raising intrinsic value of their stocks and maintaining a positive momentum for their stock prices to grow.

Investments in Stock Derivatives

In preparation for the opening of the Stock Derivative Market, SSI has been actively involved in the process to complete the legal framework for the product with regulatory authorities. At the same time, SSI also set up a project team dedicated to derivative products to conduct product research and development of the company's trading and risk management systems.

SSI has implemented continuous internal training for employees. In addition, the Company also organized for staff to take classes held by the SSC on Derivative Securities so that the Staff can understand the products as well as related risks to provide the best advices to clients while minimizing risk exposure for both the clients and the Company.

The Risk Management has basically completed the development of risk management procedures for derivative products to actively identify, measure, assess, prevent and handle risks when the derivatives market is officially put into operation.

CREDIT RISK



The Company's credit risk arises mainly from margin lending activities, and investments in bank deposits and bonds. The risks arise when a partner fails to pay a part or all of its debt obligations to SSI when due.

Investments in deposits at commercial banks are considered to have the lowest level of credit risk; However, if occurring, such risk can cause great damages. Therefore, SSI always reviews careful before conducting transactions with Banks based on the Banks' credit rating, followed by periodic reassessment. Each commercial bank would be assigned a specific deposits limit depending on their specific credit rating, as well as certain terms and conditions, to ensure maximum capital preservation. At the same time, SSI established overdraft limit mechanism with multiple banks for simultaneous operation with bank deposits. This allows the Company to maintain liquidity capabilities while ensuring flexible capital uses and providing for credit risk, as bank deposits contracts always have provisions for flexible withdrawal of the overdraft facility. During our 17 years of operation, SSI has incurred no irrecoverable bank deposits. This is an achievement that testifies for our highly effective credit risk management activities.

Margin Lending

Margin lending refers to collateral lending activities, secured by clients' loan portfolios that have been approved by both SSI and SSC for margin lending. Credit risk arises when the Company is unable to recover sufficient debt upon disposal of all collateral assets of a client, or to process collateral assets due to loss of liquidity and deep depreciation, or cancellation of listing, while the client fails to provide additional collateral assets. In order to mitigate such credit risk, SSI employs a series of coordinated measures, as follows:

- Establish a prudent collateral portfolio based on compliance with regulations by the State Securities Commission of Vietnam. At the same time, rate stocks in consideration of liquidity, price fluctuations and stock valuation based on the corresponding company's financial and operation analysis report. Based on stock rating, the Company will set lending rates and limits consistent with stock quality.

- The portfolio of collateral assets is revalued monthly to mark to market fluctuation of the stocks. At the same time, individual cases are evaluated as soon as relevant negative news incurs.

- Develop a cross-cut limit system to control concentration of outstanding lending balance as well as alert levels for timely recovery of debts:

  - Total volume limit for margin lending,
  - Maximum limit per client,
  - Maximum limit per stock,
  - Safety warning level,
  - Liquidation warning level, etc.

- Monitor the outstanding balance, concentration of outstanding balance by client, stock and daily risk exposure to timely risk detection. For instance, outstanding balance with high concentration on a specific client or a specific stock, stocks with abnormal price volatility, stocks with unusual news, stocks with abnormal and suspicious transaction movements in trading session, etc.

- Rate and appraise margin lending clients to ensure SSI's criteria and regulations. Increase Broker's client management responsibility with regards to warning communication and loan recovery, etc.

- Refrain from competing for market share and outstanding lending balance through over-extending margin lending services .

In 2016, with the overall growth of the market, and the strategy of diversifying the portfolio of client margin lending, increasing the lending of leading and highly liquid stocks, The company's margin outstanding balance grew from an average of over VND 3,000 billion in 2015 to an average of more than VND 3,890 billion in 2016, with the highest balance reached over VND 4,351 billion. However, related risks remained within the limits approved by the BOD.

Investments in Bonds

Investment in bonds is exposed to the risk of bond issuers losing their liquidity at the bond's maturity, or the risk of unexpected adversities leading to the bond losing its liquidity. In order to mitigate these risks, SSI has in place an assessment procedure to examine all details and aspects of a bond investment proposal, similar to a credit assessment prior to investment. However, as interest rates on Government bonds remained low and the FED's interest rate hikes in 2016, SSI mainly invested in government bonds and government guaranteed bonds. For corporate bonds, SSI assessed very carefully, and only invested in bonds issued by reputable businesses with sufficient collateral assets.

LIQUIDITY RISK

Liquidity risk occurs when SSI loses its ability to fulfill its obligations to pay part or all of the due debts, failing to meet the demand for payment of securities purchased by investors using margin lending, or experiencing delay or failure to meet the requirements of payment activities of investors on accounts maintained at SSI. With the number of clients growing over the years, mounting to over 100 thousand accounts in 2016 across SSI branches in different cities, receiving hundreds of payment requests per day, SSI must ensure the quickest, safest, and most cost effective way to conduct payment operations for investors. In order maintain flexibility in serving clients, SSI has connected with dozens of banks to manage an average investor deposit balance of over VND 1,200 billion in absolute safety.

In 2016, SSI's margin lending service continued to maintain steady growth, with year-end outstanding debt remained at over VND 3,600 billion, requiring high flexibility in balancing daily cash flow between timely cash disbursement (in margin lending) and efficient use of cash flow when investors repay margin loans. SSI also holds the largest securities investment portfolio in the market, thus the management of low liquidity investments also requires a sound balance of owners' equity, to be able to reinvest the capital to capture investment opportunities. In 2016, SSI continued to ensure absolute liquidity management, without the occurring of any risky incident. Net capital ratio remained high between 490% and 679%, well above the regulatory 180%.

2016 Financial Safety Ratio

Month	
1	679%
2	659%
3	641%
4	635%
5	651%
6	678%
7	606%
8	556%
9	621%
10	572%
11	493%
12	544%

This achievement was thanks to a strict cash flow management process, which was established based on the particular priority we give to liquidity risk management and the close collaboration we foster between SSI's offices and departments. All business units have access to a regular and detailed reporting system for timely information update.

	Report	Frequency
Accounting	Banks accounts balance	Daily
	Investors' accounts balance at SSI	Daily
	Projected expenditure/ revenue	Daily
Treasury and Finance Trading	Start-of-day cash flow	Daily
	Project cash flow	Monthly/ when arising or as requested/ Daily
Securities Services	Advances to investors	Daily
	Disbursement/ loan recovery of margin trading	Daily and when arising
	Investors' large transfer/ withdrawal/ deposit/ credit	When arising
	Clearing	Daily
	Transactions related to purchasing rights Issue	When arising
Risk Management	Net capital ratio report	Monthly
	Liquidity reserve report	Monthly
	Financial liquidity report (current ratio, quick ratio, etc.)	Monthly

In 2016, in order to continue growing margin lending, SSI raised additional capital from bank loans and bond issuance, cash flow management to ensure efficiency and safety therefore became more complex. However, SSI always maintained a reasonable and balanced ratio of assets and liabilities, applying the fundamentals of liquidity risk management to invest in liquid assets.

SYSTEM RISK AND INFORMATION SECURITY

Matching to higher level of business automation triggered concerns on the 2 key areas, risks of system failure and security protection on systems as well as information. These 2 key areas are always SSI's main focus on determining what to improve on business automation. For existing solutions, SSI continued its determination on how to further enforce the system stability and information security.

For security protection, the Company had the following:

- Tier 1 facility to detect/prevent cyber-attack
- Advance solution for anti-virus protection
- 3 layers of firewall protection of our data network
- Data-Lost-Protection (DLP) facility to prevent information leakage
- Vulnerability scanning performed annually
- In-premise vulnerability scanning facility for regular scanning and rectification
- Proper policies and procedures ensuring the effectiveness of internal control on avoiding any internal fault.

For disaster recovery protection, SSI achieved the following:

- Proper assessment of Disaster Recovery Plan (DCP) quarterly
- Additional 10% protection of 48 disaster protected scenarios achieved 90% automated coverage. The remaining 10% has been planted into two new core trading solutions for both cash and derivative markets targeted to roll-out on the first half of 2017
- Performed the rehearsal of disaster recovery protection on November 2016

For system stability protection and improvement, SSI had the following:

- All services are running on seamlessly redundancy environment with proper protection on any single point of failure
- Hardware facilities have proper extra but not over capacity to prevent any unexpected business loading
- All connections are protected by redundancy path and diversified on different location
- SSI data center achieved tier 3 industrial standard with redundant Uninterrupted Power Suppliers (UPS), dual data network connections, dual power generators, dual data center grade air-conditioners
- SSI backup/restoration procedure and facilities ensures the recovery of systems within the Service Level Agreement (SLA) and without any data lost.

COMPLIANCE RISK

Compliance risk refers to the risk that the Company must face in the event that the Company or its employee violates or does not comply with the provisions of the law, the provisions of the Company's charter, internal and professional procedures, regulations, including professional code of ethics.

Preventing and limiting compliance risks are considered an important task of the Company. A number of measures implemented by the Company to prevent compliance risks include:

- Process and operational design with cross-checking among individuals and divisions. At the Company, operational procedures and operational apparatus are designed for mutual cross-check to enhance internal inspection and supervision, limiting power abusing and allowing early detection of violations;
- Improving employees' compliance awareness. Training and advocacy of compliance are attended to. Newly recruited employees are trained in common procedures, regulations and special regulations related to their areas of work. During the time at SSI, employees are trained periodically to have strong grab on work process and raise awareness of compliance;
- Establishing an internal inspection and supervision system;
- Applying stringent discipline to violations of the Company's regulations.

In 2016, the Company's Internal Control conducted 40 inspections across various divisions for compliance checking of internal procedures and regulations and relevant laws. Control results are reported to the CEO, Managing Directors and Head of Legal & Internal Control for timely handling of violations, updating and correcting operational procedures to mitigate risks and increase work performance.

Adherence to corporate accounting system and compliance with tax law is also a focus of the Company. The Company conducted 33 audits in 2016 related to accounting entries, financial reporting and tax auditing. Internal audit activities promptly detected errors and proposed compliance measures to the CEO. Internal audit activities have increased the effectiveness of compliance risk management in the Company. Published financial statements, tax reports and net capital reports of the Company were ensured honesty and objectiveness, in accordance with accounting standards and regulations.

The Company maintained annual training for the entire staff on professional ethics, internal control, and money laundering prevention and control. The Finance and Accounting Department was also trained to update legal knowledge on accounting and tax law, and participated in training courses organized by administrative agencies.

The company has developed and issued regulations to support staff to improve their professional knowledge. This regulation has encouraged many employees to actively participate in courses to update specialized knowledge or long-term courses to improve their professional knowledge. Job positions requiring personnel with practicing licenses were fully met.

By improving the awareness of compliance, increasing the frequency of control and timely updating and finalizing of process, in 2016, the number of violations and errors was strictly controlled and there were no significant errors.

A number of compliance risks that the Company has identified and developed control measures for 2017 (Table 1).



No.	Potential risks	Control measures
1	Brokerage staff violating professional code of ethics, abusing of client accounts.	Training to raise the awareness of professional ethics; Assigning proper access levels to customer information; Designing account management procedures with cross-checking; Encouraging client to conduct transactions over the Internet; Providing timely notification on change of account balance for clients via SMS and email; Conducting centralized specialized control; Strictly handling acts of violating professional ethics.
2	Brokerage staff violating professional code of ethics, engaging in stock price manipulation.	Training to raise the awareness of professional ethics; Monitoring trading accounts of staff and family members; Strictly handling acts of violating professional ethics; Verifying employee's employment history before hiring.
3	Controlling conflicts of interest between clients and brokerage staff.	Training to raise the awareness of professional ethics; Monitoring trading accounts of staff and family members;
4	Controlling of conflicts of interest between brokerage, investment advisory and proprietary trading.	Separating specializations, seating, data systems, and personnel among divisions; Entrusting in long-term proprietary activities to SSI Asset Management (SSIAM)
5	Violation of anti-money laundering regulations, especially in client identification.	Issuing anti-money laundering regulations, and integrating anti-money laundering regulations into business processes; Holding annually training for staff to raise awareness on money laundering prevention and control; Refusing to serve clients failing to provide identification information in accordance with the laws; Actively classifying clients' risk profile in money laundering prevention and control.
6	Violations of the obligation to report and disclose information of securities companies and listed companies.	Issuing the process of reporting and disclosing of detailed information, and assigning specific responsibilities to divisions and individuals. Arranging dedicated staff with legal qualification to carry out reporting and information disclosure functions. Control from the Chief Legal Officer and Internal Control.

Table 1: Potential risks and compliance risks measures

REPUTATIONAL RISK

Branding in the finance – securities sector, in our perspective, has extended beyond being a symbol for clients to identify and position our business products and services; it has become a valuable intangible asset. Reputation risk refers to the loss or damage of value those results from changing Clients' perception of the Company, creating major impacts on their demands for the Company's products and services, as well as all general business activities.

Based on our insightful awareness of the potential reputation risks, SSI has established and implemented an effective brand development and management strategy. Our branding is represented, firstly, by the images and information that are communicated through both public and internal media channels. Yet, more importantly, it is also showcased through our products and services, as well as any experience and interaction, no matter how small, between our clients and our representatives. As such the concept "brand ambassador" has taken a higher level of meaning, empowering each and every individual at SSI with the capability to convey important messages about the SSI brand to both our clients and the public. We always strive for consistency and strategic alignment in these messages. Our vision is "The Business of Success" and our mission is to establish SSI as a transparent financial institution.

Maneuvering through today's information highway, SSI has chosen transparency to be our guiding communication principle to minimize reputation risk. Transparency is key to building trust of our Shareholders and Investors: Information, whether negative or positive, is processed in a consistent manner to provide them with a genuine perspective. When inaccurate information about SSI is published, we apply the same principle of transparency in handling: always willing to initiate direct dialogue with the public, providing factual and credible information to work towards a resolution Respecting the investment value from our shareholders, SSI is fully aware of our responsibility to provide our shareholders and investors with transparent, complete, accurate and timely information.

As the impact of social networking on branding becomes more powerful, instead of being passively responding to the flow of information, SSI has worked with leading consulting firms to be able to listen to the most detailed discussion of investors, clients, not only on the SSI brand, but also on the stock market. This information helps SSI both take initiative in responding to misleading information, and access a valuable source of information to observe market orientation, so that SSI can continue to pioneer on the path toward market transparency.

In order to mitigate reputation risk, SSI has been working to establish a systematic and professional communication process and plan. Our communication plan is clearly defined every year so that essential information can be related in a timely and complete manner. All materials, messages and announcements from SSI go through a strict internal review process to ensure precision and consistency. To date we have issued and implemented various regulations and rules for information reporting and publishing, with particular provisions for conducting interview with public media, as well as sharing information and producing written materials on SSI's business activities. Most notably, SSI has in place a clear procedure for correcting false information on public media, asking all of our staff to be responsible for alerting the company about the existence of false information. We also prepared a full guideline for crisis management, emphasizing a willingness to collaborate, share and communicate with the media and the public.

HUMAN RESOURCE MANAGEMENT RISK



Positive changes in macro factors of the economy in general and in the stock market in particular have presented the SSI human resource division with new challenges and opportunities. Understanding that human resource is our most valuable asset – the defining factor in making SSI the difference on the market – we expended focus and effort in developing policies and activities for structured and comprehensive human resource management

In 2016, the stock market continued to show huge demand for manpower as companies operated and expanded. When there was insufficient supply, securities companies were forced to recruit talents from competitors in the same sector. As tension between those who need to attract talents and those who want to retain talents builds, it is understandable that salary competition, employee turnover and job switching ratio all increased.

Faced with challenges in human resource management (HRM) to sustain and develop the staff, risk management activities in this area were also carried out with significant attention. Not only limiting to strict recruitment screening, expanding of recruiting channels, enhancement of staff training, critical performance evaluation and benefit policy development ensure mitigation of manpower shrinkage and losses; SSI also focuses on listing potential risks may be encountered in HRM activities to determine risk assessment and scenario-specific handling.

Human resource management activities	Potential risks	Points of consideration
Salary and benefits package	Financial impact	Authorized personnel to sign decisions related to compensation and benefits scheme.
		The relevant policies to undergo different levels of approval
		Budget control to ensure the approved policies not to exceed the planned budget
Recruitment	Discrimination in the recruitment process	Screening and recruiting process to be applied consistently to all potential candidates
	Selection error	Mechanisms for employee probation and probation assessment to be applied
		Employment terms and conditions to be implemented as agreed in candidates' interview
Work safety and health care	Work environment	Work environment and conditions to be reviewed regularly to ensure safety, hygiene and professional standard
	Employee health	Organize periodic health checks to monitor the health of employees, and have contingency personnel plans where necessary

Human Resource Management Activities	Potential Risks	Points of Consideration
Employee management	Employee lacking information; lacking essential training and guidance for their assigned job	All Company's employees to be given orientation and training to provide on-boarding information and basic support when they start. Throughout their employment contract, all employees to be given on-the-job training and supervised to ensure they have adequate skill and knowledge that are in line with the Company's business needs and growth strategy
	Employee not having access to performance review	All positions in the Company to be given performance review through the Performance Measurement Program at year-end, conducted on the PMS system, with recorded result for later assessment. Specialized employees such as brokerage staff are evaluated for ranking twice a year
	Provisional staffing	All positions in the Company to be given clear job description so that when staff shortage occurs, replacement recruiting could be timely and appropriate. Each department and unit to have their own provisional staffing plan for scenarios of unexpected or long-term leave. Key positions in the Company to have next generation training program or temporary replacement plan during absence
	Ethical violations	Cross-supervision to be increased through strict business procedures. Training on professional ethics and potential violations to be organized to raise employees' awareness and accountability
	Breaching confidential personal information	Employees' personal information to be kept confidential and to be disclosed only when requested by the appropriate authority
Former employees	Damage to Company's property	Property and job handover procedures to be strictly applied to avoid damage and leak of both material and non-material (information) property
	Company's reputation	Exit interview to be conducted to determine cause of quitting and to avoid negative reputation risk for the Company

In conjunction with employee selection and recruitment, we consider employee training to be a key element in safeguarding and raising human resource quality, as well as an important source of employees' inspiration and motivation. Training programs are designed for specific types of audience, helping to increase work effectiveness, reduce business risk and improve organizational solidarity. As we anticipate changes to the legal framework for human resource and an increasingly challenging market, more than ever, the SSI team needs to strive for a new level of performance and growth and provide our clients with more competitive values.

Benefits policy and performance measurement program always serve as a parallel duo to ensure employee satisfaction, internal fairness and market competitiveness, creating a professional work environment for staff development.

Optimize operating costs but still warrant the pace of HR development in both quality and quantity to adapt to market requirements; attracting and retaining talents, especially high-level personnel is always a challenge for the HRM activities. SSI gives priority to the systematic and procedural management of our organization, ensuring strict compliance, sustainable development and sufficient provisional staffing throughout, so to mitigate risks from fluctuations in our human resource. For human resources management activities, the accuracy and security of information are always considered a major concern. Periodic reports show trends in the Company's personnel are conducted through an information management system to help the Leaders better manage and predict staffing situation, as well as develop training schemes, recruitment, and policies consistent with actual situations. With the support of technology systems, personnel activities have also been able to mitigate risks and improve operational efficiency.

Besides, SSI continues to maintain internal communication channels to share vision, strategy and strengthen corporate culture to foster the Company's spirit. This sharing also acts as a motivating factor, provides information and avoids unnecessary tension. It also serves as an assurance measure for seamless information and ensures that every employee understands individual as well as common objectives to continue making their best contribution to the development of the Company. With the high level of sharing and transparency within the organization, operation will be more smoothly, reducing negative impacts on human resources.

With new challenges and opportunities, human resource management activities at SSI have received valuable attention and support from the Management Board for the development of a human force high in quality and rich in SSI's culture. SSI will continue to be a "cradle for talent development." Here, we fuel ambitions and are willing to provide opportunities for employees' experiment and development. Through our management system and cross-checking processes, we can boldly facilitate experimenting and trying for staffs while ensuring mitigation of potential risks.

LEGAL RISK

Legal risk exposed to the Company in the course of legal compliance due to regulatory changes, failure to comply with regulations or in the arising of disputes and litigations, etc., from stakeholders during the process of the Company's daily operation. The BOD attaches great importance to this issue, and therefore does not tolerate any risks due to deliberate violations of legal regulations.

2017 is anticipated to undergo many significant changes in legal framework for businesses in general and for the stock market in particular, including the adoption of the 2015 Civil Code, the amendment of the Securities Law, the amendment of regulations on management of public companies and operation of securities companies, etc., new trading products such as derivative securities, secured warranties, etc.

In order to limit the risks arising from changes in laws or regulations, SSI organizes the Legal Department with licensed lawyers as well as uses external professional legal consultancy services in case of need. The Legal Department and external consultancy are responsible for updating newly issued legal documents to the BOD, the BOM and relevant Departments; studying the impact of to be issued draft legal documents on the Company's activities for proper preparation. In addition, the Division is also in charge of providing inputs to draft legal documents that are closely related to the Company's activities, participating in seminars, coordinating with peers and members of professional associations to comment on law making process, summarizing problems arising from the application of current regulations to report to competent state agencies and propose feasible solutions.

The Company's internal procedures and regulations must be reviewed by the Legal Department as well as regularly examined and revised for suitable amendments and adjustments to changing laws.

Most members of the BOD, BOS and managers of the Company have participated in corporate governance training courses for public companies.

Compliance is a criterion in the professional code of ethics of the Company that the entire BOD and employees have committed to.

ENVIRONMENTAL RISK

The Company provides services in the financial sector, without material use of natural resources, therefore environmental risk exposure is negligible.

2017 ACTION PLAN

As part of the plan to improve the Company's risk management capability, 2016 was a milestone year with the completion of the risk management system, growth of human resource, and initial update of framework policies and procedures. The main objective of 2017 is to improve the system of policies, procedures, monitoring, and early warning specifically to each type of risk, along with the implementation of new policies and procedures.

With strong growth in personnel force as well as branch network and clients, the Company has to face increasing operational risks. Therefore, 2017 to focus on improving the effectiveness of risk management with the implementation of risk management training for all employees to enhance risk management culture, for each employee is to serve as a risk management agent. At the same time, the Risk Management Department will coordinate with business units to develop a risk category, risk prevention and mitigation measures for each department and continuous action plans for each division as well as for the whole Company.

In addition, the adequate management of credit risks, liquidity risks and market risks will continue to be carried out daily as well as be improved for higher effectiveness of risk management activities for their directly connection to the Company's core businesses. In 2017, as derivatives to start trading, the completion of risk management for the products will also be a focus

Challenges in the implementation of risk management activities

ĐIn order to achieve sufficient risk management, it is necessary to be accurate and effective in identifying, measuring, monitoring, warning and handling risks, along with awareness building at all levels from management to employees on the importance of risk management and each member's initiative to engage in risk management activities of SSI.

Because risk management is a new field in Vietnam as well as a growing field in the world, there remain issues with inconsistent and changing definitions, limited risk measurement models, and inadequate awareness on the importance of risk management activities across majority of the work force. Therefore, risk management activities to encounter the following difficulties:



- Measuring risks using the quantitative method requires the use of historical data. However, at present, the data source is either very limited or unavailable, making the use of quantitative risk measurement to be challenging, inaccurate or unfeasible. In addition, quantitative risk measurement models themselves have limitations and vary in approaches. For instance: The Value at Risk (VaR) method can help to measure maximum loss at a specific level of confidence over a period of time. However, when a risk is outside of the confidence level, the maximum loss cannot be defined and often is very large. In addition, VaR also has a variety of measurement methods depending on specific conditions, requiring users to have experience for appropriate measurement application.

- Due to limited awareness on the importance of risk management, the effectiveness of staff contribution to risk management process remains below expectation and risk management activities are mainly carried out by the Risk Management Division and part of the business divisions that directly generate risks.

- Current software systems supporting risk measurement require very high investment costs that only large banks or financial corporations in the world can reach the scale to attain meaningful cost effective use. As a result, certain semi-manual calculations remain in use.



SHARE INFORMATION AND INVESTOR RELATION ACTIVITIES IN 2016

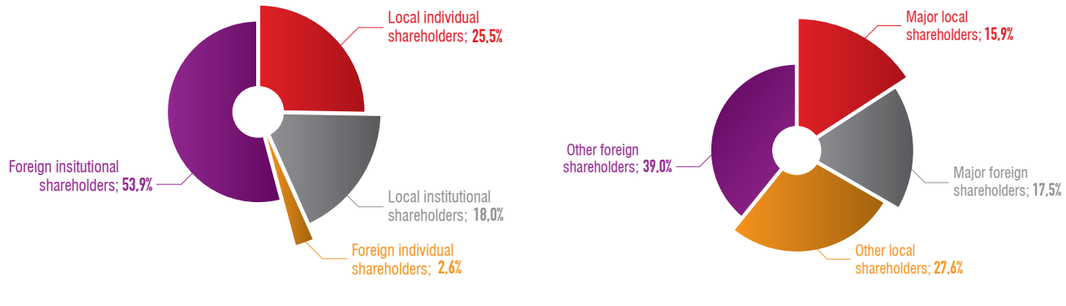
SHARE INFORMATION

SHARE INFORMATION IN 2016

Ticker	SSI
Exchange	Ho Chi Minh Stock Exchange (HOSE)
Number of common shares (as at 31/12/2016)	490,063,684
Number of outstanding shares (as at 31/12/2016)	489,825,250
Number of treasury shares (as at 31/12/2016)	238,434
Market price (closing price as at 31/12/2016)	VND 19,600/ share
Dividend payment by cash	10%/ share (VND 1,000/ share)
The ex-right date	11/10/2016
The record date for issuing shares	12/10/2016
Payment date	21/10/2016
Issuing ESOP shares to increase charter capital	VND 100,000,000,000
The date of issuance	15/12/2016
The number of issued shares	10,000,000 shares
Par value	VND 10,000/ share
Price	Par value (VND 10,000/ share)
Type of share	Common share
Transfer restriction	50% are freely transferrable after 01 year and the remaining are transferrable after 02 years from the date of issuance.
2016 dividend advance payment	None

SHAREHOLDER STRUCTURE

SHAREHOLDER STRUCTURE



SSI Shareholder Structure

Source: SSI

Major shareholder's information (own more than 5% of equity)

No.	Shareholder	Address	Number of shares	Ownership proportion
1	NDH Invest Co., Ltd.	16th floor, ICON4 Tower, 243A De La Thanh street, Lang Thuong, Dong Da, Hanoi	48,194,727	9.83%
2	Daiwa Securities Group Incorporation	9-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	85,606,601	17.47%
3	Saigon Dan Linh Real Estate Co., Ltd.	236/43/2 Dien Bien Phu street, Ward 17, Binh Thanh, Hochiminh City	29,554,063	6.03%

As of 20/03/2017

Details on shareholders, ownership of internal person & related person, transaction of internal person & related person are presented in Appendix 01 and 02 of this report.

INVESTOR RELATIONS ACTIVITIES IN 2016

In 2016, SSI continued to maintain and intensify shareholder and investor relations activities, aiming at the objective of "maximizing shareholders' value." Many activities were designed to increase transparency, protect shareholders' rights and ensure equality among various shareholder groups. The Company proactively took actions to share information and connect to the investor community, winning trust from existing shareholders while facilitating access to many potential ones and promoting SSI's brand in both Vietnam and the region.

PROMOTING INFORMATION TRANSPARENCY

In order to ensure transparent information disclosure to investors, SSI developed a complete, accurate and timely process of disclosing important matters as well as those that affect stock prices and investors' decisions in accordance with the Ministry of Finance (MOF)'s Circular 155/2015/TT-BTC.

In 2016, SSI continued to provide investors with quarterly updates of business performance. Such updates, which provided in-depth explanation of impacting factors on the revenues/profits in the period, and operations as well as achievements of each business unit, helped keep investors accurately informed for sound decision making. The information was also made available to the press and prospective investors, both individual and institutional, ensuring access to the latest updates. Besides, the Investor Relations Division also played an active role in receiving and responding to shareholders' inquiries via multiple channels including telephone, email, or in-person meetings.

The corporate website at www.ssi.com.vn serves as an efficient communication channel where updates of SSI's activities are fully provided. Investors can obtain therefrom publicly available information, financial data, meeting minutes and important documents such as the Company's Charter, Corporate Governance Principles, etc. from the Company's establishment in both Vietnamese and English.

Annual reports are published on an annual basis and provide an overview of the Company's operations, financial position, business performance, governance as well as sustainable development activities. SSI's annual reports have repeatedly been named among the best reports in annual voting held by HOSE.

PROTECTING SHAREHOLDER INTERESTS

At SSI, top priority has always been given to the protection of shareholder interests and equality.

In order to facilitate shareholders' complete, accurate and timely access to important information affecting investment decisions, SSI has, over the years, strived to diversify its information channels to include corporate website, email, mass media, shareholders' meetings, annual reports, etc. Particularly, in 2016, SSI became one of the first listed companies to commit to providing information disclosure in English on HOSE's website. Such initiative aims to ensure equal access to corporate information between local and foreign shareholders.

Regarding the right to attend and vote at Shareholders' Meetings, to vote for and dismiss Board members: SSI shareholders are always clearly notified of the meeting rules and voting process at Annual Meetings. Moreover, all meeting materials are provided prior to meeting days, allowing adequate timing shareholders' preparation and decision making. In addition, proxy voting is also available. The Company's Charter and Governance Principles expressly provide that equality is to be ensured to all shareholders, without any preferential treatments, and that voting is to take place proportional to the number of shares owned.

Over the years, a regular dividend rate of 10% has been maintained by SSI to ensure stable and periodic earnings for its shareholders.

ACTIVELY CONNECTING WITH THE INVESTOR COMMUNITY

In 2016, SSI was not only proactive in promoting information transparency and protecting shareholder interests but also in connecting with the investor community, especially institutional investors.

In 2016, the Company continued to receive many analysts and portfolio managers from a number of foreign investment funds based in Japan, the US, Hong Kong, Singapore, etc. who came to work with our management to understand the Company's development strategy, business lines, investment operations as well as other in-depth economic-financial information.

Besides, the Company's Management also participated in several investor conferences both at home and abroad, including the ASEAN Broker Networking Conference held in Hanoi in October 2016 and the Investment Forum held by Daiwa in Hong Kong in November 2016.

In 2017, in addition to continual effort in information transparency promotion and shareholder interest protection, SSI will pay attention to other Investor Relations activities, including:

- Improving corporate profile publications and materials for enhanced professional communication of SSI's images and stories to existing and prospective shareholders and investors;
- Actively participating in investment conferences and organizing roadshows abroad to promote SSI stock;
- Seeking and promoting opportunities to connect with institutional investors in key financial markets such as the UK, the US, Singapore, Hong Kong, Japan and South Korea.
- Proactively working with and providing information to market analysts in order to increase the number of analytical reports covering SSI in the 2017.



CORPORATE GOVERNANCE REPORT BASED ON ASEAN CORPORATE GOVERNANCE SCORECARD

A. SHAREHOLDER RIGHTS

Item	Questions	Answers	Evaluation	Notes
A.1. Basic shareholder rights				
A.1.1	Does the Company pay (interim and final/ annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by annual general shareholder's meeting (GSM) for final dividends?	Yes	Partly implementated	SSI has paid annual dividends in an equitable manner in accordance with profit distribution plan approved by the GSM. However, the execution period is more than 30 days.
A.2. Right to participate in decisions concerning fundamental corporate changes				
A.2.1	Amendments to the company's constitution?	Yes	Well implemented	
A.2.2	The authorization of additional shares?	Yes	Well implemented	
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	Yes		The situation of transferring all or substantially all assets hasn't ever happened in SSI. However, the Company Charter regulated that GSM has rights and obligations to make decisions on the sale of assets valued at 35% or more of the total value of the Company's assets, with the voting ratio must be more than 65%.
A.3. Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures that govern general shareholder meetings				
A.3.1	Do shareholders have the opportunity, evidence by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/ commissioners?	Yes		Total remuneration of the BOD is approved annually by the GSM.
A.3.2	Does the Company provide non-controlling shareholders a right to nominate candidates for board of directors (BOD)/ commissioners?	Yes	Well implemented	
A.3.3	Does the Company allow shareholders to elect directors/ commissioners individually?	Yes	Well implemented	
A.3.4	Does the Company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds?	Yes	Well implemented	It is recorded in the minutes of latest GSM. Nomination and voting procedures are announced in invitation letter and at the opening of the meeting.
A.3.5	Do the minutes of the most recent GSM record that there was an opportunity allowing for shareholders to ask questions or raise issues?	Yes	Well implemented	The latest GSM minutes recorded the detailed discussion, all the questions and responses as well as other opinions from shareholders.
A.3.6	Do the minutes of the most recent GSM record questions and answers?	Yes	Well implemented	The latest GSM minutes recorded the detailed discussion, all the questions and responses as well as other opinions from shareholders.
A.3.7	Did the disclosure of the outcome of the most recent GSM include resolution(s)?	Yes	Well implemented	GSM Resolution was disclosed together with GSM minutes in accordance with the regulations.
A.3.8	Did the Company disclose the voting results including approving, dissenting, and abstaining votes for each agenda item for the most recent GSM?	Yes	Well implemented	The minute of the most recent GSM disclosed the full details of voting results including approving, dissenting and abstaining votes for each agenda item.

Item	Questions	Answers	Evaluation	Notes
A.3.9	Did the Company disclose the list of board members who attended the most recent GSM?	Yes	Well implemented	The Board of Directors, Board of Management have all attended SSI GSM for the past several years. Their participation was recorded in GSM minute.
A.3.10	Did the Chairman of the BOD attend the most recent GSM?	Yes	Well implemented	
A.3.11	Did the CEO attend the most recent GSM?	Yes	Well implemented	
A.3.12	Did the Chairman of Audit Committee attend the most recent GSM?	Yes	Partly Implemented	The SSI corporate governance model consists of independent sub-committees for internal audit and risk management and assigns board member being charge of these subcommittees. A BOD member who is in charge of internal audit has attended the most recent GSM.
A.3.13	Did the Company organize their most recent GSM in an easy to reach location?	Yes	Well implemented	For recent years, SSI GSM has been held in the Meeting Hall of Unification Palace, 135 Nam Ky Khoi Nghia St., District 1, Ho Chi Minh City. This is a popular location in the center of District 1 with large meeting room, which ensures all shareholders to attend fully and easily.
A.3.14	Does the Company allow for voting in absentia?	No		Absentee voting is not allowed by Enterprise law.
A.3.15	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent GSM?	Yes	Well implemented	All the issues, that has been presented, discussed and asked for approval from GSM, was voted by poll (as opposed to by show of hands) in the most recent GSM. The voting method was disclosed in Vietnamese as well as English to ensure that all shareholders receive information equally.

Item	Questions	Answers	Evaluation	Notes
A.3.16	Does the Company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/ or validate the votes at GSM?	Yes	Well implemented	It was recorded in minute of the most recent GSM that the independent party counted and validated of the votes.
A.3.17	Does the Company make publicly available by the next working day the result of the votes taken during the most recent GSM for all resolutions?	Yes	Well implemented	GSM minute and resolution is disclosed within 24 after the meeting.
A.3.18	Does the Company provide at least 21 day notice for all resolutions?	Yes	Well implemented	
A.3.19	Does the Company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of GSM/ circulars and/or the accompanying statement?	Yes	Well implemented	
A.4. Markets for corporate control should be allowed to function in an efficient and transparent manner				
A.4.1	In cases of mergers, acquisition, and/ or takeovers, does the BOD of the offeree company appoint an independent party to evaluate the fairness of the transaction price?			This situation has not ever happened at SSI.
A.5. The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated				
A.5.1	Does the Company publicly disclose policies to encourage shareholders including institutional shareholders to attend GSM?	Yes	Partly implemented	The Company actively participates in activities to exchange information with foreign investors and shareholders, along with efforts to publish information in both English and Vietnamese, in order to facilitate shareholder involve and contribute to the Company's activities.

B. EQUITABLE TREATMENT OF SHAREHOLDERS

Item	Questions	Answers	Evaluation	Notes
B.1. Shares and voting rights				
B.1.1	Do the Company's ordinary or common shares have one vote for one share?	Yes	Well implemented	
B.1.2	Where the Company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website/ reports/ the stock exchange/ the regulator's website)?	Yes	Well implemented	SSI has only one type of share.
B.2. Notice of GSM				
B.2.1	Does each resolution in the most recent GSM deal with only one item, i.e., there is no bundling of several items into the same resolution?	No	Not implemented yet	SSI will improve this point next year.
B.2.2	Are the Company's notice of the most recent GSM/ circulars fully translated into English and published on the same date as the local-language version?	Yes	Partly Implemented	Notices and documents of the GSM were translated into English but not yet published on the same day as Vietnamese ones.
	Does the notice of GSM/ circulars have the following details:			
B.2.3	Are the profiles of directors/ commissioners (at least age, qualification, date of first appointment, experience, and directorship in other listed companies) in seeking election/ re-election included?	Yes	Well implemented	The profiles of directors/ commissioners in seeking election/ re-election were included in meeting paper and invitation letter sent to shareholders.
B.2.4	Are the auditors seeking appointment/ re-appointment clearly identified?	Yes	Well implemented	Meeting papers contain proposal for appointing auditing company for the next financial year, which include audit company list and information.
B.2.5	Has an explanation of the dividend policy been provided?	No	Well implemented	Explanation of the dividend policy has not been provided yet.
B.2.6	Is the amount payable for final dividend disclosed?	Yes	Well implemented	The company has disclosed the information in accordance with the regulations
B.2.7	Documents required to be proxy/ Were the proxy documents made easily available?	Yes	Well implemented	Authorization letter was included in meeting paper and can be easily downloaded in SSI Website.
B.3. Insider trading and abusive self-dealing should be prohibited				
B.3.1	Does the Company have policies and/ or rules prohibiting directors/ commissioners and employees to benefit from knowledge which is not generally available to the market?	Yes	Well implemented	It is regulated in Company's Charter.
B.3.2	Are the board members required to report their dealings in company shares within 3 business days?	Yes	Well implemented	SSI implemented this regulation well in accordance with Circular 52/2012/ TT-BTC and Circular 155/2015/TT-BTC.
B.4. Related party transaction by directors and key executives				
B.4.1	Are directors and commissioners required to disclose their interest in transactions and any other conflicts of interest?	Yes	Well implemented	It is regulated in Company's Charter.
B.4.2	Does the Company have a policy requiring a committee of independent board members to review material/ significant RPTs to determine whether they are in the best interests of the Company and Shareholders?	No	Not Implemented yet	
B.4.3	Does the Company have a policy requiring boarding members to abstain from participating in the board discussion on a particular agenda when they are conflicted?	Yes	Implemented well	It is regulated in Company's Charter.
B.4.4	Does the Company have policies on loans to board members either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rate?	Yes	Well implemented	It is regulated in Company's Charter.

Item	Questions	Answers	Evaluation	Notes
B.5. Protecting minority shareholders from abusive actions				
B.5.1	Were there any RPTs that can be classified as financial assistance to entities other than wholly-owned subsidiary companies?	No		
B.5.2	Does the Company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?	Yes	Well implemented	Related party transactions have been fully and timely disclosed in accordance with the regulation.

C. ROLE OF STAKEHOLDERS

Item	Questions	Answers	Evaluation	Notes
C.1. The rights of stakeholders that are established by law or through mutual agreements are to be respected				
	Does the Company disclose a policy that?			
C.1.1	Stipulates the existence and scope of the company's efforts to address customers' health and safety?	Yes	Well implemented	This information was disclosed in SSI Sustainable Development Report.
C.1.2	Explain supplier/ contractor selection practice?	No	Not Implemented yet	SSI has got internal document regulating supplier/ contractor selection procedure and practices. However, it has not been disclosed yet in any report.
C.1.3	Describe the company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	Yes	Well implemented	This information was disclosed in SSI Sustainable Development Report.
C.1.4	Elaborates the Company's efforts to interact with the communities in which they operate?	Yes	Well implemented	This information was disclosed in SSI Sustainable Development Report.
C.1.5	Directs the Company's anti-corruption programmes and procedures?	No	Not implemented yet	SSI has got internal document regulating anti-corruption programmes and procedures. However, it has not been disclosed yet in any report.
C.1.6	Describes how creditors' rights are safeguarded?	No	Not Implemented yet	
	Does the Company disclose the activities that it has undertaken to implement the above mentioned policies?			
C.1.7	Customer health and safety?	Yes	Well implemented	This information was disclosed in SSI Sustainable Development Report.
C.1.8	Supplier/ Contractor selection and criteria?	Yes	Well implemented	SSI has got internal document regulating supplier/ contractor selection procedure and practices.
C.1.9	Environmentally friendly value chain?	Yes	Well implemented	This information was disclosed in SSI Sustainable Development Report.
C.1.10	Interaction with the communities?	Yes	Well implemented	This information was disclosed in SSI Sustainable Development Report.
C.1.11	Anti-corruption programmes and procedures?	Yes	Well implemented	SSI has got internal document regulating anti-corruption programmes and procedures.
C.1.12	Creditor's rights?	No	Not implemented yet	
C.1.13	Does the Company have a separate corporate responsibility (CR) report/ section or sustainability report/ section?	Yes	Well implemented	
C.2. Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights				
C.2.1	Does the Company provide contact details via the Company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and or/ compalins	Yes	Well implemented	Contact details have been published in SSI website and annual report.

Item	Questions	Answers	Evaluation	Notes
C3. Performance enhancing mechanisms for employee participation should be permitted to develop				
C.3.1	Does the Company explicitly disclose the health, safety, and welfare policy for its employees?	Yes	Well implemented	Information regarding to the health safety and welfare policy has been not only explicitly disclosed, but SSI also provided to each employee via internal communication channels, such as forum, message board, email, ect.
C.3.2	Does the Company publish data relating to health, safety, and welfare of its employees?	Yes	Well implemented	
C.3.3	Does the Company have training and development programmes for its employees?	Yes	Well implemented	Information about training and development of employees has been disclosed in Annual Report and Sustainable Development Report, as well as provided to each employees via several internal communication channels.
C.3.4	Does the Company publish data on training and development programmes for its employees?	Yes	Well implemented	
C.4. Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doting this				
C.4.1	Does the Company have procedures for complaints by employees concerning illegal (including corruption) and unethical behavior?	Yes	Well implemented	It is regulated in SSI Code of Ethics.
C.4.2	Does the Company have a policy or procedures to protect an employee/ person who reveals illegal/ unethical behavior from retaliation?	No	Not implemented yet	

D. DISCLOSURE AND TRANSPARENCY

Item	Questions	Answers	Evaluation	Notes
D.1. Disclosure and transparency				
D.1.1	Does the information on shareholding reveal the identity of beneficial owners, holding 5% shareholding or more?	Yes	Well implemented	It has been disclosed in SSI corporate governance report and annual report.
D.1.2	Does the company disclose the direct and indirect (deemed) shareholdings of major and/ or substantial shareholders?	Yes	Well implemented	It has been disclosed in SSI corporate governance report and annual report.
D.1.3	Does the Company disclose the direct and indirect (deemed) shareholding of board members?	Yes	Well implemented	It has been disclosed in SSI corporate governance report and financial report.
D.1.4	Does the Company disclose the direct and indirect (deemed) shareholdings of senior management?	Yes	Well implemented	It has been disclosed in SSI corporate governance report and financial report.
D.1.5	Does the Company disclose details of parent/ holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPEs)/ (SPVs)?	Yes	Well implemented	It has been disclosed in SSI annual report and financial report.
D.2. Quality of Annual Report				
	Does the Company's annual report disclose the following items?			
D.2.1	Key risks?	Yes	Well implemented	Information about key risks, risk management activities and action plan for the next year has been disclosed in SSI annual report.
D.2.2	Corporate objectives?	Yes	Well implemented	It has been disclosed in SSI annual report.

Item	Questions	Answers	Evaluation	Notes
D.2.3	Financial performance indicators?	Yes	Well implemented	It has been disclosed in SSI annual report.
D.2.4	Non-financial performance indicators?	Yes	Well implemented	It has been disclosed in SSI annual report.
D.2.5	Dividend policy?	No	Partly Implemented	The company has disclosed to the shareholders information related to the dividend ratio, but no explanation of dividend policy
D.2.6	Details of whistle-blowing policy?	No	Not implemented yet	
D.2.7	Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of board members?	Yes	Well implemented	It has been disclosed in SSI annual report.
D.2.8	Training and/or continuing education programme attended by each board members?	Yes	Well implemented	It has been disclosed in SSI annual report.
D.2.9	Number of BOD meetings held during the year?	Yes	Well implemented	It has been disclosed in SSI annual report..
D.2.10	Attendance details of each board member in respect of meetings held?	Yes	Well implemented	It has been disclosed in SSI annual report.
D.2.11	Details of remuneration of the CEO and each board member?	Yes	Partly implemented	SSI has disclosed information about the remuneration and benefits of the BOD member, Supervisory board, including the total income, bonuses, other benefits, and distribution of ESOP shares in the reporting year. However, no detailed figure on the number that each member received during the year was disclosed.
D.2.12	Does the Annual Report contain a statement confirming the Company's full compliance with the code of corporate gorvernance and where the non-compliance, identify and explain reasons for each such issue?	Yes	Well implemented	It has been disclosed in SSI annual report.
D.3. Disclosure of related party transactions (RPT)				
D.3.1	Does the Company disclose its policy covering the review and approval of material/ significant RPTs?	No	Not implemented yet	
D.3.2	Does the Company disclose the name of the related party and relationship for each material/ significant RPT?	Yes	Well implemented	It has been disclosed in SSI annual report.
D.3.3	Does the Company disclose the nature and value for each material/ significant RPT?	Yes	Well implemented	It has been disclosed in SSI annual report.
D.4. Board Member dealings in shares of the Company				
D.4.1	Does the Company disclose trading in the Company's shares by insiders?	Yes	Well implemented	It has been disclosed in SSI annual report and corporate governance report.
D.5. External auditor and Audior report				
D.5.1	Are audit fees disclosed?	No	Partly implemented	The company has announced the signing of a contract with the Auditing Company, but did not announce the fee.
D.5.2	Are the non-audit fee disclosed?			The Company hasn't got non-audit fee
D.5.3	Does the non-audit fees exceed the audit fees?			The Company hasn't got non-audit fee

Item	Questions	Answers	Evaluation	Notes
D.6. Does the company use the following modes of communication?				
D.6.1	Quarterly reporting?	Yes	Well implemented	The quarterly financial statements are fully disclosed. Especially since quarter 3.2016, quarterly financial reports are translated and published in English in full version.
D.6.2	Company website?	Yes	Well implemented	Notices, information disclosures, and reports, etc. are posted on the website in both languages Vietnamese - English.
D.6.3	Analyst's briefing?	Yes	Well implemented	SSI has held many meetings with financial analysts, fund managements from many countries such as USA, Hong Kong, Japan and so on.
D.6.4	Media briefings/ press conferences?	Yes	Well implemented	The information related to business activities, quarterly business results, and other prominent events are published widely on the mass media.
D.7 Timely filing/ release of annual/ financial reports				
D.7.1	Is the audited annual financial report released within 120 days from the financial year end?	Yes	Well implemented	
D.7.2	Is the audited annual financial report released within 90 days from the financial year end?	Yes	Well implemented	
D.7.3	Is the true and fairness/ fair representation of the annual financial statement/ reports affirmed by board members and/ or the relevant officers of the Company?	Yes	Well implemented	

Item	Questions	Answers	Evaluation	Notes
D.8. Company website				
	Does the company have a website disclosing up-to-date information on the following:			
D.8.1	Business operation?	Yes	Well implemented	
D.8.2	Financial statements/ reports (current and prior years)?	Yes	Well implemented	Annual financial reports are fully posted on the Company's website
D.8.3	Materials provided in briefings to analyst and media?	Yes	Partly implemented	Annual financial reports are fully posted on the Company's website
D.8.4	Shareholding structure?	Yes	Well implemented	
D.8.5	Group corporate structure?	Yes	Well implemented	
D.8.6	Downloadable annual report	Yes	Well implemented	
D.8.7	Notice of GSM and/or EGM?	Yes	Well implemented	
D.8.8	Minutes of GSM and/or EGM?	Yes	Well implemented	
D.8.9	Company's constitution (company's by-laws, memorandum and articles of assocuation)?	Yes	Well implemented	
D.9. Investor Relations				
D.9.1	Does the Company disclose the contact details (e.g. telephone, fax, and email) of the officer responsible for investor relations?	Yes	Well implemented	It is disclosed in SSI annual report and website.

E. RESPONSIBILITIES OF THE BOARD OF DIRECTORS

Item	Questions	Answers	Evaluation	Notes
E.1. Clearly defined BOD responsibilities and corporate governance policy				
E.1.1	Are the roles and responsibilities of the BOD clearly stated?	Yes	Well implemented	It is regulated in Company Charter which is published in SSI Website
E.1.2	Are the types of decisions requiring BOD approval disclosed?	Yes	Well implemented	
E.1.3	Does the Company disclose its corporate governance policy/ board charter?	Yes	Well implemented	
Company Mission & Vision				
E.1.4	Does the Company have mission & vision?	Yes	Well implemented	This information has been disclosed in SSI annual report and website.
E.1.5	Does the Board consider the vision and mission / strategy in the latest fiscal year?	Yes	Well implemented	SI holds annual meeting for reviewing strategy and setting up business plan, which are also discussed and agreed at the BOD meeting. Business plans are also submitted for approval at the GSM.
E.1.6	Does the BOD member monitor the strategic implementation of the Company?	Yes	Well implemented	The BOD supervises the implementation and periodic review of business strategies at BOD meetings. Monitoring results are presented in the annual report.
E.2. BOD structure				
Code of ethics or conduct				
E.2.1	Does the Company have a code of ethics or conduct?	No	Partly implemented	SSI has a Code of Conduct which specifies the principles, contents and guidelines for the application of professional ethics standards and is widely available to all members of the BOD and employees of the Company, however, it has not been disclosed on the website.
E.2.2	Are the details of the code of ethics or conduct disclosed?	No	Partly implemented	
E.2.3	Does the Company disclose how it implements and monitors compliance with the code of ethics or conducts?	No	Partly implemented	
E.2.4	Do independent directors/ commissioners make up at least 50% of the board of directors/ commissioners?	No	Partly implemented	
E.2.5	Are the independent directors/ commissioners independent of management and major/ substantial shareholders?	Yes	Well implemented	
E.2.6	Does the company limit the term of office of an independent member of the board?	No		
E.2.7	Has the company set a limit of five board seats that an individual independent/non-executive director/ commissioner may hold simultaneously?	Yes	Well implemented	It is regulated in Company Charter.
E.2.8	Does the company have any independent directors/ commissioners who serve on a total of more than five boards of publicly-listed companies?	No	Well implemented	
E.2.9	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	No	Well implemented	

Item	Questions	Answers	Evaluation	Notes
Human Resource Committee				
E.2.10	Does the company have a Human resource (HR) Committee?	No	Not implemented yet	SSI haven't got a HR committee yet but is in the process of setting it up.
E.2.11	Does the HR Committee comprise of a majority of independent board member?			
E.2.12	Is the Chairman of the HR Committee an independent board member?			
E.2.13	Does the Company disclose the terms of reference/ governance structure/ charter of the HR committee?			
E.2.14	Does the HR committee meet at least twice during the year?			
E.2.15	Is the attendance of HR committee members at meetings disclosed?			
Remuneration Committee				
E.2.16	Does the Company have Remuneration Committee (RC)?	No	Not implemented yet	SSI haven't got a RC yet but is in the process of setting it up.
E.2.17	Does the RC comprise of a majority of independent board member?			
E.2.18	Is the Chairman of RC an independent board member?			
E.2.19	Does the Company disclose the terms of reference/ governance structure/ charter of the RC?			
E.2.20	Does the RC meet at least twice during the year?			
E.2.21	Is the attendance of members at RC meetings disclosed?			

Item	Questions	Answers	Evaluation	Notes
Audit Committee				
E.2.22	Does the Company have an Audit Committee (AC)?	Yes	Partly implemented	The corporate governance model at SSI is composed of independent committees in charge of internal audit and risk management, but the committees' activities are not truly standardized.
E.2.23	Does the AC comprise entirely of non-executive board members with a majority of independent board members?	No		
E.2.24	Is the Chairman of AC an independent board member?	Yes		
E.2.25	Does the Company disclose the terms of reference/ governance structure/ charter of the AC?	No		
E.2.26	Does the Annual Report disclose the profile or qualifications of the AC members?	No		
E.2.27	Does at least one independent board member of the committee have accounting expertise?	Yes		
E.2.28	Did the AC meet at least four times during the year?	No		
E.2.29	Is the attendance of members at AC meetings disclosed?	No		
E.2.30	Does the AC have primary responsibility for recommendation on the appointment, re-appointment and removal of the external auditor?	No		
E.3. Board Of Directors Procedures				
Board meeting				
E.3.1	Are the BOD meetings scheduled before or at the beginning of the year?	Yes	Partly implemented	SSI has been planning the BOD meetings before the start of the financial year, but did not release this information
E.3.2	Does the BOD meet at least 6 times per year?	No	Partly implemented	In 2016, SSI BOD conducted 5 meetings.

Item	Questions	Answers	Evaluation	Notes
E.3.3	Has each board member attend at least 75% of the total BOD meetings held during the year?	Yes	Well implemented	
E.3.4	Does the Company require a minimum quorum of at least 2/3 for board decision?	Yes	Well implemented	Company Charter requires the BOD meeting to have three quarters of participants.
E.3.5	Did the non-executive board member of the Company meet separately at least one during a year without any executives present?	Yes	Well implemented	
Access to Information				
E.3.6	Are the papers for BOD meetings provided to the BOD at least 5 working days in advance of the BOD meeting?	Yes	Well implemented	It is regulated in Company Charter
E.3.7	Does the Company Secretary play a significant role in supporting the BOD in discharging its responsibilities?	Yes	Well implemented	It is regulated in Company Charter and Governance Regulation.
E.3.8	Is the Company Secretary trained in legal, accountancy or company secretarial practices?	Yes	Well implemented	The Company Secretary is a lawyer and has a corporate governance training certificate.
Board Appointment and Re-election				
E.3.9	Does the Company disclose the criteria used in selecting new board member?	Yes	Well implemented	It is regulated in Company Charter.
E.3.10	Does the Company disclose the process followed in appointing new board member?	Yes	Well implemented	It is regulated in Company Charter
E.3.11	Are all board members subject to re-election at least once every three years?	No	Partly implemented	BOD members are re-elected every 5 years.

Item	Questions	Answers	Evaluation	Notes
Remuneration Matters				
E.3.12	Does the Company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	Yes	Well implemented	This information is disclosed in SSI annual report.
E.3.13	Is there disclosure of the fee structure for non-executive board member?	Yes	Well implemented	This information is disclosed in SSI annual report.
E.3.14	Do the shareholders or the BOD approve the remuneration of the executive directors and/ or the senior executives?	Yes	Well implemented	Remuneration for the BOD is submitted to the GSM for approval.
E.3.15	Do independent board members receive options, performance shares or bonuses?	Yes		
Internal Audit				
E.3.16	Does the Company have a separate internal audit function?	Yes	Well implemented	The Company has an Internal Audit Department and BOD has committee in charge of internal audit.
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	Yes	Well implemented	The Head of Internal Audit is announced on the list of key person at SSI annual report.
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	No	Not implemented yet	
Risk Oversight				
E.3.19	Does the Company disclose the internal control procedures/ risk management systems it has in place?	Yes	It has been disclosed in SSI annual report.	It has been disclosed in SSI annual report.

Item	Questions	Answers	Evaluation	Notes
E.3.20	Does the Annual Report disclose that the BOD has conducted a review of the company's material controls (including operational, financial, and compliance controls) and risk management systems?	Yes	Well implemented	It has been disclosed in SSI annual report.
E.3.21	Does the Company disclose how key risks are managed?	Yes	Well implemented	It has been disclosed in SSI annual report.
E.3.22	Does the Annual Report contain a statement from the BOD or Audit Committee commenting on the adequacy of the Company's internal controls/ risk management?	No	Not implemented yet	
E.4. BOD members				
Chairman				
E.4.1	Do different persons assume the roles of Chairman and CEO?	No	Not implemented yet	Board Chairman also holds the position of CEO, but this is submitted to the GSM for approval annually.
E.4.2	Is the Chairman an independent board member?	No	Not implemented yet	
E.4.3	Has the chairman been the company CEO in the last 3 years?	Yes	Not implemented yet	
E.4.4	Are the role and responsibilities of the Chairman disclosed?	Yes	Well implemented	It has been disclosed in SSI annual report.
Skills and Competencies				
E.4.5	Does at least one non-executive board member have prior working experience in the major industry the company is operating in?	Yes	Well implemented	
E.4.6.	Does the company disclose a BOD diversity policy?	No	Not implemented yet	

Item	Questions	Answers	Evaluation	Notes
E.5. BOD Effectiveness				
Orientation Programmes for New Board Member				
E.5.1	Does the Company have orientation programmes for new board member?	Yes	Partly implemented	SSI has conducted and published some of the information on annual report, but needs to improve the evaluation processes, standards and publish them as E.5 criteria.
E.5.2	Does the Company have a policy that encourages board member to attend on-going or continuous professional education programmes?	Yes	Partly implemented	
Management Board appointment and effectiveness				
E.5.3	Does the company disclose how the board of directors/ commissioners plans for the succession of the CEO/Managing Director/President and key management?	No	Partly implemented	SSI has conducted and published some of the information on annual report, but needs to improve the evaluation processes, standards and publish them as E.5 criteria.
E.5.4	Does the board of directors/ commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	Yes	Partly implemented	
BOD Appraisal				
E.5.5	Is an annual performance assessment conducted of the BOD?	Yes	Partly implemented	SSI has conducted and published some of the information on annual report, but needs to improve the evaluation processes, standards and publish them as E.5 criteria.
E.5.6	Does the Company disclose the process followed in conducting the board assessment?	No	Partly implemented	
E.5.7	Does the Company disclose the criteria used in the board assessment?	No	Partly implemented	

Item	Questions	Answers	Evaluation	Notes
Board Member Appraisal				
E.5.8	Is an annual performance assessment conducted of individual board member?	Yes	Partly implemented	SSI has conducted and published some of the information on annual report, but needs to improve the evaluation processes, standards and publish them as E.5 criteria.
E.5.9	Does the Company disclose the process followed in conducting the board member assessment?	No	Partly implemented	
E.5.10	Does the Company disclose the criteria used in the board member assessment?	No	Partly implemented	
Committee Appraisal				
E.5.11	Is an annual performance assessment conducted of the BOD committees?	Yes	Partly implemented	SSI has conducted and published some of the information on annual report, but needs to improve the evaluation processes, standards and publish them as E.5 criteria.

BONUS QUESTIONS

Item	Questions	Answers	Evaluation	Notes
A.1.1 (B)	Does the Company allow the use of secure electronic voting in absentia at the general meetings of shareholders?	No	Not implemented yet	
B.1.1 (B)	Does the Company release its notice of GSM (with detailed agendas and explanatory circulars), as announced to the Exchange, a least 28 days before the date of the meeting?	No	Not implemented yet	
C.1.1 (B)	Does the company implement principles of integrated reports when preparing annual report?	No	Not implemented yet	
D.1.1 (B)	Is the audited financial statements disclosed within 60 days of the end of the fiscal year?	No	Not implemented yet	
D.1.2 (B)	Does the Company disclose details about the remuneration of the CEO?	No	Not implemented yet	
E.1.1 (B)	Does the Company have at least one female independent board member?	No	Not implemented yet	
E.2.1 (B)	Does The Human Resources (HR) Committee include full independent board members?		Not implemented yet	SSI hasn't got HR Committee yet.
E.2.2 (B)	Does the HR Committee carry out procedures to determine the quality of Board members in line with the Company's strategy?		Not implemented yet	SSI hasn't got HR Committee yet.
E.3.1 (B)	Does the Company use professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the BOD?	No	Not implemented yet	

Item	Questions	Answers	Evaluation	Notes
E.4.1 (B)	Does an independent non-executive board member account for more than 50% of the total member?	No	Not implemented yet	
E.5.1 (B)	Does the Company have risk management sub-committee?	Yes	Well implemented	

PENALTY QUESTIONS

Item	Questions	Answers	Evaluation	Notes
A.1.1 (P)	Did the Company fail or neglect to offer equal treatment for share repurchases to all shareholders?	No		
A.2.1 (P)	Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders?	No		
A.3.1 (P)	Did the Company include any additional agenda item at the most recent GSM for which due notice has not been given?	No		
A.4.1 (P)	Shareholders agreement?	No		
A.4.2 (P)	Voting cap?	No		
A.4.3 (P)	Multiple voting rights?	No		
A.5.1 (P)	Cấu trúc sở hữu kim tự tháp và/ hoặc cấu trúc sở hữu chéo có tồn tại không?	Không		

Item	Questions	Answers	Evaluation	Notes
B.1.1 (P)	Has there been any conviction of insider trading involving board members, management and employees in the past three years?	No		
B.2.1 (P)	Has there been any cases of non-compliance with the laws, rules and regulations pertaining to significant or material related party transactions in the past three years?	No		
C.1.1 (P)	Has there been any violations of any laws pertaining to labor/ employment/ consumer/ insolvency/ commercial/ competition or environmental issues?	No		
C.2.1 (P)	Has the Company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?	No		
D.1.1 (P)	Does the Company receive a “qualified opinion” in its external audit report?	No		
D.1.2 (P)	Does the Company receive a “adverse opinion” in its external audit report?	No		
D.1.3 (P)	Does the Company receive a “disclaimer opinion” in its external audit report?	No		
D.1.4 (P)	Has the Company in the past year revised its financial statements for reasons other than changes in accounting policies?	No		

Item	Questions	Answers	Evaluation	Notes
E.1.1 (P)	Is there any evidence that the Company has not complied with any listing rules and regulations over the past year apart from disclosure rules?	No		
E.1.2 (P)	Have there been any instances where non-executive board member have resigned and raised any issues of governance-related concerns?	No		
E.2.1 (P)	Does the Company have any independent board members who have served for more than nine years?	Yes		
E.2.2 (P)	Did the Company fail to disclose the identity of the independent board member?	No		
E.3.1 (P)	Is any of the director or senior management a former employee or partner of the current external auditor (in the past two years?)	No		
E.4.1 (P)	Has any member of the board of directors been the CEO for the past two years?	Yes		



06.

SUSTAINABLE DEVELOPMENT REPORT

Message from the Chairman on sustainable development
Sustainable development direction
Report overview
Connecting different stakeholders for sustainable development goals
Identification of key areas
Sustainable development activities in 2016
GRI Context Index





MESSAGE FROM THE CHAIRMAN ON SUSTAINABLE DEVELOPMENT

MESSAGE FROM THE CHAIRMAN ON SUSTAINABLE DEVELOPMENT

Dear Shareholders,

Nowadays, adverse environmental impacts on economic development have raised concerns for many countries and threatened the sustainable growth of the global economy. The side effects of a developed economy are represented by global climate change, environmental degradation and exhaustion of natural resources. Against this background, sustainable development has been an issue of top concern for the nations in the world, which aim for a green economy to ensure long-term development for future generations.

Amid this global mainstream, Vietnam has also formulated a 2011-2020 sustainable development strategy under which a balance is to be struck among social, economic and environmental aspects. Within this framework, enterprises have an important and active role to play in order to realize national goals and contribute to the restructuring of the economy along the lines of sustainability. Special importance is attached to the incorporation of sustainability goals into enterprises' business strategy, particularly amid in-depth international integration.

Having emerged as a leading financial institution in Vietnam, SSI, more than anyone else, understands the importance of incorporating sustainable development goals into its business strategy. Not only has SSI paid attention to revenue and profit growth, but it has also bundled such growth with environmental and social goals, ensuring a harmony of interests among stakeholders. The proper execution of sustainability activities helps the Company enhance its prestige and market competitiveness, attract local and foreign investors' interest, bond the team and engage talents, thereby efficiently contributing to the market, community and society.

In 2016, SSI continued to proactively invest in sustainability development activities. The Company's decent business performance over the past several years has contributed to the State budget by means of taxes and other payables. Apart from this, indirect contributions have been made to the overall development of the economy in general and the stock market in particular, namely:

- Providing advisory services for enterprises' fund-raising, contributing to the formation of a channel to direct and distribute capital to the economy under market mechanism, activating and mobilizing resources for boosting economic growth
- Safe and transparent management of investors' assets; facilitating their access to profitable investment opportunities
- Contributing to the development of the local stock market via market making activities and involvement in new product development
- Implementing a responsible investment strategy and companionship with associated companies.
- Strengthening transparency and efficiency in corporate governance; protecting shareholders' interests.
- Creating jobs and providing stable income for employees

SSI's sustainable development would not have been possible without the support of its customers. Therefore, SSI has made consistent efforts in all activities to secure customer satisfaction. The Company has at the same time intensified communication and exchanges with customers so as to better understand them and foster a strategy for long-term companionship and development.

Human resources always have a key role to play in sustainable development and SSI has over the past 17 years striven incessantly to build an organization where each member feels satisfied at work. This has been made possible by facilitating and promoting work-life balance, continuous training and personal development, and intensification of compliance to realize sustainable goals as opposed to short-term benefits.

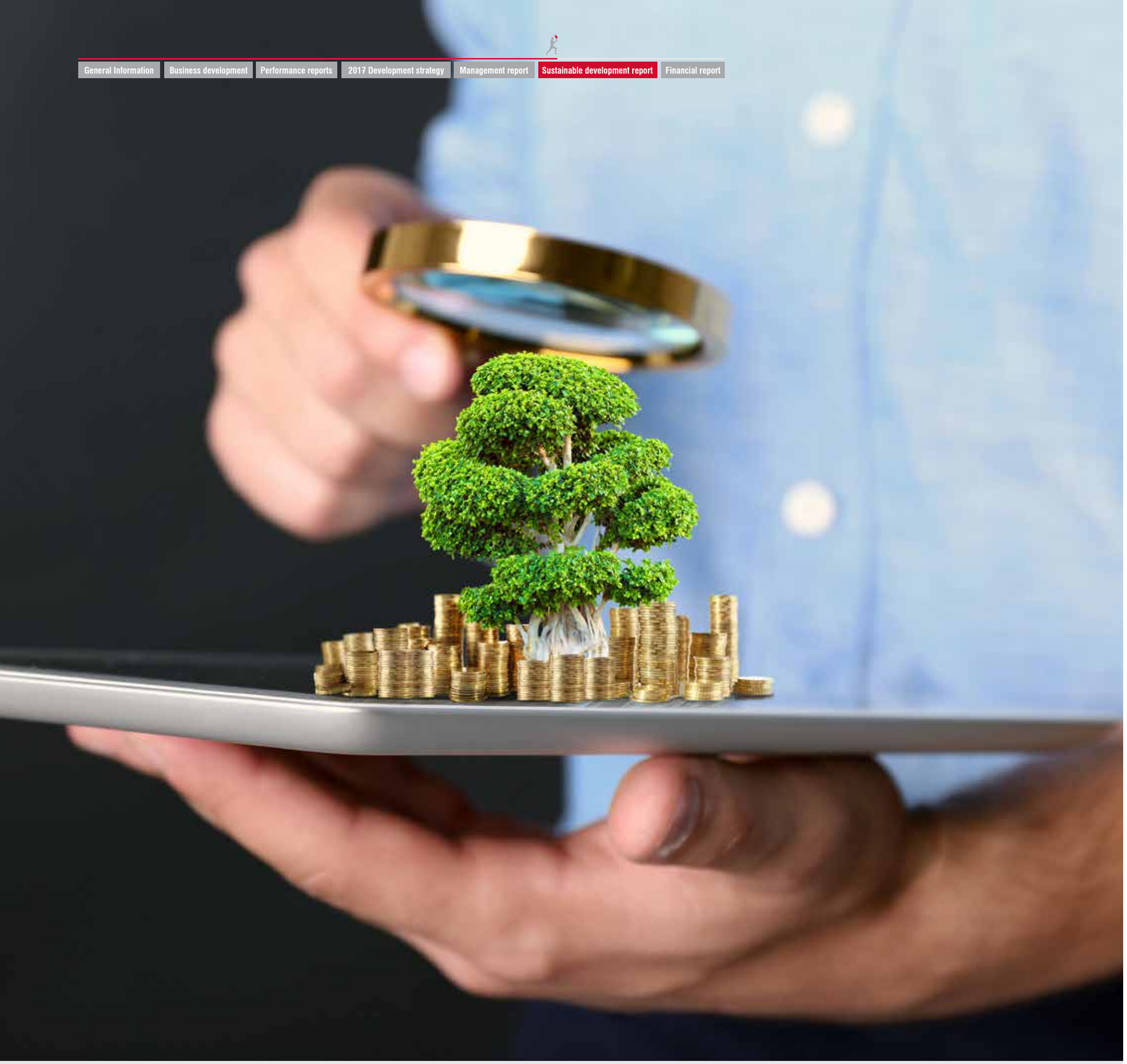
In addition, under a commitment "We strive to better the communities in which we work", throughout its course of growth, SSI has proactively developed intellectual and physical education programs for young generations and joined the community in building a better society.

At the start of the 18th year of its connecting journey, SSI will continue to execute its chosen mission and pledge to secure sustainable development steps for itself, Shareholders, Customers, Employees, Partners, and the Community. I would like to extend my sincere thanks to Shareholders, Customers, Partners and Employees for your valuable support and companionship.

We wish You good health and success!



Chairman cum CEO
Nguyen Duy Hung



SUSTAINABLE DEVELOPMENT DIRECTION

STRATEGIC DIRECTION FOR SUSTAINABLE DEVELOPMENT

Through 17 years in business with the vision “We succeed together”, for SSI, the Company’s success means maximizing effectiveness and value for Clients, Associates, Partners, Shareholders and the Community.

We understand that a business cannot operate while focusing only on stand-alone and short-term development goals without paying attention to long-term growth in relation to the economy, environment and society. Therefore, the Company’s long-term strategic direction is to ensure the Business’s sustainable development in line with the sustainable development of the Vietnamese Financial Market, and to contribute most effectively and practically to the Society.

POSITIVE IMPACTS ON THE COMPANY

- Sustainable growth
- Ensuring income and economic interest for employees
- Taking care of the employees’ life
- Developing the team; searching for & nurturing talents
- Managing risks and overseeing compliance
- Enhancing transparency in all activities

POSITIVE IMPACTS ON THE SOCIETY

- Fulfilling all duties and responsibilities to the State
- Adopting “Green investment” strategy
- Practicing environmental protection
- Engaging in community sharing

POSITIVE IMPACTS ON THE MARKET

- Maintaining stable dividend ratios for Shareholders
- Providing high-quality products/services to meet customers’ demands
- Connecting capital to investment opportunities
- Contributing to market development, servicing as an effective capital mobilization channel for the economy
- Supporting businesses through advisory services on financial strategies and solutions; directly assisting businesses in improving corporate governance based on best practices

MANAGEMENT MODEL FOR SUSTAINABLE DEVELOPMENT

The BOD holds the highest responsibility regarding SSI’s sustainable development strategy. The Chief Executive Officer and the Management Board are responsible for building and implementing goals and plans, as well as sharing and ensuring that all sustainable development initiatives are understood and adopted throughout the Company, from business units and departments to each and every employee.



BOD

- Providing general directions on the’s sustainable development strategy
- Approving goals and plans

CHIEF EXECUTIVE OFFICER & MANAGEMENT BOARD

- Drafting and submitting to the BOD goals and plans for SSI’s sustainable development
- Sharing sustainable development strategies, goals and plans throughout the entire company
- Ensuring that sustainable development goals are met

FUNCTIONAL UNITS & DEPARTMENTS

- Implementing sustainable development plans as per directions of Chief Executive Office and Management Board

EMPLOYEES

- Carrying out specific daily activities relevant to SSI’s sustainable development goals

PRINCIPLES UNDERLYING THE SUSTAINABLE DEVELOPMENT OF SSI

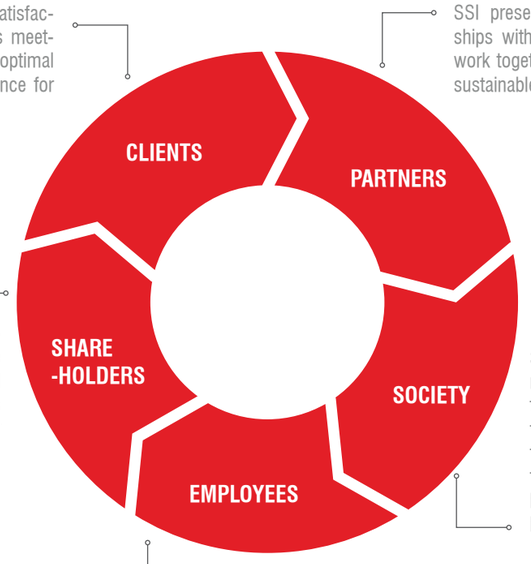
With the mission “Connect Capital to Opportunities”, SSI contributes to the development of the market and society through business activities, including diversification of investment opportunities for clients, efficient management of Investors’ assets, focusing on the array of services with professional and high added value. Not only does SSI support businesses in need of advice on strategy and financial solutions, the Company also directly involves in supporting enterprises in governance.

With the aligned Mission of “The Business of Success”, SSI’s sharing of potential opportunities with clients, colleagues, partners and the community plays an important factor in accomplishing the set forth mission, as well as bringing about sustainable development to SSI and its stakeholders.



SSI commits to enhance client satisfaction with products and services meeting specific needs and offering optimal solutions to maximize performance for each client segments.

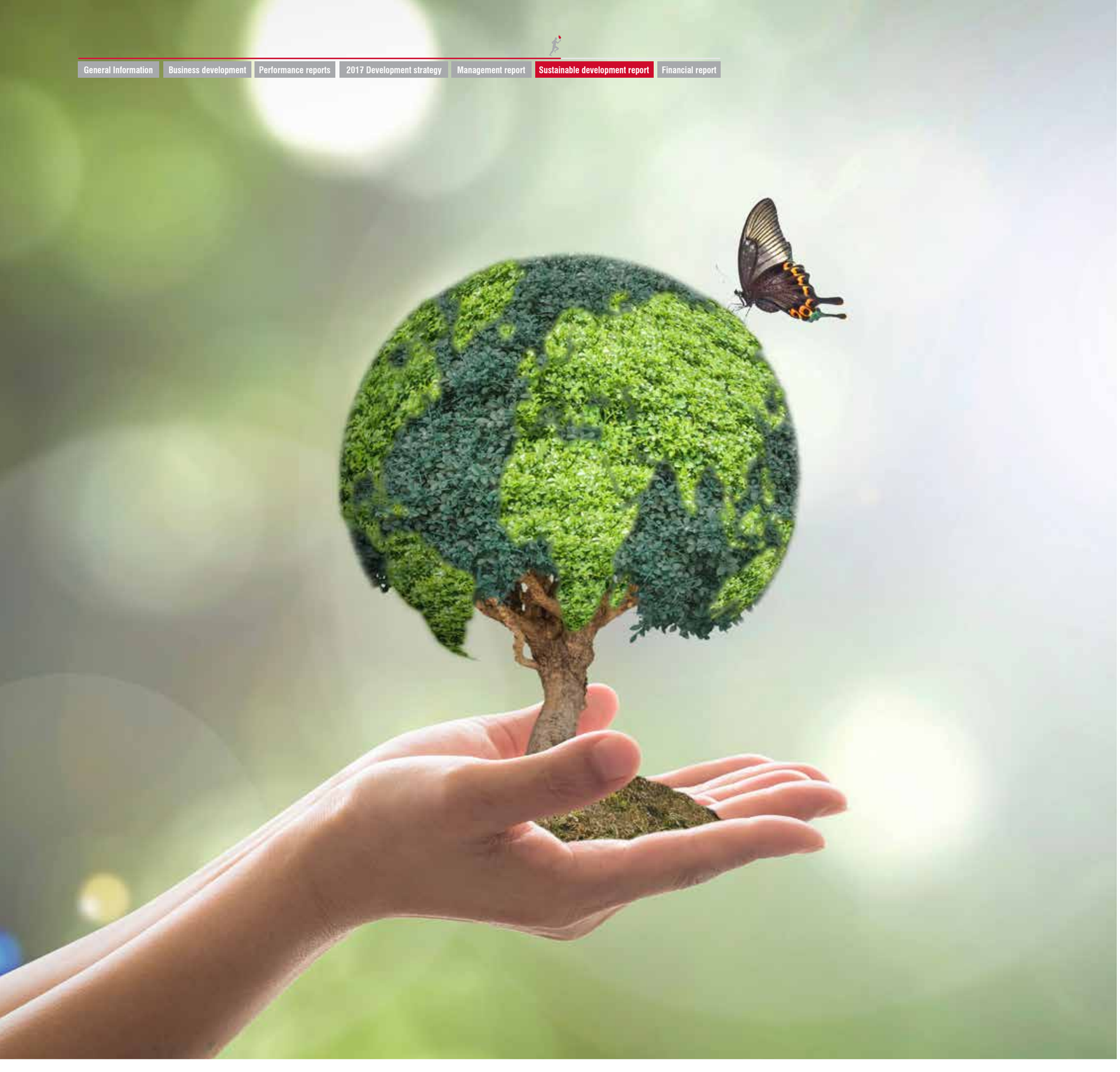
SSI preserves and develops relationships with partners and colleagues to work together in delivering optimal and sustainable efficiency to all parties.



To gain the trust of shareholders, SSI commits to absolute transparency in operations and information, continuing efforts to explore and develop for higher value creation.

SSI voluntarily fulfills corporate social responsibilities, jointly contributing to the development of the community. We focus on the development of education for the younger generations to foster future talents for the country. We join hands with the community in efforts to build a better society.

We endeavor to develop a professional work environment, where SSI employees - who create added values for shareholders - are encouraged, guided and supported to achieve the highest satisfaction in work and life. Our team is the most valuable assets of SSI.



REPORT OVERVIEW

The Sustainable Development Report is created in order to collect, publish, review and assess sustainable development goals and activities of Saigon Securities Inc. (SSI) with a strategic direction toward sustainable development. The report content shows the Company's approach to sustainable development. This is SSI's 5th year in making this report, also the 3rd year where the Report is prepared in accordance with disclosure standards based on the Sustainable Development Report Guidelines, G4 version for the Financial Sector developed by the Global Reporting Initiative (GRI).

REPORT CONTENT

The 2016 Sustainability Report sets forth the strategic direction for the Company's sustainable development initiatives in the coming years, at the same time reflecting the results of sustainability development activities in 2015. The report will help Investors to have a more complete understanding of the Vision, Strategy as well as results of Sustainable development activities of the Company in Economics, Society and Product Liability.

The report consists of the following main contents:

- Message from the Chairman of the Board on Sustainable development
- Sustainable development direction
- Report overview
- Connecting stakeholders for sustainable development
- Identifying critical issues
- Report on 2016 sustainable development activities

REPORTING SCOPE & LIMITS

The 2016 Sustainability Development Report is closely linked to the 2016 Annual Report and the Financial Report of the Company. The Report is published online at www.ar.ssi.com.vn.

The Report is prepared annually according to the fiscal year, ending on 31 December 2016. All data in the report is collected from SSI's actual activities at the Head Office and Branches/Trading offices nationwide, starting from 1 January 2016 to 31 December 2016. Financial data in the report is referenced from the audited 2016 Consolidated Financial Report.

The report provides business results for 2016 and discusses SSI's direction and goals in the coming years regarding sustainable development.

The report is prepared by the Sustainable Reporting Team - Saigon Securities Inc., including members from several Departments responsible for data provided in the Report such as the Investor Relation Department, Public Relation, Finance - Accounting, BOD Secretary.



REPORT CONTENT DETERMINATION METHOD

SSI's approach to sustainable development issues arises from the Company's long-term economic development goals, coupled with business environment and social development goals, thus contributing to the overall development of the community.

The Sustainable Development content is discussed by SSI with stakeholders in order to identify topics of interest. These issues will continue to be evaluated and reviewed by SSI in relation to the Company's current business operation and sustainable development strategy, thus identifying critical matters to be reviewed, improved as well as highlighted in the 2016 Sustainable Development Report

CONTACT

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CONNECTING DIFFERENT STAKEHOLDERS FOR SUSTAINABLE DEVELOPMENT GOALS

With the Vision “The Business of Success”, SSI has continued to build and develop sustainable relationships with stakeholders in the business, in the process of decision-making, as well as the Company’s long-term strategic planning. The involvement of stakeholders plays an important process to help the Company identify issues relevant to currently concerned and anticipated sustainable development, from which, key elements are identified for planning and implementation of activities necessary to meet such expectations.

Parties related to SSI include: Clients, Shareholders, Regulatory Authorities, Employees, Suppliers, Media Agencies, and the Community.

MECHANISM FOR RECEIVING FEEDBACK FROM STAKEHOLDERS

SSI uses different communication methods suitable to each related party, encouraging them to share fully and honestly all matters that they are concerned with and expect. Below is the Company’s methods of communication with stakeholders and overview of some issues of interest:



Stakeholders	Communication/Meeting channel	Frequency of conversation
Clients	Branch/Trading office	Daily
	Website	Continuously
	Information on mass media	Several times/year
	Satisfaction survey	Monthly/quarterly annually and unannounced
Shareholders	Annual general meeting of shareholders	Once/year
	Conference/meeting with investors	Several times/year
	Meetings at the company	Several times/year
	Trading floors and journal publications	Continuously
	Other contact channels (website, email, telephone)	Continuously
Regulatory authorities	Meetings	Several times/year
	Annual report	Once/year
	Monthly/quarter report as per regulations	Several times/year
	Other contact channels (website, email, telephone)	Continuously
Employees	Internal communication	Continuously
	Regular company events	Quarterly/annually
	Internal meetings	Continuously
	Other contact channels (website, internal forum, social networks)	Continuously
Suppliers	Regular meetings	Continuously
	Other contact channels (email, telephone)	Continuously
Media agencies	Press conference	Once/year or depending in each event
	Interview	Continuously
	Other contact channels (website, telephone, email)	Continuously
Community	Website.	Continuously
	Company publications	Continuously
	Information on the media	Continuously

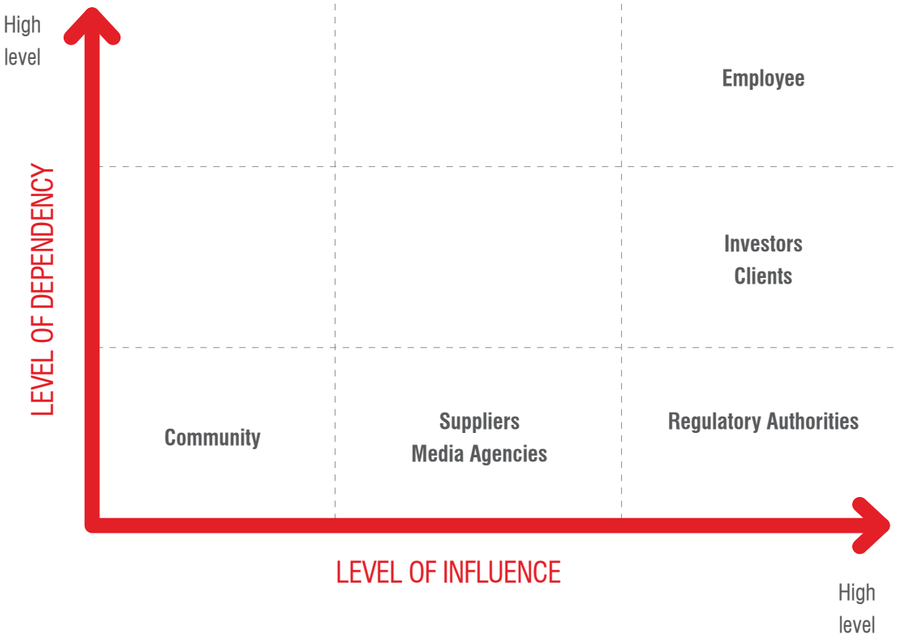
INTERACTION WITH STAKEHOLDERS

After several discussions with stakeholders, SSI has identified topics of interest as well as solutions and actions suitable with the building and developing of sustainable relationships that are based on trust and transparency in information exchange and on mutual interests.

Stakeholders	Matters of interest	SSI's actions
Clients	• Product/service quality, the capacity to meet specific demands • Application of high technology in products/services provided • Treating clients equally • Expertise and professionalism of the client servicing team	• SSI always strives to provide products and services of highest quality, meeting specific needs of each group of clients • Always be the leader in the provision of new services and products • Information technological system is always up-to-date and improved in order to ensure swift and secured transactions for clients • The company also ensures regular interaction with clients in order to receive feedback via different communication channels
Shareholders	• The company's business results • Transparency, integrity and truthfulness in the company's activities, information provided to shareholders • Shareholders' rights	• Maintaining a regular dividend payment schedule • The Company's reports and announcements are presented and published transparently, publicly and honestly. The Company guarantees that shareholders can easily access to and interact with information sources on business and other activities • Ensuring equality in all activities among domestic and foreign shareholders, individual and institution shareholders
Regulatory authorities	• Strictly complying with Regulations, Rules and Guidelines issued by functional authorities • Calculating and paying taxes fully and accurately • Business management and risk control • Providing feedback to contribute to market development	• SSI strictly complies with all Rules and Regulations of the State and Line agencies in all of the Company's activities • Carrying out information publishing duty fully and in due time as per regulations • The Company actively joins Industry associations, providing feedback for market growth and new product development
Employees	• Job stability, opportunities for growth, working environment • Compensations, benefits, employee health care policies • Training & development • Recruitment process	• SSI builds a dynamic, modern and equal working environment for all employees. The evaluation system is built effectively in details, correctly evaluating contributions of employees to the Company's growth • Beside a recruitment process which strictly complies with and ensures transparency and equality while selecting the most suitable people; SSI always encourages and supports all employees to develop fully in both technical expertise and soft skills for their jobs via training programs designed specifically for each staff level.

Stakeholders	Matters of interest	SSI's actions
Suppliers	• Supplier selection process and payment process • Information transparency, guaranteed equality between suppliers	• The company has built a standardization mechanism for the selection of, working and interacting with suppliers, as well as a payment procedure • Regularly re-evaluate the their ability in supplying products and services and in meeting the Company's demands
Media agencies	• Providing information on the company's activities, business results and financial figures • Sharing information on the market, opinions of managers/experts on market situation	• SSI actively provides information on a regular basis to media agencies • Providing answers to questions from the press in a timely manner • Sending experts to participate in in-depth interviews
Community	• Investment policy in key sectors of the economy and areas of sustainable development • Charitable activities which aim to enhance the quality of life for the community	• Regularly carrying out charitable, volunteering and community programs • Investment strategy with ESG (environmental, social and governance) factors

Besides, prioritized stakeholders are identified based on the level of influence and their dependency on the Company as in the following evaluation model:



The model for identifying prioritized stakeholders



IDENTIFICATION OF KEY AREAS

The process of evaluating key areas in order to determine the report's contents includes the following steps:

01 Considering the economic situation in general and the financial market in particular; as well as SSI's long-term sustainable development strategy and principles

02 Identifying matters of interest, analyzing the level of interest and the opinions of on these ones

03 Identifying key areas for SSI in the relationship between importance to the Company's operation and relevance to all parties

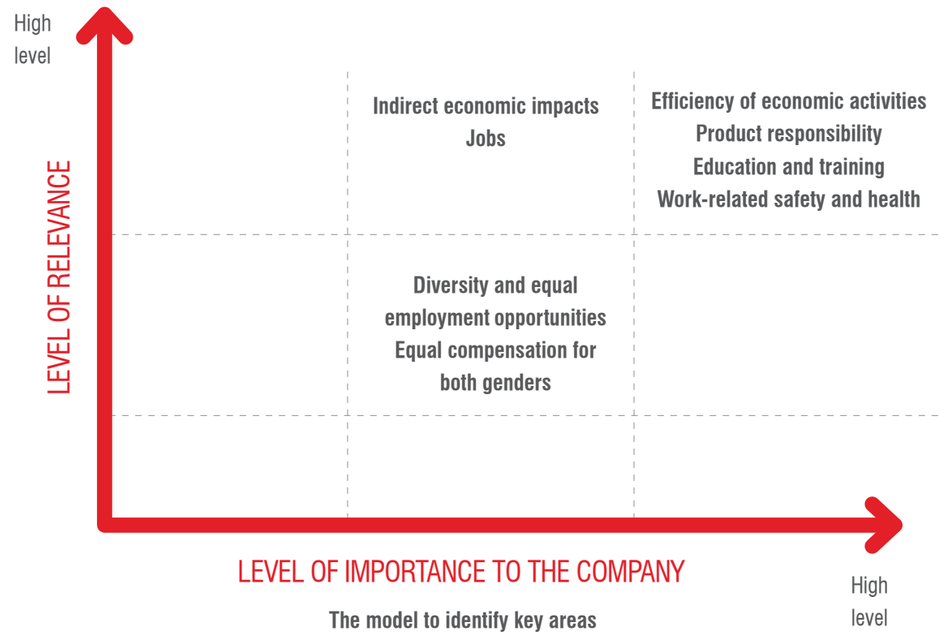
04 Consult the Company's Management as well as prioritized parties to ensure the integrity, accuracy and truthfulness of these areas

05 Selecting areas for reporting

SSI has simultaneously applied several consultation methods to achieve the most completed and sufficient results. Firstly, SSI has used online surveys to ask for opinions from the majority of Employees, Clients and Investors. Information on the survey was published widely on communication channels such as social networks, internal newsletter, internal forum, and has gathered over 100 responses.

Several group interviews continue to be done with representatives of Investors, Clients, Employees and Managers after collecting survey results in order to gain a deeper understanding of the matters of interest to all parties.

Following the consultation process with the Company's management and other prioritized stakeholders, the key areas have been identified as follows:



The model to identify key areas

Accordingly, the key areas are organized into the report contents on SSI's sustainable development activities in 2016:





SUSTAINABLE DEVELOPMENT ACTIVITIES IN 2016

CORPORATE GOVERNANCE TOWARDS SUSTAINABLE DEVELOPEMENT

SSI always upholds good corporate governance as one of the most important factors ensuring corporate sustainable development, thus winning investor confidence and maximizing investor interest. This, in its turn, contributes to the development of the entire market and the wider community. SSI's governance function is built and gradually fine-tuned based on the best practices of corporate governance in the region and the world such as the ASEAN Corporate Governance Scorecard, together with strict compliance with Vietnam's regulatory provisions on the governance of public companies. Under this framework, Compliance Control, Risk Management and Shareholder Interest protection activities are the key focus areas.

COMPLIANCE CONTROL ACTIVITIES

Compliance control at SSI is performed via the Board of Supervisory (BOS)'s supervision over the Board of Directors (BOD), the Board of Management (BOM) and the Management as well as the BOD's supervision over the BOM. In daily activities, the Management relies on Internal Control function to carry out compliance control within the Company.

The Company's Charter expressly separates shareholders' ownership from corporate governance jurisdiction. It delegates powers to corporate governance units while putting in place obligations and checks to effectively control these functions. Besides, business processes and operational apparatus are designed to facilitate cross-checks for the purpose of strengthened internal checking and monitoring, less abuse of power, and early detection of potential breach.

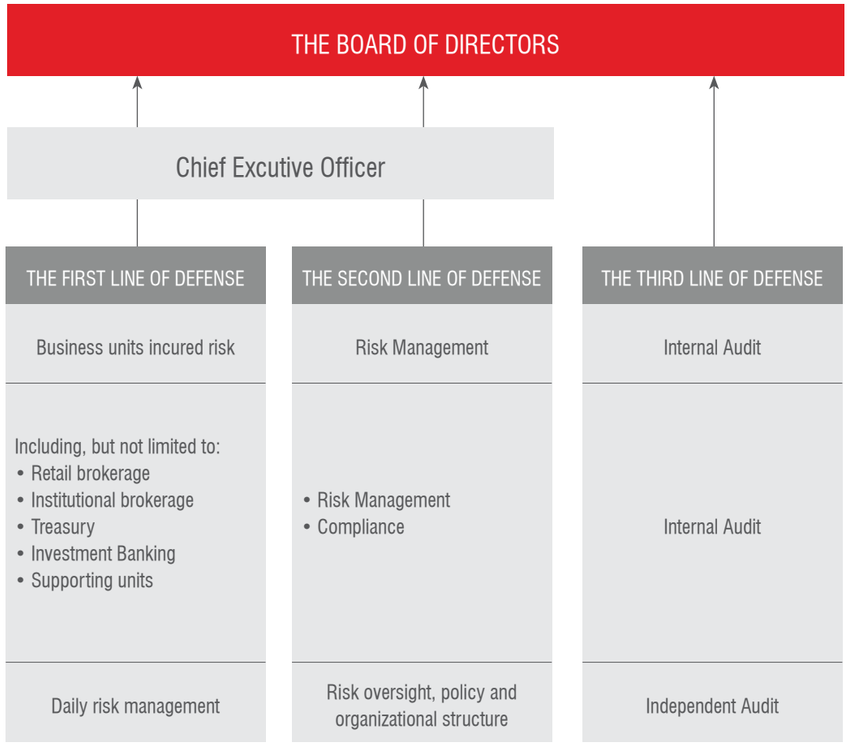
The Internal Control is based at the Head Office and performs the control of the Company's units to ensure staff and their respective departments' compliance with relevant regulations of law as well as internal rules and processes. Daily control activities mainly comprise of inspection and monitoring of compliance with the law, the Company's Charter, decisions by the Shareholders' Meeting, decisions by the BOD, Internal Business Rules and Processes, and Risk Management Process by relevant units and by securities practitioners within the Company; monitoring the execution of internal regulations, activities with potential conflicts of interest within Company, especially with regards to the Company's business activities and individual transactions by the Company's staff; monitoring staff's execution of responsibilities within the Company and partner's' execution of responsibilities with regards to authorized activities. In 2016, 40 audits were conducted at all the units in the entire SSI system. Audit reports were sent to heads of the audited units for feedback. After that, the final reports were submitted to the BOM and Heads of relevant divisions as well as heads of the audited units. In addition, tight control was also in place for overseeing transactions of the Company' with related persons. When performing transactions with related persons, the Company would enter into written contracts on an equal and voluntary footing. The Company adopted necessary measures to prevent related persons from interfering in the Company's activities, harming the Company's interests, performing transactions that led to the Company incurring losses of capital, properties or other resources, controlling the Company's merchandise trading channels or manipulating prices. Data of transactions with related persons is disclosed in the Company' Financial statements.

The Legal Department performs legal advisory function, inspects and monitors the launch of products, and issuance of internal processes and rules as well as the Company's transactions with third parties in order to ensure compliance with law and mitigate legal risks for the Company. The Legal Department is also responsible for updating newly issued regulatory documents for the BOD, the Management and relevant units. It also studies the impacts of draft regulatory documents on the Company's activities for proper preparation.

RISK MANAGEMENT SYSTEM

SSI builds a complete Risk Management System (RMS) which comprises of risk management (RM) personnel, processes and supporting tools. The RMS aims to reduce a number of instable changes in the Company's cash flows and profits resulting from the instability of interest rates, exchange rates, commodity, stock prices or other instable factors in the Company's business. Anticipating potential risks facing the Company as a result of strong growth of staff size, number of branches, client base, and capital size and to prepare for continued growth in the years to come, the BOD introduced a plan to enhance RM efficiency by forming a RM capabilities enhancement project in August 2015. The project, completed in 2016, resulted in a better specialized RM function, more detailed RM activities which were categorized by type of risk, and additional RM personnel who was both qualified in terms of knowledge and practical experience. Moreover, to pave the way for the introduction of derivative products in 2017, SSI prepared full resources together with a system of RM policies and processes dedicated for these products in 2016.

The Company employs a 3-defense-line model in RM activities as follows:



RM principles define the responsibilities of different stakeholders in the Company's RMS from the BOD, the BOD's RM Committee, the BOM, the Management, the RM unit and other individuals and units in the organization structure. The RMS specifies ways to handle critical risks that may significantly affect the Company's business including operational risks, market risks, credit risks, liquidity risks, compliance risks, third party transaction risks, human resources management risks, IT risks and brand risks. Details of these types of risk and how to handle/treat them constitute part of the Risk Management section of this Annual Report.

RM policies are available in written documents which all the staff and units within the Company can access, study and properly understand their responsibilities in the Company's RM activities. Thanks to its conservative RM policy, in 2016, the Company incurred no material risk-induced damages.

SHAREHOLDERS' INTEREST PROTECTION

At SSI, top priority has always been given to the protection of shareholders' interests and equality.

Shareholders' basic rights such as the right to receive dividends, to attend and vote at Shareholders' Meetings, to be engaged in decisions relating to the Company's fundamental changes, etc. are expressly provided for in the Company's Charter and have been properly exercised over the years. Equality is ensured for all shareholders without any preferential treatments, decisions by the Shareholders' Meeting are all based on results of voting which takes place proportionally to the number of shares owned.

SSI has over the years strived to diversify its information channels to include corporate website, email, mass media, shareholders' meetings, annual reports, etc. This serves to facilitate shareholders' complete, accurate and timely access to important information and to insulate them from adverse impacts on their investment decisions. Moreover, the disclosure of information both in English and Vietnamese was remarkably improved in 2016. This ensures equal access to corporate information between local and foreign shareholders/investors.

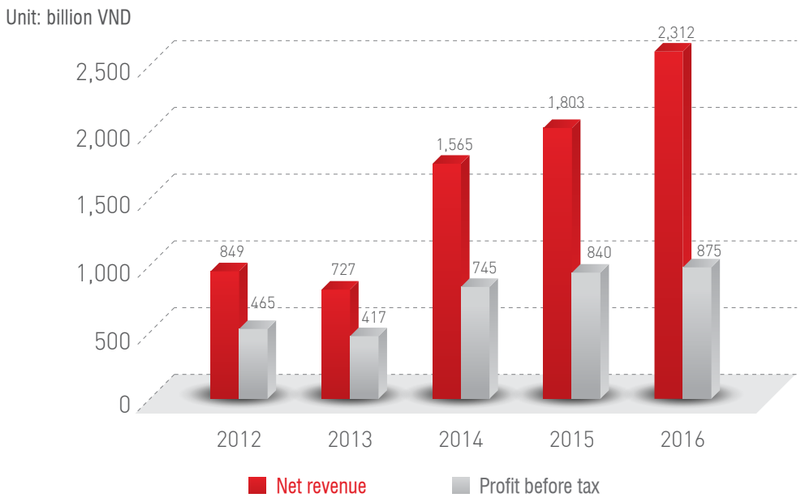
SSI maintains a policy of stable dividend payment which aims to balance Shareholders' desire to gain profit and the Company's retained earnings for long-term development. In 2015, the Company paid dividends in cash at a dividend rate of 10%.

SUSTAINABLE ECONOMIC GROWTH

SSI understands that its long-term sustainable development strategy can only materialize if the Company is based on a solid financial foundation as well as stable economic growth, thereby increasing its contributions to the community and society by contributing to the State budget, matching funds with investment opportunities, managing Investors' assets safely and transparently, and actively participating in the building of the stock market in particular and the financial market as a whole.

EFFECTIVE BUSINESS CONTRIBUTES TO STATE BUDGET

Over its 17 years of existence, SSI has always striven to achieve positive business results, reaching the business plan adopted by the GSM. Over the most recent 5 years, SSI's revenues and profits have been maintained at high level with the stock market price being valued stably at twice the par value. Specifically, the consolidated revenues in 2016, which reached VND 2,312 billion, exceeded the target by 60% and represented a year-on-year increase of 28%, while profit before tax hit VND 1,056.8 billion 11.24% higher than the profit target. Besides, all the business lines performed decently.

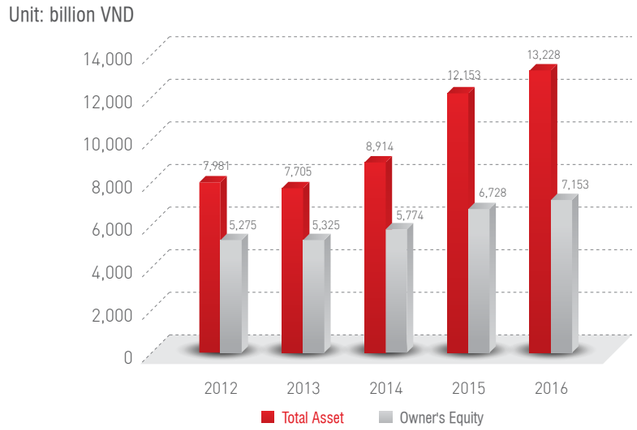


Business performance in the 2012-2016 period

Source: SSI Consolidated Financial Report

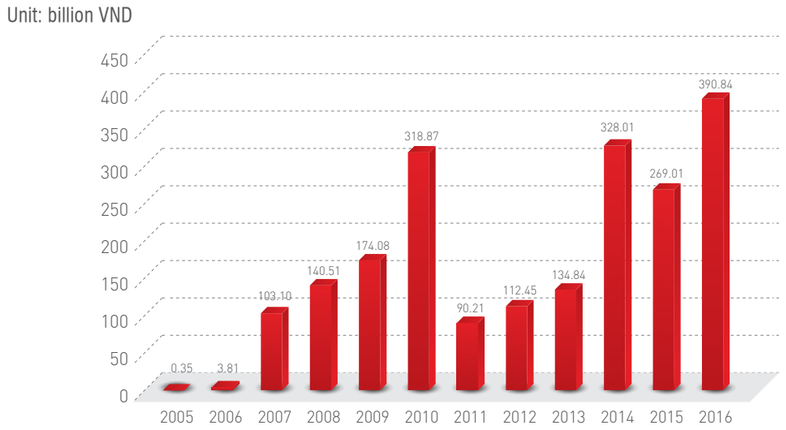
In 2016, SSI's consolidated assets totaled approximately VND 13,228 billion, up 9% against the previous year, and equity stood at VND 7,152.6 billion.

The Company has consistently fulfilled tax obligations with contributions to the State budget evolving incrementally over the years. In 2005, SSI's contributions to the State budget were VND 347 million. In 2006, the number surged to VND 3.8 billion. In 2007 and 2008 – despite tax incentives resulting from its listing on the local stock market - the Company's tax payments rocketed to VND 103 billion and 140 billion, respectively. From 2009 to date, regardless of the global economic turmoil that seriously affected the local economy and, in particular, the stock market, SSI has maintained proper management of its own as well as Investors' funds, ensured safety and high profitability, and made steady contributions to the State budget. In 2016, SSI paid VND 390.8 billion in taxes, a year-on-year rise of approximately 45%.



Consolidated assets and equity in the 2012-2016 period

Source: SSI Consolidated Financial Report



SSI's tax payments to the State budget

Source: SSI

SUCCESS IN CONNECTING CAPITAL TO OPPORTUNITIES

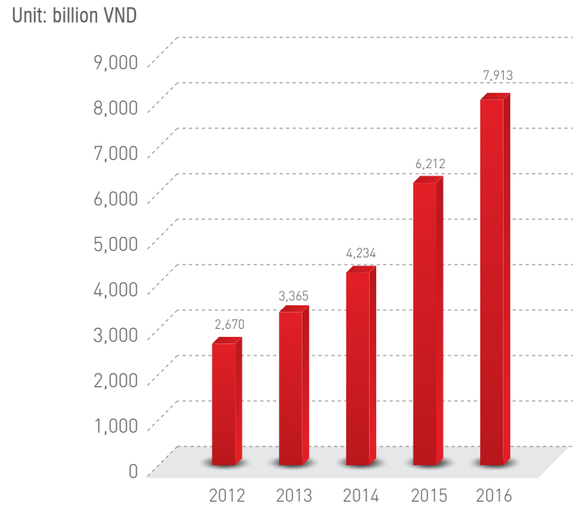
SSI's activities focus on helping enterprises mobilize capital through the stock market, contributing to the formation of a distribution channel of capital and long-term capital market mechanism for the economy; contributing to the activation and mobilization of resources, boosting economic growth; and contributing to accelerating the economy toward greater transparency, publicity, fairness and flexibility.

In 2016, SSI continued to be the market leader in investment banking thanks to successful advisory deals involving multiple million-dollar transactions. One of the blockbusters worth mentioning is SSI's successful advisory on the offer of 78.38 shares of Viet Nam Dairy Products Joint Stock Company (VNM – HOSE). This represents the biggest deals in 2016 in terms of value in Southeast Asia. In addition, SSI also provided advisory services to a number of major local listed companies. Examples of such projects include the divestment by shareholders of DHG Pharmaceutical Joint-Stock Company (DHG – HOSE), fund-raising through private placement using book building method by for No Va Land Investment Group Corporation (NVL - HOSE), the offer of The PAN Group (PAN – HOSE)'s entire shareholding in 2 cleaning service subsidiaries, and a bid to assume major shareholder's controlling stake by Domesco Medical Import-Export Joint-stock Corporation (DMC – HOSE). SSI also acted as bond issuing agent for many issuers including National Citizen Bank, HD Saison Finance Co., Ltd, VPBank Finance Company Limited, Kido Corporation (KDC – HOSE), Transimex Corporation (TMS – HOSE), and so on.

SAFE AND TRANSPARENT MANAGEMENT OF INVESTORS' ASSETS

Despite tough competition in the industry, SSI has consistently adhered to the principles of respect for clients and respect for the law so as to make profits while protecting investors from losses and building stock market transparency. Over the years, SSI has efficiently managed assets of both local and foreign investors, thereby helping to anchor investor confidence in the local stock market and to build a stable local economy. As of late this year, SSI is providing safe and secure custody for over 100,000 customer accounts.

With regards to asset management, SSIAM has been striving to mobilize resources from new customers while maintaining efficient management of existing ones' assets. As at the end of 2016, the total assets under SSIAM's management were VND 7,913, up 27,4% against 2015. Especially, SSIAM is the first Vietnamese company to successfully raise funds abroad. This is to pave the way for new and efficient approaches in raising funds for the economy.



Total assets under SSIAM's management

Source: SSIAM

We invariably strive to improve the quality of managing assets entrusted by customers. Our investment, risk management and internal control processes are operated properly and professionally, which not only guarantees compliance with law but also minimizes conflicts and adverse impacts on investor's benefits. With sustainable development being our motto, we work toward building trust, transparency and long-term asset value growth for investors.



PROACTIVE AND POSITIVE PARTICIPATION IN THE MARKET CONSTRUCTION

SSI does not confine itself to strictly and fully complying with securities-related regulations and other statutory requirements. The Company has also proactively contributed its recommendations to draft regulations on stock market, which helped enhance the practical aspects and quality of the regulator's documents, and participated in the development of new products on the market.

In 2016, SSI continued to contribute recommendations to drafts of decrees and circulars which were designed to provide clearer regulations and instructions as to activities on the stock market. These documents included draft of the Government's Decree 86/2016/ND-CP of Jul.1, 2016 prescribing eligibiity conditions for securities investment and trading; draft of a decree replacing the Government's Decree 90/2011/ND-CP of Oct. 14, 2011 on the issuance of corporate bonds; draft of the Ministry of Finance (MOF)'s Circular 272/2016/TT-BTC of Nov. 14, 2016 governing the amount, receipt, payment, management and utilization of fees and charges in the securities sector; draft of a circular replacing the MOF's Circular 210/2014/TT-BTC of Dec.30, 2014 providing instructions on accounting applicable at securities companies; draft of a circular replacing the MOF's Circular 226/2010/TT-BTC of Dec.31, 2010 providing for financial safety indicators and sanctions against securities trading institutions failing to attain such indicators; draft of the State Bank of Vietnam's Circular 10/2016/TT-NHNN of June 29, 2016 guiding the implementation of the Government's Decree 135/2015/ND-CP of Dec. 31, 2015 on indirect overseas investment; draft of the State Securities Commission (SSC)'s Rrgulations on reporting on foreign investors' activities; draft of Decree on internal auditing; draft of the SSC's regulations on margin trading and Regulations on Information disclosure at HOSE; draft of a decree on corporate governance applicable to public companies and draft of a circular guiding the implementation of this Decree.

In preparation for the introduction of a derivatives market in Vietnam in 2017, in addition to its involvement in HOSE's development of covered warrant product, SSI has actively contributed comments to regulators for the purpose of designing legal framework, process and regulations. For instance, comments and recommendations have been made to the draft of the MOF's Circular 107/2016/TT-BTC of June 29, 2016 guiding the offer and trading of cover warrants, drafts of Regulations on listing, Regulations on supplementary trading, Regulations on market-making activities, Regulations on information disclosure and management of risk prevention activities with respect to covered warrants.

SSI also named its representative to attend and contribute opnions at periodic meetings of the Vietnam Securities Market Index Council, the Vietnam Bond Market Association (VBMA), and the Vietnam Association of Securities Business (VASB).

In addition, as part of its activities with the State Securities Commission and two Exchanges (HOSE, HNX) celebrated the 20th anniversary of the Vietnam stock market, SSI sponsored the workshop on "Developing capital market for startups", and together with the NDH newspaper held the talk show "20 years of stock market and the transfer of foreign capital flows" - the event that was chaired by Mr. Nguyen Duy Hung (SSI Chairman cum CEO). He exchanged with representatives of management agencies and enterprises about the process of building the stock market in the past 20 years, the story attracts foreign capital flows & prospects in the future.

ACTION FOR CLIENTS

Customers' trust and confidence has been a solid foundation for SSI's sustainable development. Driven by this perception, SSI has consistently pursued customer satisfaction by professionally and devotedly designing products which are tailored to each customer segment. In parallel, the Company has made relentless efforts to innovate, improve and enhance product/service quality and apply flexible and dynamic customer care policy.

DEVELOPMENT OF NEW PRODUCTS AND CONSTANT INNOVATION AND IMPROVEMENT OF EXISTING ONES

One of the most awaited events on the local financial market in 2017 is the introduction of a derivatives market, which will operate in tandem with the capital market. As the market leader and a pioneer in engineering new products, SSI has dedicated a lot of efforts and resources to the building of systems, development of products and has collaborated with regulators in introducing derivative products to customers and investors.

SSI's derivatives market project team, formed in late 2015, has been equipping themselves with relevant expertise both by self-study and training courses and study visits to the stock exchanges of selected regionals in South Korea, Taiwan, Thailand, Hong Kong, and Malaysia. These are well established derivatives markets where investor categorization is similar to that in Vietnam (i.e. the bulk of investors are individuals). Besides, in 2016, the Company spent considerable time and efforts seeking the qualified vendor for a derivatives infrastructure system and commenced the building thereof. The selected bidder, which has over 15 years of experience in the supply of derivatives systems, is also the leading supplier of trading systems in Hong Kong. It is capable of delivering a twofold objective: to operate the derivatives system in accordance with Vietnam's regulatory framework and to spare room for SSI's long-term vision in anticipation of the introduction of advanced derivative products. To date, SSI's trading and margin management systems are almost totally compatible when connected to the HNX's trading system and VSD's clearing and settlement system. By actively equipping the staff with professional expertise, selecting an experienced system solution vendor and working closely with regulatory agencies in launching the market, SSI is now ready to offer investors derivative products in 2017.

In 2016, the Web Trading facility continued to be improved with many additional functionalities including online stock transfer, which was designed for easier trading and portfolio management, and online order confirmation, which allows customers' review and management of orders made on their account without having to physically sign written orders. In addition, the Direct Market Access (DMA) service, an ordering tool for institutional customers – was also successfully launched.

The investment advisory and recommendation product for retail customers constantly stayed abreast of market developments and combined basic with technical analysis to make tailored recommendations for different customer segments. In 2016, SSI launched 2 break-through products which were the monthly "Vietnam Chartbook" and the semi-annual strategy report "Stories of 2016". Besides, reports in Japanese were also developed as a separate system with 3 types of report which aim to provide information and investment recommendations to Japanese customers. Investment advisory and recommendation products have traditionally been SSI's strengths for several years and have won trust from local and foreign customers. SSI is providing reports with insights into 29 industries and over 70 listed companies which make up for up to 90% of the total market capitalization.

FLEXIBLE AND DYNAMIC CUSTOMER CARE POLICY

With regards to the organization of its customer care personnel, SSI maintains a policy of constant separation of customer care teams in charge of existing customers versus prospective, institutional customers versus retail ones, local customers and foreign ones. For the purpose of optimized service quality, foreign retail customers are classified by language while foreign institutional ones are classified by location.

SSI's retail customers are whole-heartedly cared for by a team of energetic and professional brokers. The annual increase in the number of accounts is accompanied by the growth of brokers. By 2016, 353 full-time brokers were hired, up 30% against 2015. As the team grew, its quality was also strictly controlled so that information, knowledge and experience of communicating with and advising customers is properly updated and shared along with the growth and increasing maturity of the market.

With regards to **SSI's institutional customers:** customer service is enabled by three key factors: technology, people and responsive products and services. Intensive investments have been made in technology, especially the ordering system for institutional customers, in order to ensure stability during large-scale transactions and compliance with international standards on trading systems exclusively used for institutional customers.

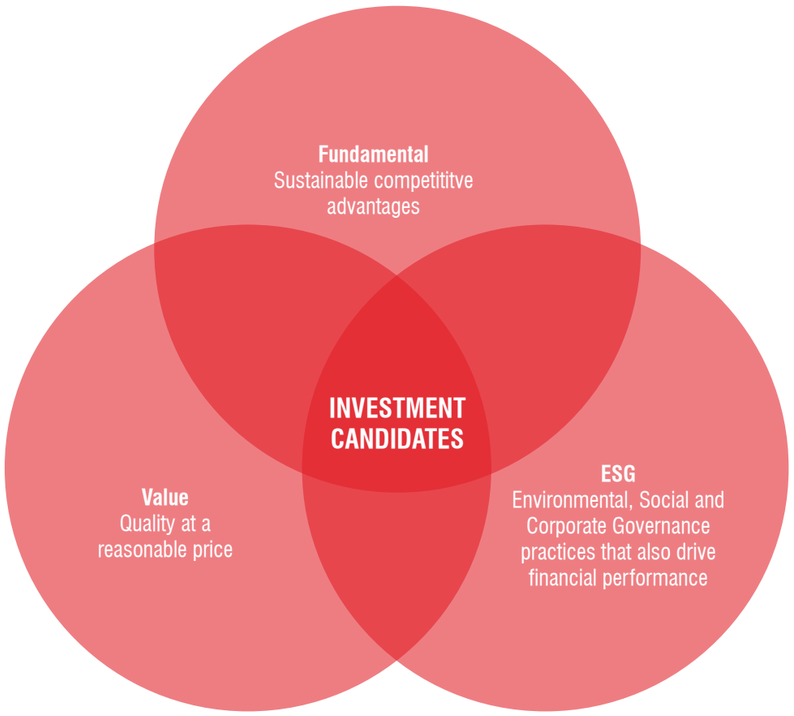
For public funds (open-ended funds, ETFs) managed by SSIAM, customers are updated on NAV as well as with the relevant fund's performance report. For portfolio management services, the Company holds periodic meetings with customers to discuss investment performance and services supplied so as to make timely adjustments and better satisfy customers' demands. SSI frequently hold mini workshops to help investors better understand asset allocation and long-term investment strategies. These workshops provide customers with broader overview of the market as well as long-term orientations for enhanced investment profitability.

"Always listening" is the slogan to which each agent of SSI's Call Center, which operates the two hotline numbers 1900545471 and 1900545418, adheres. The operation of these two call centers demonstrate SSI's goodwill in offering the best of services to its customers. All transactions performed via the call centers are processed promptly, which helps save 80% of the time compared with conventionally processed ones.



RESPONSIBLE INVESTMENT ACTIVITIES

SSI believes that Environmental, Social and Corporate governance (ESG) factors, in addition to fundamental analysis and stock valuation, constitute one of the principles of investment choice. We notice a business's growth in the long run and stock value are closely linked to its environmental and social impacts as well as corporate governance quality.



SSI applies the ESG standards of the International Finance Corporation (IFC) for its investments, aiming ultimately at sustainable development. Specifically, during our investment process, we spend a lot of time trying to understand a company's top management and their vision, transparency and corporate governance aspects. Together with the assessment of environmental and social impacts of the company's business activities, we also take into account other factors like working environment and determine whether it is one that works in the best interests of employees. ESG assessment represents a key factor in SSI's decision-making process. There were cases where we had to reconsider investment decisions as it was impossible to work with the target company's management on the ESG criteria.

After an investment decision has been made, SSI continues to work closely with the recipient company to pursue its responsibility of encouraging and advising on the improvement of the ESG factors. Members of SSI's investment team serve in the Board of Directors (BOD) and Board of Supervisory of the investee company to assist them with corporate governance and to promote transparency in decision-making. SSI, in addition, also refers independent BOD members to the recipient company with a view to nurture transparency and reduce conflicts of interest therein.

Specifically, as an investor in agriculture, SSI plays an active role in creating a value chain where the origin of marketed products can be traced. By delivering products to the end-users, SSI minimizes farmers' concern about market and pricing, thus creating a more sustainable product lifecycle. When working with a company that invested in crop species, by encouraging that company to work more closely with farmers in technology transfer and guaranteed purchase of products, SSI contributed to helping the farmers double their income.

In another case, SSI encouraged the investee company's management to act with more transparency during its decision-making process. SSI advised the recipient company on the amendment of its charter in order to ward off the risk of a hostile takeover. Assistance was also provided to help the recipient company review its operating expenses and recruit senior executive personnel to run underperforming units, and so on.

Over the years, SSI's investment strategy of companionship has helped recipient companies improve ESG factors to head for sustainable development. Besides, it has also enabled the Company to realize its goal of sustainable development in investment activities, which are responsible for major contributions to the total income. Specifically, in 2016, revenues from principal investment made up 40.4% of the consolidated earnings. As of late 2016, SSI had 3 associated companies, all of which are leaders in their respective industries and have high revenues, stable profitability, high dividend rate and competitive products. All these 3 affiliated companies are involved in the Agriculture - Food Transport and Warehousing value chains.

Brief profile of SSI's Associated Companies

Name	% stake held by SSI (*)	Number of BOD/BOS members representing SSI	Business performance in 2016
The PAN Group Jsc. (PAN – HOSE)	20.10%	2 BOD members 1 BOS member	Despite PAN's key subsidiaries being adversely affected by climate change, the PAN Group in 2016 managed to maintain stable business and growth. Revenues, which stood at VND 2,752 billion, were equivalent to 83% of the target and up 103% against 2015 profit after tax
Vietnam Fumigation JSC. (VFG - HOSE)	20.01%	1 BOD member 1 BOS member	In spite of difficult conditions in the plant protection agent market due to harsh weather and falling demands compared with 2015, VFG continued to benefit from previous efforts in restructuring, corporate governance improvement and sales network re-engineering. Revenues, which stood at VND 2,283 billion, were equivalent to 98% of the target and up 13% against 2015. Profit after tax reached VND 146 billion, equal to 100% of the target and up 5% against 2015.
Dong Nai Port Jsc. (PDN - HOSE)	20.01%	1 BOD member 1 BOS member	Revenues totaled VND 422 billion, equivalent to 120% of the target and up 131% against 2015. Profit after tax was VND 66 billion, equivalent to 132% of the target and up 29% against 2015.

(*) figures are based on voting rates

TEAM COHESION FOR SUSTAINABILITY

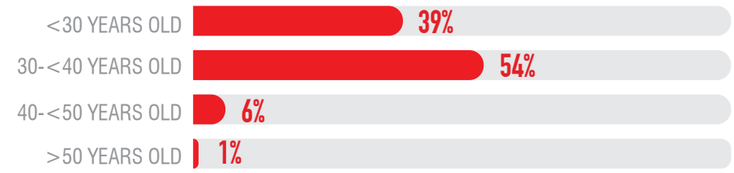
PERSONNEL STRUCTURE

SSI believes motivating staffs can help to enhance customer satisfaction, thereby increasing added values for shareholders and partners. SSI has applied various approaches to ensure every member can stay happy at work and maintain a work life balance. By valuing this balance, SSI has, in effect, made families and friends of SSI staffs proudly become a part of SSI. This has improved connection between each staff and the team, creating a strong bond for SSI's sustainable development.

Corporate culture is especially highlighted by SSI in our development on the basis of established core values. Such culture is indicative of SSI's features, philosophies and also incorporated in the company's strategies to date. It has shaped the spirit of SSI and each employee, which has continuously been nurtured, engaging all staff in the common development. With the SSI spirit being constantly nurtured, each member will increasingly strengthen their bond with the Company for the sake of a common development.

As at 31/12/2016, the total number of SSI staffs is 720, of whom those holding undergraduate and postgraduate degrees account for a dominant majority (96%). SSI possesses a young and well-trained labor force who continuously improve themselves through practical experience. SSI staffs always update knowledge to stay current with industrial trends and create added values for customers.





Personnel Structure by Age



Personnel Structure by Geographic Location



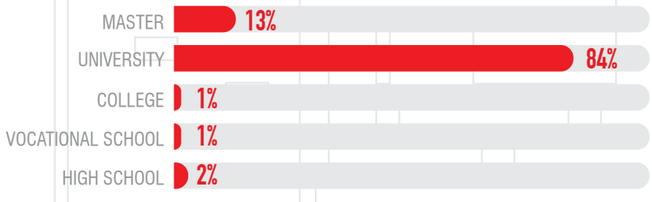
PERSONNEL STATISTICS



Personnel Structure by Gender



Personnel Structure by Function

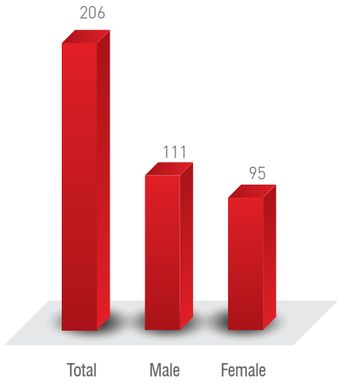


Personnel Structure by Education

Source: SSI

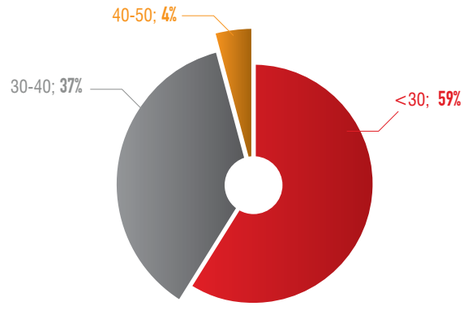
RECRUITMENT APPROACH

In SSI, we aim to become a “cradle for talent development”. SSI offers equal opportunities to all applicants, from new graduates to experienced professionals in the financial market. SSI is willing to provide training and opportunities to encourage employees to take up challenge and fulfill their potentials. In 2016, SSI recruited 206 new members to strengthen human resource and replace retiring and resigning staff with a reasonable diversity of age and gender.



Employee new hire

Source: SSI



Structure of new employees by age

Source: SSI

Our approach is simply to offer a working environment where every individual can fulfill their potential. To maintain our status as Vietnam’s leading financial institution with enormous potential to expand regionally in Asia, SSI focuses on attracting outstanding individuals with international qualifications and skills to develop with.

SSI has also developed recruitment criteria to ensure transparency, fairness and equal opportunity for all applicants and fortify confidence and pride of becoming a part of SSI. At SSI, we:

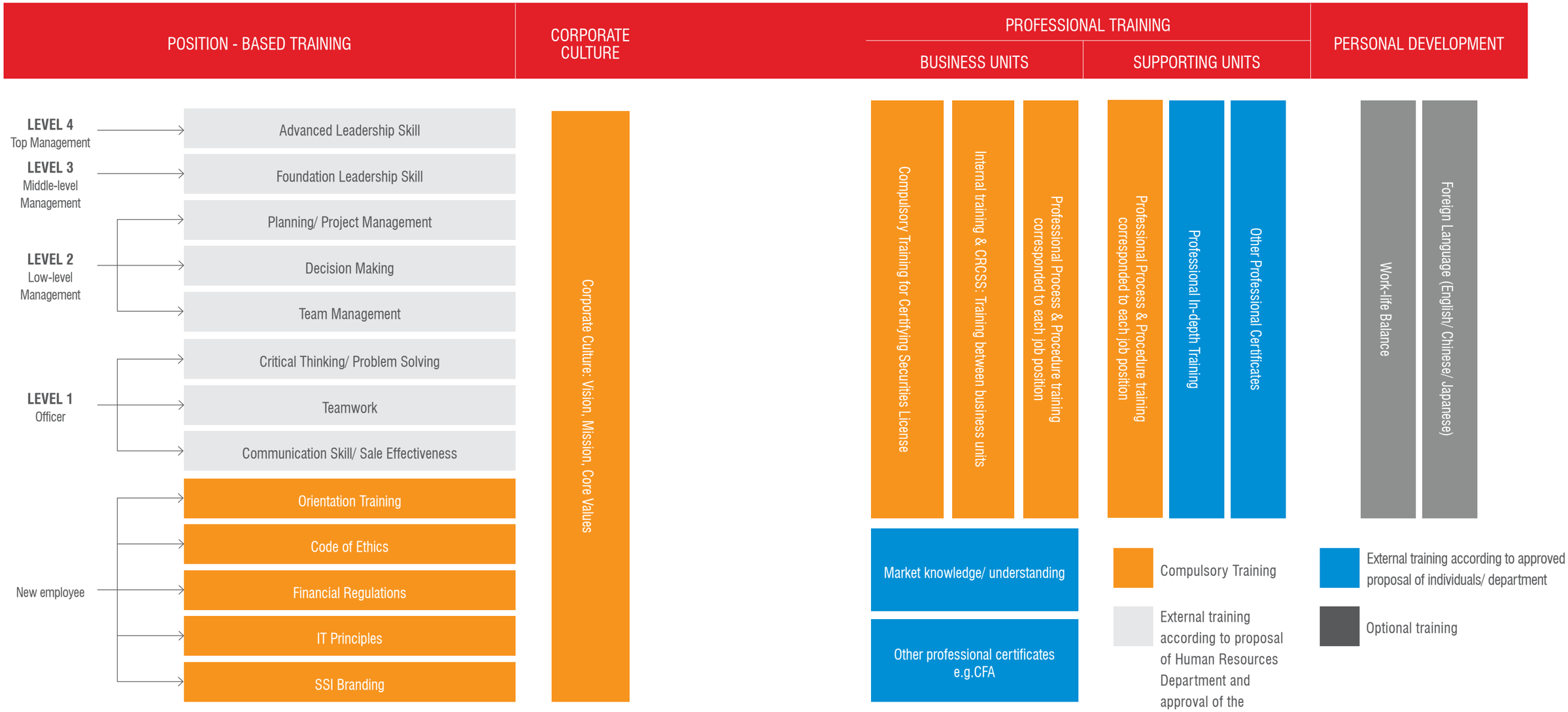
- Fully respect rights of applicants (in terms of access to information, job description, communication and negotiation)
- Select applicants who fully meet recruitment criteria
- All recruitment decisions are based on thorough, unbiased and transparent assessment of the applicants’ competence, attitude and motivation.



DEVELOP HUMAN RESOURCES' PROFESSIONAL COMPETENCE AND SKILLS

Human resources are the competitive advantage of SSI. To retain the status of Vietnam's leading financial institution and aim at growing internationally, SSI focuses on developing high quality human resources to satisfy increasingly demanding markets.

SSI offers training to newly hired employees since SSI understands that starting the journey with the Company requires thorough orientation and guidance to prepare new members with needed competence and understanding of the Company. These training programs are customized to target different groups, not only to equip employees with required competence and skills but also inspire and motivate them for better performance. SSI also support employees to obtain professional licenses required by the State Securities Commission (SSC) like CFA, ACCA.



We believe every employee needs to fully understand the company's code of conduct and regulations, which is critical to the sustainable development of SSI in particular and the stock market in general. Therefore, training programs and workshops on code of conduct and updated legal framework are organized regularly and actively joined by all employees.

In 2016, external and internal training was provided to enhance professional competence and skills for SSI's stock brokers. More training programs on soft skills targeting at different groups, such as courses on Leadership, Presentation or Selling skills also helped to inspire, motivate and empower SSI's employees at work. In addition, these training programs are opportunities for team building and practical experience for sake of better understanding among employees.

Besides conventional training methods, SSI also employs internal training models such as Gala 2016, year-end parties of departments, business luncheon and some other internal activities to facilitate information update, promoting corporate culture and bridge the management with the staff and among staff in the pursuit of common goals namely a more prosperous company, better working environment and personal and organizational development.

All these factors, ranging from professional competence, soft skills, code of conduct to corporate culture altogether shall be incorporated in staff's thinking and behavior. This also constitutes SSI's human resource brand, which is dynamic, competent, aspiring and compliant with standards. SSI values continuous human resource development and upholds our human resource brand towards greater professionalism.



2016 Training hours

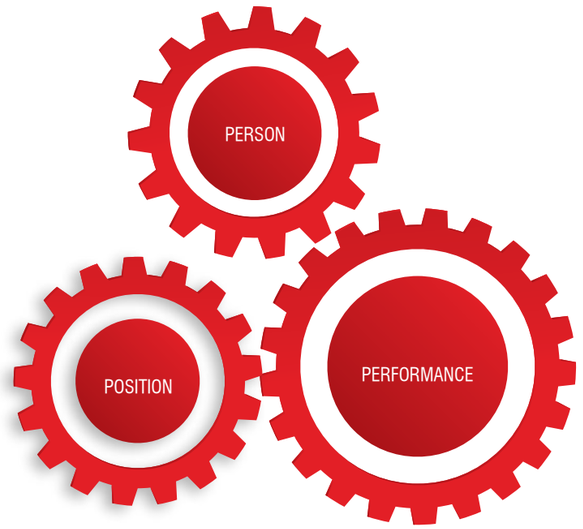
Source: SSI

REMUNERATION IS LINKED TO WORK PERFORMANCE ASSESSMENT SYSTEM; COMPREHENSIVE WELFARE POLICIES

These are important policies to create employee loyalty and coherence. With fair and competitive remuneration policies, SSI Management commits to ensure reasonable payment of salaries and bonuses in the best interest of staff and shareholders.

SSI focuses on developing the 3P remuneration model (Position, Person, Performance). This model fixes shortcomings of conventional payment methods such as overemphasizing qualifications and seniority and failing to separating work performance and contribution to corporate goals. With this new model, SSI can:

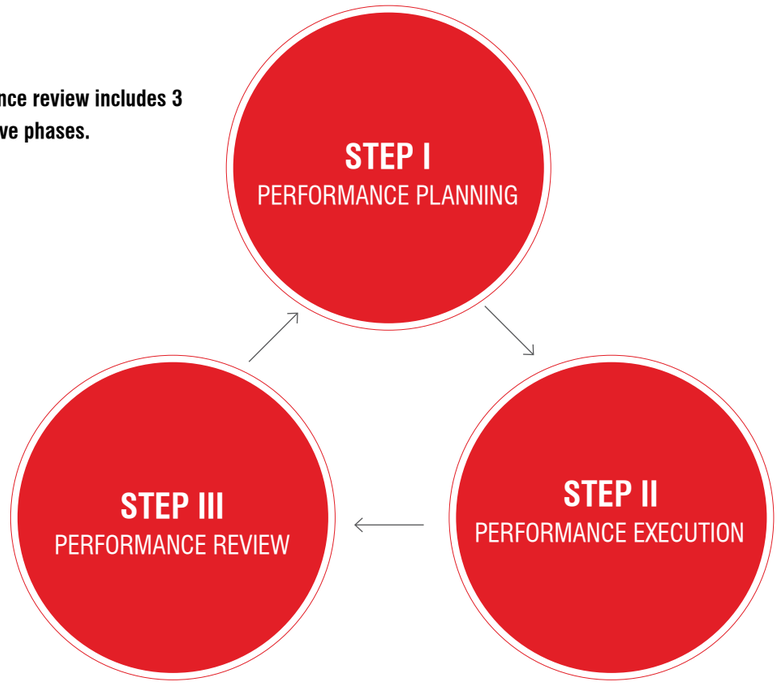
- Align financial rewards with employees' contribution and remain competitive in the market.
- Attract and retain talents with fair remuneration policies
- Encourage staff to perform more effectively by acknowledging their contribution properly and fairly



Work performance assessment is supported by the Performance Management System (PMS), ensuring transparency, convenience and information privacy. Based on assessment results, the company acknowledges individuals' values and contribution with proper and flexible remuneration policies.

Promotion and personal development opportunities are also based on observation and recognition of employees' work performance and progress. This helps them better visualize their career path with SSI

Performance review includes 3 consecutive phases.



Objectives of Performance review

REMUNERATION POLICIES

- Identify positions for promotion
- Identify benefit packages
- Motivate individuals with outstanding performance

ORGANIZATIONAL DEVELOPMENT

- Provide guidance to individuals with under-performance
- Identify objectives and implementation results
- Assess training needs of employees
- Improve employees' work performance
- Improve the Company's overall efficiency

In 2016, SSI has spent approximately VND 260 billion on salaries, insurance premiums, other benefits, performance-based bonuses following year-end performance review; of which performance bonuses accounted for a relatively large proportion

Total direct costs for human resources in 2016 (VND)	259,657,568,619
Salaries	125,779,387,024
Social insurance - Health insurance - Unemployment insurance	14,323,694,755
Other benefits	34,378,492,099
Performance bonuses - Sales commission	85,175,994,741

AIMING TOWARDS AN IDEAL WORKING ENVIRONMENT

SSI defines an ideal working environment as a workplace which facilitates innovation and endeavor while ensuring a work life balance. This is highly emphasized for high rank managers. SSI employees are encouraged to work efficiently, relax reasonably and participate in sports and social activities. These activities are intended to help employees obtain work-life balance and foster bond among the team. SSI has common interest clubs such as photography, yoga, football and performance which are eagerly joined by employees. For 3 consecutive years, SSI organized a Family Day for all families of our staffs to come together and network. This has become a popular event appreciated and looked forward to by SSI employees as well as their families. Such events have enhanced family bonds as well as the connection between staff's families and the Company.

"Charity begins at home" – the spirit of mutual assistance and sharing that characterizes SSI is best demonstrated with both material and spiritual contributions in the event of any member's critical illness. These contributions both relieve the financial burdens for those in need and provide additional energy for their fight against the misfortune. Even when we face the grief of losing a colleague, the entire SSI team maintains our support to the decease's family to help them overcome the difficult time.

Through charity work dedicated to poor children and farmers in mountainous and disadvantaged areas, SSI continues to develop a connected team who is willing to share and contribute to the development of society. Social responsibility of each individual and of the entire organization is always upheld and encouraged by the Management.

In addition, SSI applies a humanitarian policy of flexible working time to support female employees with small children so that they can devote to the company.

ATTENTION TO EMPLOYEES' HEALTH CARE

The Company pays keen attention to the staff's health. Every year, the Company provides employees with additional health insurance packages with premium services. In addition, SSI supports employees to buy flexible health insurance packages for their families so they can have a sense of security and concentrate on work. SSI also organizes thematic workshops, to which leading medical professionals are invited, to raise employees' awareness on health protection and disease prevention. For example, SSI has held workshops on cancer, emergency first-aid, liver diseases and how to avoid, ways to choose healthy foods and diets for family, etc. Moreover, guest speakers are also willing to answer employees' questions or offer additional advisory on health related issues. Proactive and focused provision of health information helps employees protect their own and families' health.

Regular medical checkups are conducted by reliable and renowned health-care facilities to monitor employees' health and detect any problems for early intervention. Health-related information is tracked over years and used as input to design relevant additional health insurance schemes for employees.

Besides, employees are encouraged to participate in sports and exercise activities such as Yoga classes, Rumba club, annual football tournaments, and regional friendship football matches.

ENCOURAGE COMMUNICATION BETWEEN THE MANAGEMENT AND STAFFS

SSI believes a seamless communication mechanism will further strengthen the connection between the Management and Staffs. Business strategies, plans and objectives are openly shared within SSI through messages from the Chairman of the Board of Directors and the CEO to help employees understand and act towards such common goals. Individual or organizational achievements are honored internally to spread the pride among all SSI members, thereby encouraging further efforts.

SSI also attaches importance to regular communication between the Management and Staffs so that the whole company is heading together toward the same direction. Performance assessment results are also discussed openly between employees and their line managers in order to reach mutual understanding and a better picture objectives and level of achievement.

With the mission "We volunteer to implement CSR and join common efforts for community development", SSI's development over the past 17 years has been characterized by a harmony of interests among Shareholders, Customers, Society and the Community. SSI has proactively developed intellectual and physical education programs for young generations and joined the community in building a better society.



HR INFORMATION FOLLOWING GRI STANDARDS

Average employee in 2016 **666.42**

G4-LA1: Total labour force, the rate of new recruitment, turnover rate

Employee new hire

Total number: 206

By age group

<30 years old 20.41%
30-50 years old 10.35%
>50 years old 0.15%

By gender

Male 16.66%
Female 14.26%

Employee turnover

Total number: 101

Turnover rate: 15.16%

By age group

<30 years old 7.35%
30-50 years old 7.65%
>50 years old 0.15%

By gender

Male 8.85%
Female 6.30%

G4-LA2: Benefit for full-time employee

Location	Phúc lợi bằng tiền	ESOP (shares)
The South	VND 22,918,425,028	3,584,000 shares
The North	VND 25,783,761,826	5,981,000 shares

G4-LA11: Percentage of employee receiving regular performance and career development review

By gender

100%

By employee categories

100%



G4-LA12: Composition of Governance bodies (As the end of the Dec 2016)

Governance Bodies

Total number: 111

By age group

<30 years old 4.5%
30-50 years old 91.9%
>50 years old 3.6%

By gender

Male 51.35%
Female 48.65%

Total employee

Total number: 720

By age group

<30 years old 38,75%
30-50 years old 60,14%
>50 years old 1,11%

By gender

Male 48.75%
Female 51.25%

G4-L13: Ratio of basic salary and remuneration (2016)

Total basic salary

VND 125,779,387,024

By location

The South 42.75%
The North 57.25%

By gender

Male 52.79%
Female 47.21%

Total Remuneration

VND 259,657,568,619

By location

The South 48.85%
The North 51.15%

By gender

Male 53.55%
Female 46.45%

COMMUNITY DEVELOPMENT

With the mission “We strive to better the communities in which we work”, SSI has been maintaining a harmony in the interests of shareholders, customers, and the community. SSI has proactively developed intellectual and physical education programs for young generations and joined the community in building a better society.

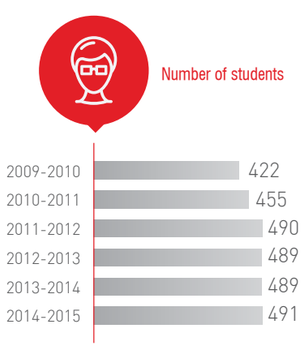
INVESTMENTS IN EDUCATION

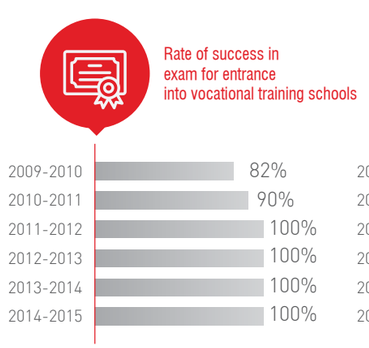
SCHOOL BUILDING PROJECTS

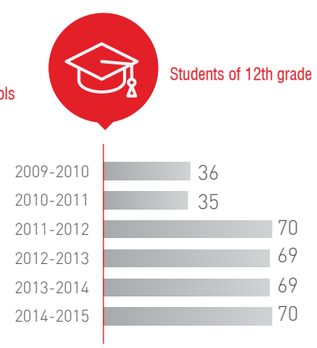
Since 2007, SSI has built 10 schools in the Northern region to assist with the development education therein. The school are all located in key areas to which students have better access.

On a yearly basis, SSI visits the schools and provides timely funds for expansion so that continued schooling can be provided for the country’s future generations.

In the case of Bac Ha Lower and Upper Secondary High Boarding School for Ethnic Minorities alone, after launching in 2010, the number of students at the school has increased and stabilized, thus making continued contributions to education development.







NDH SCHOLARSHIP FUND

Human resource quality is the key success factor of any nation. Well perceiving this orientation, SSI has consistently been supporting many projects for young generations across Vietnam. SSI has provided substantial support, not only to disadvantaged children in remote and hardship areas but also to young people seeking professional development in the financial market.

SSI defines a developed society as a society based on knowledge and kindness. The company and the NDH Scholarship Foundation continued to award scholarships to needy students with excellent academic performance picked within academic year 2015. 30 selected students from Foreign Trade University, Banking Academy, University of Science, Hanoi Medical University, Hanoi Law University and Academy of Finance continued to be granted scholarships to pursue their career orientations. They will contribute to the development of society with their knowledge and will, in their turn, support other needy people like themselves, thanks to which kindness will be spread to later generations.

TALENT DEVELOPMENT AND ENGAGEMENT

In 2016, SSI supported many programs hosted by students studying in the US to help them develop into outstanding human resources for Vietnam in the future. In addition to the funding of community engagement exchanges and activities held by Vietnamese students in the US, SSI also provided funds and sent its senior managers to panel discussions on career orientation in order to equip the youngsters with the right perception of career choices.

Keeping up with the trendy start-up movement, SSI undertook a role of judge at business ideas contest where it can contribute certain business experiences.

EDUCATION SUPPORT FOR DISADVANTAGED AREAS

- SSI has joined a charity project called “Cặp lá yêu thương” (Two leaves of love) initiated by VTV24 and supported by the Ministry of Labor, Invalids and Social Affairs, the Vietnam Bank for Social Policy for 34 disadvantaged children in Cao Bang province. These children will be supported with tuition fees and living allowance until they reach the age of maturity and in their turn, contribute to the society.

- A sponsorship program for the Education Fund of Thuy Dan Commune Elementary School.

HUNGER ERADICATION, POVERTY REDUCTION AND HANDLING OF CHALLENGES

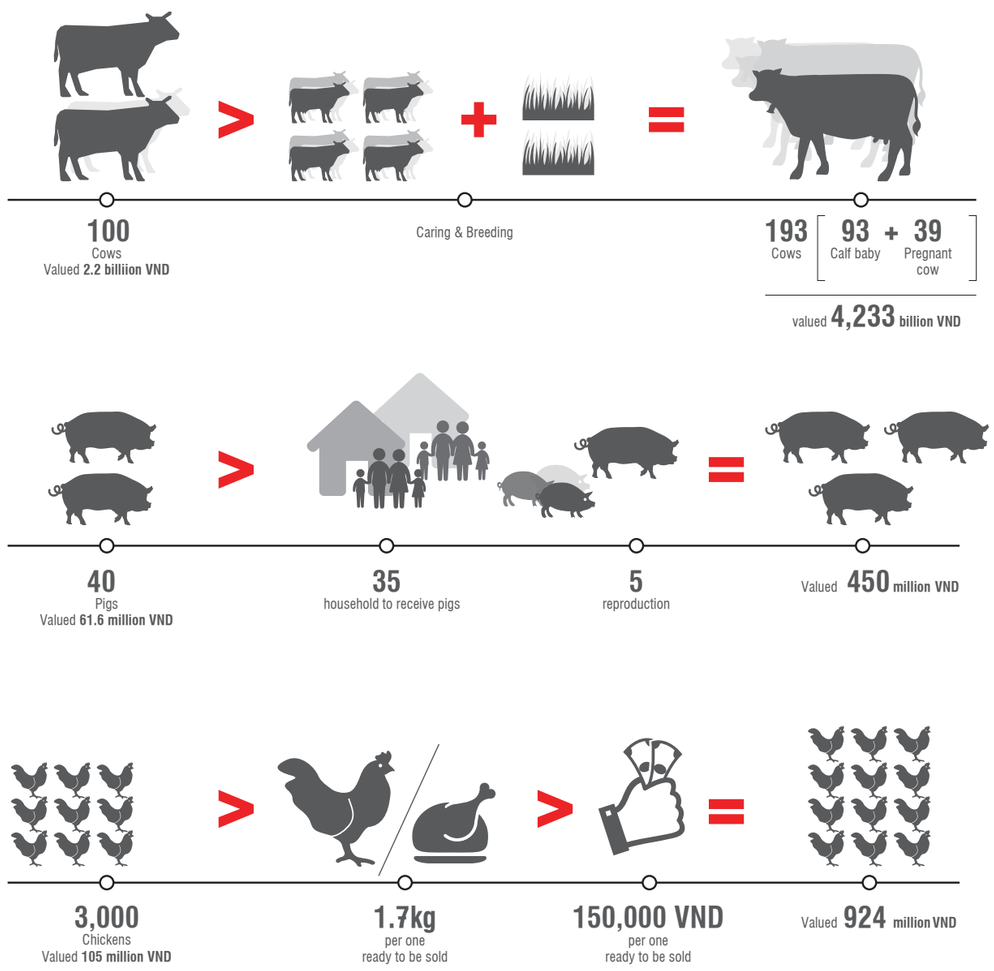
SSI has long been contributing long-term and sustainable support to Vietnam's implementation of the United Nations' Millennium Development Goals (MDG) and poverty reduction strategy. SSI provided material and intangible support to people living in disadvantaged areas nationwide, contributing to hunger eradication, poverty reduction and sustainable development.

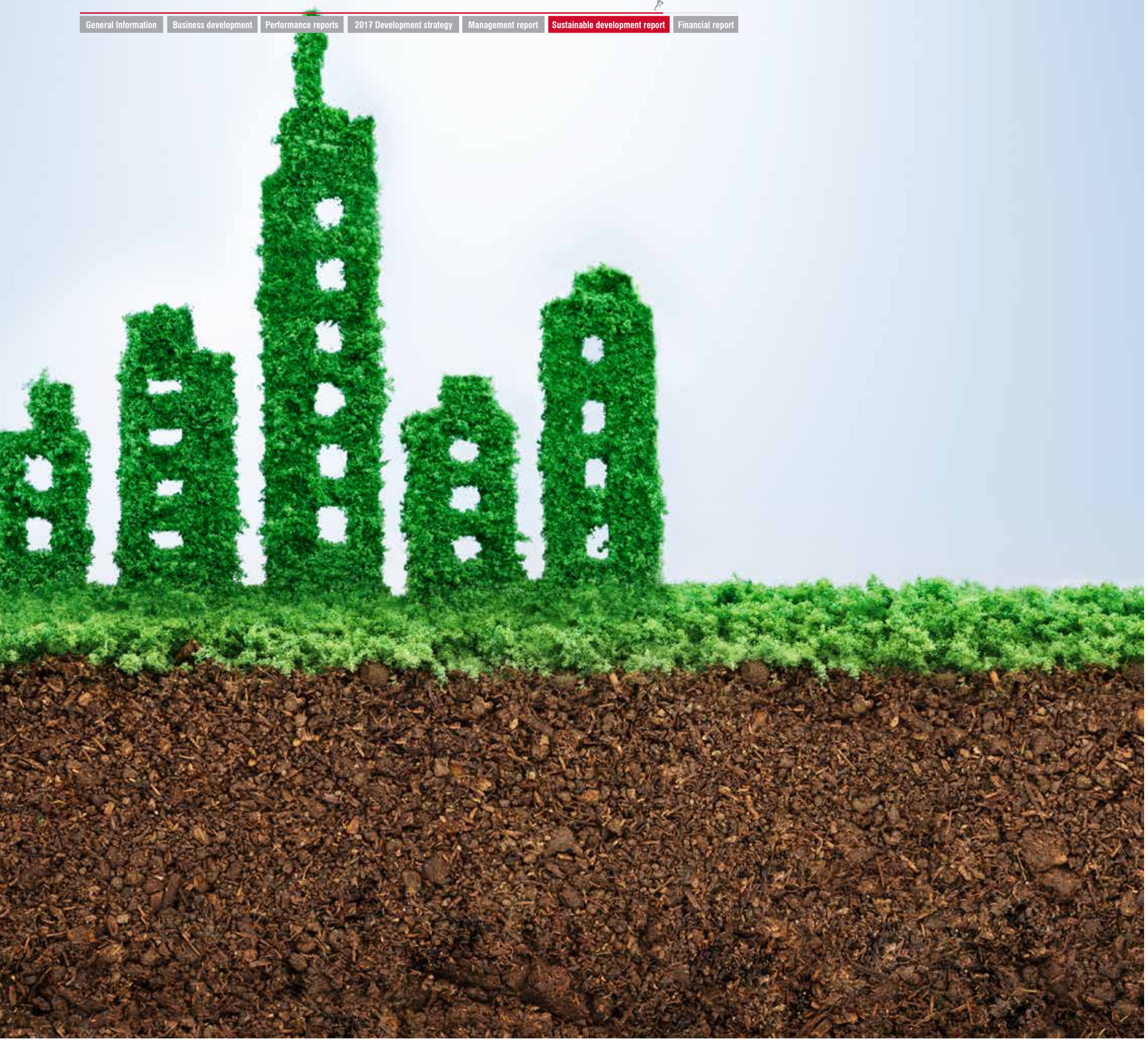
SSI had provided 100 breeds of cattle, 400 breeds of pig, 3,000 breeds of chicken to farmers of Vinh Thach commune, Vinh Linh district, Quang Tri province, helping them with a high value livelihood.

Besides support for livestock farming, SSI also helped to build a communal medical station to provide medical care to the community. Launched and handed over in 2015 with modern facilities, the station offered medical services to over 5,000 patients every year. of which: Elderly people: 358, disabled people: 55, students 496 An average 80 patients are treated every year and 230 others are transferred to upper-level hospitals. The station also properly carried out the Micronutrient Day, vaccination campaigns and medical examination & treatment for women commune-wide under project 52. Besides, advocacy activities for family planning, junior healthcare, newborn screening, prenatal screening, and so on were also implemented.

Thanks to such support, living conditions of Vinh Thach people have been significantly improved, contributing to the achievement of social welfare objectives put forward in the National Target Program on New Rural Development.

SSI performs our community responsibility through charity activities for people living in remote, mountainous, border, island and socially-economically disadvantaged areas or areas exposed to natural disasters to lift them out of extreme hardship and, at the same time, implement major strategies of the government such as new rural development, border and island protection to preserve sovereignty and community development.





GRI CONTENT INDEX

GRI	PUBLIC INFORMATION	REPORT CONTENT	PAGE
OVERVIEW CONTENTS			
Strategy & Analysis			
G4-1	Declaration of the leaders of of the Enterprise	"Chairman Message on Sustainable Development"	Page 222
G4-2	Describe impacts, risks and opportunities	"Sustainable Development Direction" & "Corporate Governance towards Sustainable Development"	Page 224 & 248
Organizational Profile			
G4-3	Enterprises Name	"Report Overview"	Page 230
G4-4	Products and Services	"Business Units – Annual Report"	Page 20
G4-5	Head Office Address	"Corporate Information – Annual Report"	Page 15
G4-7	Type of ownership and legal models	"Corporate Information – Annual Report"	Page 15
G4-8	Market	"Corporate Information – Annual Report"	Page 15
G4-9	The scale of reporting Enterprise	"Corporate Information – Annual Report"	Page 15
G4-10	Statistics on labor force	"Team cohesion for sustainability"	Page 263
G4-16	Memberships of associations	SSI representatives are members of Vietnam Securities Market Index Council, the Vietnam Bond Market Association (VBMA), and the Vietnam Association of Securities Business (VASB).	
Report Boundary			
G4-18	Explain the process of determining the report content and report boundary; Specify how business use applied rules to construct report contents	"Connecting different stakeholders for sustainable development goals" & "Identification of key areas"	Page 234 & 242
G4-19	List the key issues in the process of developing the report content	"Identification of key areas"	Page 242
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements	This report has no restatement of the information	
G4-23	Significant changes from previous reporting period in the scope and aspect boundaries	No significant changes	

GRI	PUBLIC INFORMATION	REPORT CONTENT	PAGE
The Involvement Of Stakeholders			
G4-24	List of Enterprise stakeholder groups	"Connecting different stakeholders for sustainable development goals"	Page 234
G4-25	Basis of selecting and identifying stakeholders		
G4-26	The approach of the involvement of stakeholders		
G4-27	The key themes and concerns raised during stakeholder participation, how businesses respond to the content (including feedback via reports)		
Report Profile			
G4-28	Reporting period	"Report Overview"	Page 230
G4-29	Recent reporting period	Report published on April 2016 (for the year of 2015)	
G4-30	Report Cycle	Annually	
G4-31	Contacts	"Report Overview"	Page 230
Governance			
G4-34	Governance structure of the organization	"Organizational structure & executive board"	Page 24
G4-37	Report on consulting progress between the related parties and highest governance body about the economic, social and environmental impacts.	"Connecting different stakeholders for sustainable development"	Page 238
The Role of Highest Governance Body In Setting Goals, Values And Strategies			
G4-45	Report the highest governance body's role in the identification and management of economic, environmental and social impact, risks and opportunities.	"Risk management – Annual Report" & "Corporate governance towards sustainable development"	Page 156 & 248
Remuneration & benefits			
G4-51	Report the remuneration policies for thi highest governance body and senior executives	"Remuneration and benefits for the Board of Directors and Board of Supervisory"	Page 152

GRI	PUBLIC INFORMATION	REPORT CONTENT	PAGE
SPECIFIC CONTENTS			
ECONOMIC GOALS			
Economic Efficiency			
G4-EC1	The direct generated and distributed economic value	“Sustainable economic growth”	Page 252
The Indirect Economic Impact			
G4-EC8	The indirect economic impacts	“Sustainable economic growth” & “Responsible investment activities”	Page 252 & 260
SOCIAL GOALS			
LABOR USE			
Jobs			
G4-LA1	Total labor force, the rate of new recruitment, retrenchment rate are classified by age, gender and region	“Team cohesion for sustainability”	Page 263
G4-LA2	The subsidies for full-time employees but not for temporary or part-time workers		
Education & Training			
G4-LA9	Average hours of training per year per employee	“Team cohesion for sustainability” 2016 average hours of training per year per employee is 24.9 hours, an increase of 13.2% compared to those of 2015	Page 263
G4-LA11	The percentage of employees receiving performance assessment and periodic professional development, by gender and employee portfolios	“Team cohesion for sustainability” 100% employees receiving annual performance assessment via PMS	Page 263

GRI	PUBLIC INFORMATION	REPORT CONTENT	PAGE
Diversity And Equity In Seize Opportunities			
G4-LA12	The composition of the management levels and detailed list of employees in each portfolio by gender, age, minority membership and other indicators of diversity	“Team cohesion for sustainability”	Page 263
Regardless Of Gender In Reward Equity			
G4-LA13	The wage and basic remuneration rate between women and men under the employee portfolio, by the importance of location activities	“Team cohesion for sustainability”	Page 263
Local Communities			
G4-SO1	Percentage of operation with implemented local community engagement, impact assessments and development programs	“Community development”	Page 278
PRODUCT LIABILITY			
G4-PR5	Survey results of assessing customer satisfaction	“Actions for Clients”	Page 257

07.

2016 AUDITED CONSOLIDATED FINANCIAL REPORT



GENERAL INFORMATION

THE COMPANY

Saigon Securities Incorporation ("the Company") is a joint stock company established under the Corporate Law of Vietnam, Operating License No. 3041/GP-UB dated 27 December 1999 issued by the Ho Chi Minh City People's Committee and the first Business Registration No. 056679 dated 30 December 1999 issued by Ho Chi Minh City Department of Planning and Investment. The Company operates under Securities Trading License No. 03/GPHDKD issued by the State Securities Commission on 5 April 2000 and subsequent amended licenses.

The Company's initial charter capital was VND 6,000,000,000. The charter capital has been supplemented from time to time in accordance with amended licenses. As at 31 December 2016, in accordance with the latest Amended License No. 02/GPDC-UBCK granted by the Chairman of State Securities Commission, which has been effective since 12 January 2017, the Company's total charter capital was VND 4,900,636,840,000.

The Company's primary activities are to provide brokerage service, securities trading, underwriting for securities issues, custodian service, finance and investment advisory service and margin lending service. The Company's Head Office is located at 72 Nguyen Hue Boulevard, District 1, Ho Chi Minh City, Vietnam. As at 31 December 2016, the Company has branches located in Ho Chi Minh City, Hanoi, Hai Phong, Vung Tau and Nha Trang, and transaction offices located in Ho Chi Minh City and Hanoi.

As at 31 December 2016, the Company has two (02) directly owned subsidiaries, one (01) indirectly owned subsidiary and three (03) associates.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are as follows:

Name	Title	Election
Mr. Nguyen Duy Hung	Chairman	Re-elected on 23 April 2015
Mr. Nguyen Hong Nam	Member	Re-elected on 25 April 2014
Mr. Ngo Van Diem	Member	Re-elected on 20 April 2012
Mr. Bui Quang Nghiem	Member	Re-elected on 25 April 2014
Mr. Nguyen Duy Khanh	Member	Elected 23 April 2015
Mr. Hironoki Oka	Member	Elected 23 April 2015

BOARD OF SUPERVISION

Members of Board of Supervision during the year and at the date of this report are as follows:

Name	Title	Election
Mr. Nguyen Van Khai	Head of the Board of Supervision	Re-elected on 25 April 2016
Mr. Dang Phong Luu	Member	Re-elected on 23 April 2015
Ms. Ho Thi Huong Tra	Member	Re-elected on 20 April 2012

MANAGEMENT

Members of the Management during the year and at the date of this report are as follows:

Name	Title	Appointment/Reappointment
Mr. Nguyen Duy Hung	Chief Executive Officer	Appointed on 5 March 2007
Mr. Nguyen Hong Nam	Deputy Chief Executive Officer	Re-appointed on 5 September 2003

LEGAL REPRESENTATIVE

The legal representative of the Company for the year ended 31 December 2016 and at the date of this report is Mr. Nguyen Duy Hung, Chairman of the Board of Directors cum Chief Executive Officer.

AUDITORS

The auditors of the Company are Ernst & Young Vietnam Limited.

REPORT OF MANAGEMENT

Management of Saigon Securities Incorporation ("the Company") is pleased to present its report and the Company's consolidated financial statements as at and for the year ended 31 December 2016.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year that give a true and fair view of the consolidated state of affairs of the Company and of the consolidated results of its operations, its consolidated cash flows and consolidated changes in owners' equity for the year. In preparing those consolidated financial statements, Management is required to:

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

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

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company as at 31 December 2016 and of the consolidated results of its operations, its consolidated cash flows and its consolidated changes in owners' equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and statutory requirements relevant to preparation and presentation of consolidated financial statements.

For and on behalf of Management

CÔNG TY CỔ PHẦN CHỨNG KHOÁN SÀI GÒN

Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam
27 March 2017

INDEPENDENT AUDITORS' REPORT

To: The shareholders of
Saigon Securities Incorporation

We have audited the consolidated financial statements of Saigon Securities Incorporation (the "Company") and its subsidiaries, as prepared on 27 March 2017 and set out on pages 6 to 88 which comprise the consolidated statement of financial position as at 31 December 2016, the consolidated income statement, the consolidated cash flow statement and the consolidated statement of changes in owners' equity for the year then ended and the notes thereto.

MANAGEMENT'S RESPONSIBILITY

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

AUDITORS' OPINION

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Company as at 31 December 2016, the consolidated results of its operations, its consolidated changes in cash flows and owners' equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and statutory requirements relevant to preparation and presentation of consolidated financial statements.

Ernst & Young Vietnam Limited



Trinh Hoang Anh
Partner
Audit Practising Registration
Certificate No. 2071-2013-004-1

Tran Mai Thao
Auditor
Audit Practising Registration
Certificate No. 2466-2013-004-1

Ho Chi Minh City, Vietnam
27 March 2017

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

B01-CTCK/HN

AS AT 31 DECEMBER 2016

Code		ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
100	**A.**	**CURRENT ASSETS**		**11,884,989,070,539**	**10,974,951,947,412**
110	**I.**	**Financial assets**		**11,786,485,397,072**	**10,733,304,674,029**
111	1.	Cash and cash equivalents	5	308,564,964,314	746,360,295,275
111.1	*1.1.*	*Cash*		*201,151,935,146*	*511,360,295,275*
111.2	*1.2.*	*Cash equivalents*		*107,413,029,168*	*235,000,000,000*
112	2.	Financial assets at fair value through profit and loss (FVTPL)	7.1	1,425,667,503,090	1,088,372,380,148
113	3.	Held-to-maturity (HTM) investments	7.3	5,243,743,725,184	4,431,399,641,147
114	4.	Loans	7.4	3,779,178,042,796	3,634,072,568,580
115	5.	Available-for-sale (AFS) financial assets	7.2	959,826,110,723	803,351,191,599
116	6.	Provision for impairment of financial assets and mortgage assets	8	(28,431,004,933)	-
117	7.	Receivables	9	53,619,347,570	7,701,827,470
117.1	*7.1.*	*Receivables from disposal of financial assets*		*53,486,347,570*	*2,531,847,570*
117.2	*7.2.*	*Receivables and accruals from dividend and interest income*		*133,000,000*	*5,169,979,900*
117.3	*7.2.1.*	*Receivables from due dividend and interest income*		*133,000,000*	*133,000,000*
117.4	*7.2.2*	*Accruals for undue dividend and interest income*		-	*5,036,979,900*
118	8.	Advances to suppliers	9	21,135,273,595	11,301,258,947
119	9.	Receivables from services provided by the Company	9	36,101,403,942	9,353,388,977
120	10.	Other receivables	9	3,002,523,445	4,823,233,846
121	11.	Provision for impairment of receivables	9	(15,922,492,654)	(3,431,111,960)
130	**II.**	**Other current assets**	**10**	**98,503,673,467**	**241,647,273,383**
131	1.	Advances		9,231,952,863	3,278,848,232
133	2.	Short-term prepaid expenses		7,665,228,021	8,548,603,317
134	3.	Short-term deposits, collaterals and pledges		893,430,260	851,648,005
137	4.	Other current assets		80,713,062,323	228,968,173,829

Code		ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
200	**B.**	**NON-CURRENT ASSETS**		**1,342,980,181,165**	**1,178,479,650,116**
210	**I**	**Long-term financial assets**		**750,343,966,349**	**687,417,114,391**
212	1.	Long-term investments	11	750,343,966,349	687,417,114,391
212.1	*1.1*	*HTM investments*		*41,007,379,429*	*50,000,000,000*
212.3	*1.2*	*Investment in associates*		*709,336,586,920*	*637,417,114,391*
220	**II.**	**Fixed assets**		**131,416,882,683**	**131,682,063,084**
221	1.	Tangible fixed assets	12	12,569,448,484	14,797,817,761
222	*1.1.*	*Cost*		*89,953,237,422*	*87,250,084,078*
223a	*1.2.*	*Accumulated depreciation*		*(77,383,788,938)*	*(72,452,266,317)*
227	2.	Intangible fixed assets	13	118,847,434,199	116,884,245,323
228	*2.1.*	*Cost*		*173,208,004,861*	*167,521,245,561*
229a	*2.2.*	*Accumulated amortisation*		*(54,360,570,662)*	*(50,637,000,238)*
230	**III.**	**Investment properties**	**14**	**261,341,171,964**	**268,409,921,032**
231	1.	Cost		314,275,801,824	311,647,615,101
232a	2.	Accumulated depreciation		(52,934,629,860)	(43,237,694,069)
240	**IV.**	**Construction in progress**	**15**	**46,777,509,012**	**298,340,000**
250	**V.**	**Other long-term assets**		**153,100,651,157**	**90,672,211,609**
251	1.	Long-term deposits, collaterals and pledges		19,105,729,716	17,287,240,210
252	2.	Long-term prepaid expenses	16	25,895,763,102	2,405,087,368
253	3.	Deferred income tax assets	17	88,099,158,339	50,979,884,031
254	4.	Payment for Settlement Assistance Fund	18	20,000,000,000	20,000,000,000
260	**VI.**	**Provision for impairment of long-term assets**		**-**	**-**
270		**TOTAL ASSETS**		**13,227,969,251,704**	**12,153,431,597,528**

Code		ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
300	**C.**	**LIABILITIES**		**6,075,402,095,022**	**5,425,822,583,238**
310	**I.**	**Current liabilities**		**5,841,951,456,398**	**4,702,545,475,813**
311	1.	Short-term borrowings and financial leases	20	4,819,340,678,085	3,913,847,967,537
312	*1.1.*	*Short-term borrowings*		*4,819,340,678,085*	*3,913,847,967,537*
316	2.	Short-term bonds	21	376,000,000,000	-
318	3.	Payables for securities trading activities	22	39,617,787,653	308,942,165,126
320	4.	Short-term trade payables	23	9,261,510,278	4,847,340,451
321	5.	Short-term advance to customers		4,141,733,170	4,893,483,331
322	6.	Statutory obligation	24	73,816,803,238	91,848,160,110
323	7.	Payables to employees		4,726,744,169	3,908,502,405
324	8.	Employee benefits		168,596,552	6,742,952
325	9.	Short-term accrued expenses	25	62,998,576,869	63,406,571,076
327	10.	Short-term unearned revenue		244,986,666	-
329	11.	Other short-term payables	26	300,115,900,807	194,911,136,262
331	12.	Bonus and welfare fund		151,518,138,911	115,933,406,563
340	**II.**	**Non-current liabilities**		**233,450,638,624**	**723,277,107,425**
346	1.	Long-term bonds	21	199,651,666,665	687,500,000,000
351	2.	Long-term unearned revenue	27	33,511,108,968	33,511,108,968
352	3.	Long-term deposits received		230,577,141	453,246,599
356	4.	Deferred income tax payable	17	57,285,850	1,812,751,858
400	**D.**	**OWNERS' EQUITY**	**28**	**7,152,567,156,682**	**6,727,609,014,290**
410	**I.**	**Owners' equity**		**7,152,567,156,682**	**6,727,609,014,290**
411	1.	Share capital		4,927,409,917,200	4,825,142,703,161
411.1	*1.1.*	*Capital contribution*		*4,900,636,840,000*	*4,800,636,840,000*
411.1a	*a.*	*Ordinary shares*		*4,900,636,840,000*	*4,800,636,840,000*
411.2	*1.2.*	*Share premium*		*29,265,860,000*	*29,285,860,000*
411.4	*1.3.*	*Other capital*		*-*	*(4,609,514,439)*
411.5	*1.4.*	*Treasury shares*		*(2,492,782,800)*	*(170,482,400)*
412	2.	Difference from revaluation of assets at fair value	40	(2,689,490,143)	(3,123,757,542)
413	3.	Foreign exchange rate differences		34,056,420,954	31,013,180,718

Code		ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
414	4	Charter capital supplementary reserve		311,560,605,893	268,076,952,217
415	5.	Operational risk and financial reserve		227,053,011,209	183,569,357,533
417	6.	Undistributed profit		1,576,075,507,357	1,341,790,215,838
417.1	*6.1.*	*Realized profit*	*28.1*	*1,727,170,255,230*	*1,528,039,483,892*
417.2	*6.2.*	*Unrealized profit*	*28.1*	*(151,094,747,873)*	*(186,249,268,054)*
418	7.	Non-controlling interests		79,101,184,212	81,140,362,365
420	**II.**	**Other sources and funds**		**-**	**-**
440		**TOTAL LIABILITIES AND OWNERS' EQUITY**		**13,227,969,251,704**	**12,153,431,597,528**

OFF-BALANCE SHEET ITEMS

Code		ITEMS	Notes	Ending balance	Opening balance (restated)
	A	**ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS**			
005		Foreign currencies			
		USD	*29.1*	*5,028,241.29*	*4,994,977.50*
		EUR	*29.1*	*57,765.13*	-
006		Outstanding shares (number of shares)	28.4	489,825,250	480,057,365
007		Treasury shares (number of shares)	28.4	238,434	6,319
008		Financial assets listed/registered for trading at Vietnam Securities Depository of the Company (VND)	29.2	959,988,530,000	854,638,390,000
009		Non-traded financial assets deposited at Vietnam Securities Depository of the Company (VND)	29.3	10,552,040,000	24,690,050,000
010		Financial assets awaiting for arrival of the Company (VND)	29.4	4,660,000	1,587,550,000
012		Financial assets which have not been deposited at Vietnam Securities Depository of the Company (VND)	29.5	461,520,310,000	72,162,610,000
013		Entitled financial assets of the Company (VND)		2,430,000	1,760,000

Code		ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
	B	**ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS**			
021		Financial assets listed/registered for trading at Vietnam Securities Depository of investors	29.6	26,872,935,050,000	22,222,371,140,000
021.1		*Unrestricted financial assets*		*22,283,452,350,000*	*18,135,210,430,000*
021.2		*Restricted financial assets*		*682,966,010,000*	*748,571,050,000*
021.3		*Mortgaged financial assets*		*3,600,644,250,000*	*2,759,764,320,000*
021.4		*Blocked financial assets*		*15,664,600,000*	-
021.5		*Financial assets awaiting for settlement*		*290,207,840,000*	*578,825,340,000*
022		Non-traded financial assets deposited at Vietnam Securities Depository ("VSD")	29.7	1,652,187,760,000	1,031,478,320,000
022.1		*Unrestricted and non-traded financial assets deposited at VSD*		*1,447,750,000,000*	*527,060,230,000*
022.2		*Restricted and non-traded financial assets deposited at VSD*		*102,298,110,000*	*139,726,810,000*
022.3		*Mortgaged and non-traded financial assets deposited at VSD*		*102,139,650,000*	*346,691,280,000*
023		Financial assets awaiting for arrival of investors	29.8	277,151,500,000	512,019,620,000
024b		Financial assets unlisted/unregistered at VSD of investors	29.9	40,192,750,000	22,912,500,000
025		Entitled financial assets of investors	29.10	49,722,960,000	21,859,170,000
026		Investors' deposits		1,630,987,771,952	1,244,049,806,891
027		Investors' deposits for securities trading activities managed by the Company	29.11	1,616,354,145,533	1,239,463,316,338
028		Investors' synthesizing deposits for securities trading activities	29.11	5,034,657,285	2,192,903,193
030		Deposits of securities issuers	29.12	9,598,969,134	2,393,587,360
031		Payables to investors - investors' deposits for securities trading activities managed by the Company	29.13	1,616,354,145,533	1,239,463,316,338
031.1		*Payables to domestic investors for securities trading activities managed by the Company*		*1,509,185,425,722*	*1,136,419,483,706*

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
031.2	*Payables to foreign investors for securities trading activities managed by the Company*		*107,168,719,811*	*103,043,832,632*
032	Payables to securities issuers	29.14	8,894,522,160	81,800,000
035	Dividend, bond principal and interest payables	29.15	704,446,974	2,311,787,360

Ms. Hoang Thi Minh Thuy
Chief Accountant

Ms. Nguyen Thi Thanh Ha
Chief Financial Officer

Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam
27 March 2017

CONSOLIDATED INCOME STATEMENT

B02-CTCK/HN

FOR THE YEAR ENDED 31 DECEMBER 2016

Code		ITEMS	Notes	Current year VND	Previous year (restated) VND
	I	**OPERATING INCOME**			
01	1	Gain from financial assets at fair value through profit and loss (FVTPL)		722,296,311,579	603,499,177,813
01.1	*1.1*	*Gain from disposal of financial assets at FVTPL*	*30.1*	*528,554,451,781*	*204,039,816,705*
01.2	*1.2*	*Gain from revaluation of financial assets at FVTPL*	*30.2*	*152,456,070,613*	*360,098,887,258*
01.3	*1.3.*	*Dividend, interest income from financial assets at FVTPL*	*30.3*	*41,285,789,185*	*39,360,473,850*
02	2.	Gain from held-to-maturity (HTM) investments	30.3	344,890,502,306	194,038,113,177
03	3.	Gain from loans and receivables	30.3	429,400,211,341	297,393,256,685
04	4.	Gain from available-for-sale (AFS) financial assets	30.3	75,010,273,478	40,681,868,509
06	5.	Revenue from brokerage services		381,169,657,999	287,588,703,038
07	6.	Revenue from underwriting and issuance agency services		11,238,000,000	12,390,049,452
08	7.	Revenue from securities investment advisory services		33,282,441,007	13,652,830,477
09	8.	Revenue from securities custodian services		9,582,231,035	7,363,367,773
10	9.	Revenue from financial advisory services		95,374,902,451	31,051,206,125
11	10.	Revenue from other operating activities	32	114,524,308,025	59,860,140,340
20		**Total operating revenue**		**2,216,768,839,221**	**1,547,518,713,389**

Code		ITEMS	Notes	Current year VND	Previous year (restated) VND
	II	**OPERATING EXPENSES**			
21	1.	Loss from financial assets at fair value through profit and loss (FVTPL)		226,194,728,553	172,948,769,284
21.1	*1.1.*	*Loss from disposal of financial assets at FVTPL*	*30.1*	*107,924,651,851*	*44,709,454,119*
21.2	*1.2.*	*Loss from revaluation of financial assets at FVTPL*	*30.2*	*117,301,550,432*	*128,239,315,165*
21.3	*1.3.*	*Transaction costs of acquisition of financial assets at FVTPL*		*968,526,270*	-
23	2.	Loss from revaluation of AFS financial assets arising from reclassification		1,233,535,166	-
24	3.	Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	31	177,853,152,433	506,369,514
26	4.	Expenses for proprietary trading activities		3,031,991,259	273,979,827
27	5.	Expenses for brokerage services	33	302,635,295,291	223,408,493,002
28	6.	Expenses for underwriting and issuance agency services	33	-	30,000,000
29	7.	Expenses for securities investment advisory services	33	14,205,710,814	11,522,471,372
30	8.	Expenses for securities custodian services	33	14,217,781,607	11,074,672,752
31	9.	Expenses for financial advisory services	33	26,015,542,418	15,192,643,403
32	10.	Other operating expenses	33, 34	82,252,708,235	60,051,852,813
40		**Total operating expenses**		**847,640,445,776**	**495,009,251,967**
	III	**FINANCE INCOME**			
41	1.	Realized and unrealized gain from changes in foreign exchange rates		146,819,024	6,002,789
42	2.	Dividend, interest income from demand deposits		21,595,000,566	37,618,596,063
43	3.	Gain from disposal of investments in sub-sidiaries, associates and joint ventures		-	107,833,951,553
44	4.	Other interest income (Share of profit in associates)	11	73,457,661,737	109,964,025,810
50		**Total finance income**	**35**	**95,199,481,327**	**255,422,576,215**
	IV.	**FINANCE EXPENSES**			
51	1.	Realized and unrealized loss from changes in foreign exchange rates		188,578,824	49,913,132
52	2.	Borrowing costs		269,221,826,624	125,206,111,513
60		**Total finance expenses**	**36**	**269,410,405,448**	**125,256,024,645**
61	V.	**SELLING EXPENSES**		-	-
62	VI.	**GENERAL AND ADMINISTRATIVE EXPENSES**	**37**	**140,593,608,205**	**133,916,451,407**
70	VII.	**OPERATING PROFIT**		**1,054,323,861,119**	**1,048,759,561,585**
	VIII.	**OTHER INCOME AND EXPENSES**			
71		Other income		2,628,448,016	5,207,458,436
72		Other expenses		126,449,020	169,378,964
80		**Total other operating profit**	**38**	**2,501,998,996**	**5,038,079,472**
90	IX.	**PROFIT BEFORE TAX**		**1,056,825,860,115**	**1,053,797,641,057**
91		Realized profit		1,021,671,339,934	821,938,068,964
92		Unrealized profit		35,154,520,181	231,859,572,093
100	X.	**CORPORATE INCOME TAX (CIT) EXPENSES**	**39**	**181,829,180,212**	**213,937,559,932**
100.1		Current CIT expense	39.1	220,703,920,528	201,803,574,229
100.2		Deferred CIT (income)/expense	39.2	(38,874,740,316)	12,133,985,703
200	XI.	**PROFIT AFTER TAX**		**874,996,679,903**	**839,860,081,125**
201	1.	Profit after tax attributable to the Parent Company's owners		877,035,858,056	841,566,556,381

Code		ITEMS	Notes	Current year VND	Previous year (restated) VND
202	2.	Profit after tax attributable to reserves		61,392,510,064	59,633,400,252
203	3.	Profit after tax attributable to non-controlling interest		(2,039,178,153)	(1,706,475,256)
300	**XII.**	**OTHER COMPREHENSIVE INCOME AFTER TAX**			
301	1.	Gain from revaluation of AFS financial assets	40	434,267,399	10,339,161,500
400		**TOTAL OTHER COMPREHENSIVE INCOME**		**434,267,399**	**10,339,161,500**
401		Other comprehensive income attributable to the Parent Company's owners		429,360,879	10,344,068,020
402		Other comprehensive income attributable to non-controlling interest		4,906,520	(4,906,520)
500	**XIII.**	**NET INCOME APPROPRIATED TO ORDINARY SHAREHOLDERS**		**815,643,347,992**	**781,933,156,129**
501	1.	Earnings per share (VND/share)	43	1,698	1,658

Ms. Hoang Thi Minh Thuy
Chief Accountant

Ms. Nguyen Thi Thanh Ha
Chief Financial Officer

Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam
27 March 2017

CONSOLIDATED CASH FLOW STATEMENT

B03b-CTCK/HN

FOR THE YEAR ENDED 31 DECEMBER 2016

Code		ITEMS	Notes	Current year VND	Previous year (restated) VND
	I	**CASH FLOWS FROM OPERATING ACTIVITIES**			
01	**1.**	**Profit before tax**		**1,056,825,860,115**	**1,053,797,641,057**
02	**2.**	**Adjustments for:**		**(547,985,279,914)**	**(519,939,678,558)**
03		Depreciation and amortization expense		18,206,356,391	21,129,376,800
04		Provisions		12,491,380,694	465,333,883
06		Interest expenses		269,313,493,289	125,206,111,513
07		Gain from investment activities		(303,523,403,257)	(295,210,251,165)
08		Accrued interest income		(545,379,920,119)	(377,435,600,771)
09		Other adjustments		906,813,088	5,905,351,182
10	**3.**	**Increase in non-monetary expenses**		**146,966,090,531**	**128,239,315,165**
11		Loss from revaluation of financial assets at FVTPL		117,301,550,432	128,239,315,165
13		Loss from impairment of loans		28,431,004,933	-
14		Loss from revaluation of AFS financial assets arising from reclassification		1,233,535,166	-
18		**Decrease in non-monetary income**		**(152,456,070,613)**	**(360,098,887,258)**
19		Gain from revaluation of financial assets at FVTPL		(152,456,070,613)	(360,098,887,258)

Code	ITEMS	Notes	Current year VND	Previous year (restated) VND
30	**Operating profit before changes in working capital**		**503,350,600,119**	**301,998,390,406**
31	Increase in financial assets at FVTPL		(303,374,137,930)	(153,194,917,051)
32	(Increase)/decrease in HTM investments		699,738,982,082	(54,108,722,078)
33	Increase in loans		(145,105,474,216)	(1,532,839,464,605)
34	Increase in AFS financial assets		(167,207,209,943)	(119,759,468,681)
35	Increase in receivables from disposal of financial assets		(50,954,500,000)	(260,170,000)
37	(Increase)/decrease in receivables from services provided by the Company		(26,918,424,600)	466,038,239
39	Decrease in other receivables		6,678,953,786	91,055,556,910
40	(Increase)/decrease in other assets		147,298,363,103	(1,543,077,252)
41	Increase in payable expenses (excluding interest expenses)		14,475,876,517	126,092,661
42	Increase prepaid expenses		(27,603,968,238)	(4,464,770,160)
43	Current income tax paid		(244,437,916,359)	(150,005,958,158)
44	Interest expenses paid		(284,596,104,749)	(76,983,956,945)
45	Increase in trade payables		4,420,863,801	1,140,247,222
46	Increase/(decrease) in welfare benefits		2,990,600	(27,106,993)
47	Increase/(decrease) in statutory obligations		5,702,846,752	(9,064,127,691)
48	Increase in payables to employees		818,241,764	246,640,131
50	Decrease in other payables		(171,623,597,740)	(82,605,034,370)
51	Other receipts from operating activities		575,402,759,035	379,245,169,732
	Interest received		*561,567,025,235*	*379,241,944,732*
	Other receipts		*13,835,733,800*	*3,225,000*
52	Other payments for operating activities		(39,743,402,871)	(41,077,202,125)
60	**Net cash flows from/(used in) operating activities**		**496,325,740,913**	**(1,451,655,840,808)**

Code		ITEMS	Notes	Current year VND	Previous year (restated) VND
	II.	**CASH FLOWS FROM INVESTING ACTIVITIES**			
61		Purchase and construction of fixed assets, investment properties and other long-term assets		(63,666,232,151)	(6,101,959,114)
62		Proceeds from disposal and sale of fixed assets, investment properties and other long-term assets		3,545,455	12,136,004
63		Cash payments for investment in subsidiaries, associates, joint ventures and other investments		(3,944,187,436,000)	(2,675,258,783,950)
64		Cash receipt from capital withdrawal from subsidiaries, associates, joint ventures and other investments		2,421,100,000,000	479,451,087,904
65		Dividends from long-term investments received		239,913,927,673	144,899,477,072
70		**Net cash flow used in investing activities**		**(1,346,836,195,023)**	**(2,056,998,042,084)**
	III.	**CASH FLOWS FROM FINANCING ACTIVITIES**			
71		Cash receipt from issuance of bonds, or capital contributed by shareholders		99,980,000,000	152,453,860,000
72		Repayment of capital contributed by shareholders, repurchase of issued shares		(2,322,300,400)	(170,427,500)
73		Drawdown of borrowings		32,403,034,307,330	19,821,505,132,020
73.2		*Other borrowings*		*32,403,034,307,330*	*19,821,505,132,020*
74		Repayment of borrowings		(31,609,041,596,782)	(16,726,284,631,360)
74.3		*Other borrowings*		*(31,609,041,596,782)*	*(16,726,284,631,360)*
76		Dividends, profit distributed to shareholders		(478,935,287,000)	(138,324,000)
80		**Net cash flow from financing activities**		**412,715,123,148**	**3,247,365,609,160**
90		**NET DECREASE IN CASH DURING THE YEAR**		**(437,795,330,962)**	**(261,288,273,732)**

Code	ITEMS	Notes	Current year VND	Previous year (restated) VND
101	**CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR**	**5**	**746,360,295,275**	**1,007,648,569,007**
101.1	Cash		505,442,808,091	632,648,569,007
101.2	Cash equivalents		235,000,000,000	375,000,000,000
102	Foreign exchange rate differences		5,917,487,184	-
103	**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR**	**5**	**308,564,964,314**	**746,360,295,275**
103.1	Cash		200,205,959,020	505,442,808,091
103.2	Cash equivalents		107,413,029,168	235,000,000,000
104	Foreign exchange rate differences		945,976,126	5,917,487,184

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF THE CUSTOMERS

Code		ITEMS	Notes	Current year VND	Previous year VND
	I.	**Cash flows from brokerage and trust activities of the customers**			
01	1.	Cash receipts from disposal of brokerage securities of customers		76,974,085,890,096	54,774,857,771,475
02	2.	Cash payments for acquisition of brokerage securities of customers		(82,179,697,180,977)	(58,413,755,103,364)
07	3.	Cash receipts for settlement of securities transactions of customers		7,335,183,804,235	4,828,197,619,154
09	4.	Cash payments for custodian fees of customers		(9,562,903,693)	(17,999,254,643)
12	5.	Cash receipt from securities issuers		177,843,005,200	789,476,803,616
13	6.	Cash payment to securities issuers		(1,910,914,649,800)	(1,661,731,345,344)
20		**Net increase in cash during the year**		**386,937,965,061**	**299,046,490,894**

Code		ITEMS	Notes	Current year VND	Previous year VND
30	**II.**	**Cash and cash equivalents of customers at the beginning of the year**		**1,244,049,806,891**	**945,003,315,997**
31		Cash at banks at the beginning of the year:		1,244,049,806,891	945,003,315,997
32		Investors' deposits managed by the Company for securities trading activities		1,239,463,316,338	943,333,972,189
33		Investors' synthesizing deposits for securities trading activities		2,192,903,193	810,026,688
35		Deposits of securities issuers		2,393,587,360	859,317,120
40	**III.**	**Cash and cash equivalents of the customers at the end of the year (40 = 20 + 30)**		**1,630,987,771,952**	**1,244,049,806,891**
41		Cash at banks at the end of the year:		1,630,987,771,952	1,244,049,806,891
42		Investors' deposits managed by the Company for securities trading activities	29.11	1,616,354,145,533	1,239,463,316,338
43		Investors' synthesizing deposits for securities trading activities	29.11	5,034,657,285	2,192,903,193
45		Deposits of securities issuers	29.12	9,598,969,134	2,393,587,360

Ms. Hoang Thi Minh Thuy
Chief Accountant

Ms. Nguyen Thi Thanh Ha
Chief Financial Officer

Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam
27 March 2017

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

B04-CTCK/HN

FOR THE YEAR ENDED 31 DECEMBER 2016

	ITEMS	Notes	Opening balance		Increase/(decrease)				Ending balance	
					Previous year		Current year			
			01/01/2015 VND	01/01/2016 VND	Increase VND	Decrease VND	Increase VND	Decrease VND	31/12/2015 VND	31/12/2016 VND
	A	B	1	2	3	4	5	6	7	8
I.	**CHANGES IN OWNERS' EQUITY**									
1.	Share capital		3,875,960,835,783	4,825,142,703,161	1,291,940,352,500	(342,758,485,122)	106,289,284,881	(4,022,070,842)	4,825,142,703,161	4,927,409,917,200
1.1.	*Ordinary share*	*28.2*	*3,537,949,420,000*	*4,800,636,840,000*	*1,262,687,420,000*	*-*	*100,000,000,000*	*-*	*4,800,636,840,000*	*4,900,636,840,000*
1.2.	*Share premium*		*342,196,810,218*	*29,285,860,000*	*29,423,360,000*	*(342,334,310,218)*	*-*	*(20,000,000)*	*29,285,860,000*	*29,265,860,000*
1.3.	*Other capital*		*(4,185,339,535)*	*(4,609,514,439)*	*-*	*(424,174,904)*	*8,611,585,281*	*(4,002,070,842)*	*(4,609,514,439)*	*-*
1.4.	*Treasury share*		*(54,900)*	*(170,482,400)*	*(170,427,500)*	*-*	*(2,322,300,400)*	*-*	*(170,482,400)*	*(2,492,782,800)*
2.	Charter capital supplementary reserve		228,753,241,307	268,076,952,217	39,323,710,910	-	43,483,653,676	-	268,076,952,217	311,560,605,893
3.	Operational risk and financial reserve		144,245,646,623	183,569,357,533	39,323,710,910	-	43,483,653,676	-	183,569,357,533	227,053,011,209
4.	Difference from revaluation of financial assets at fair value		(13,462,919,042)	(3,123,757,542)	16,932,658,299	(6,593,496,799)	2,596,845,764	(2,162,578,365)	(3,123,757,542)	(2,689,490,143)
5.	Foreign exchange rate differences		-	31,013,180,718	31,013,180,718	-	3,043,240,236	-	31,013,180,718	34,056,420,954
6.	Undistributed profit		1,455,453,294,270	1,341,790,215,838	970,121,976,062	(1,083,785,054,494)	994,337,408,488	(760,052,116,969)	1,341,790,215,838	1,576,075,507,357
6.1.	*Realized profit*	*28.1*	*1,923,556,624,130*	*1,528,039,483,892*	*560,028,599,095*	*(955,545,739,333)*	*841,881,337,875*	*(642,750,566,537)*	*1,528,039,483,892*	*1,727,170,255,230*
6.2.	*Unrealized profit*	*28.1*	*(468,103,329,860)*	*(186,249,268,054)*	*410,093,376,967*	*(128,239,315,161)*	*152,456,070,613*	*(117,301,550,432)*	*(186,249,268,054)*	*(151,094,747,873)*
7.	Non-controlling interest		82,855,645,584	81,140,362,365	-	(1,715,283,219)	-	(2,039,178,153)	81,140,362,365	79,101,184,212
	TOTAL		**5,773,805,744,525**	**6,727,609,014,290**	**2,388,655,589,399**	**(1,434,852,319,634)**	**1,193,234,086,721**	**(768,275,944,329)**	**6,727,609,014,290**	**7,152,567,156,682**
II.	**OTHER COMPREHENSIVE INCOME**									
1.	Gain/(loss) from revaluation of AFS financial assets	40	(13,462,919,042)	(3,123,757,542)	16,932,658,299	(6,593,496,799)	2,596,845,764	(2,162,578,365)	(3,123,757,542)	(2,689,490,143)
	TOTAL		**(13,462,919,042)**	**(3,123,757,542)**	**16,932,658,299**	**(6,593,496,799)**	**2,596,845,764**	**(2,162,578,365)**	**(3,123,757,542)**	**(2,689,490,143)**

Ms. Hoang Thi Minh Thuy
Chief Accountant

Ms. Nguyen Thi Thanh Ha
Chief Financial Officer

Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam
27 March 2017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

B05-CTCK/HN

AS AT 31 DECEMBER 2016 AND FOR THE YEAR THEN ENDED

1. CORPORATE INFORMATION

Saigon Securities Incorporation ("the Company") is a joint stock company established under the Corporate Law of Vietnam, Operating License No. 3041/GP-UB dated 27 December 1999 issued by Ho Chi Minh City People's Committee and the first Business Registration No. 056679 dated 30 December 1999 issued by Ho Chi Minh City Department of Planning and Investment. The Company operates under Securities Trading License No. 03/GPHDKD issued by the State Securities Commission on 5 April 2000 and subsequent amended licenses.

The Company's initial charter capital was VND 6,000,000,000. The charter capital has been supplemented from time to time in accordance with amended licenses. As at 31 December 2016, in accordance with the latest Amended License No. 02/GPDC-UBCK granted by the Chairman of State Securities Commission, which has been effective since 12 January 2017, the Company's total charter capital was VND 4,900,636,840,000.

The Company's primary activities are to provide brokerage service, securities trading, underwriting for securities issues, custodian service, finance and investment advisory service and margin lending services. The Company's Head Office is located at 72 Nguyen Hue Boulevard, District 1, Ho Chi Minh City, Vietnam. As at 31 December 2016, the Company has branches located in Ho Chi Minh City, Hanoi, Hai Phong, Vung Tau and Nha Trang, and transaction offices located in Ho Chi Minh City and Hanoi.

The number of the Company's employees as at 31 December 2016 was 720 persons (31 December 2015: 616 persons).

COMPANY'S OPERATION

Capital

As at 31 December 2016, total charter capital of the Company is VND 4,900,636,840,000, owners' equity including non-controlling interests is VND 7,152,567,156,682, total assets is VND 13,227,969,251,704.

Investment objectives

As the biggest listed securities company in Vietnam stock market, the Company's principal activities are to provide brokerage service, securities trading, finance and investment advisory service, custodian service and underwriting for securities issues. The Company's goals are to become a partner with clients, to focus all resource and initiatives to bring success to all stakeholders.

Investment restrictions

The Company is required to comply with Article 44 under Circular No. 210/2012/TT-BTC dated 30 November 2012 providing guidance on establishment and operation of securities companies, Circular No. 07/2016/TT-BTC dated 18 January 2016 amended some articles of Circular No. 210/2012/TT-BTC and other applicable regulations on investment restrictions. The current applicable practices on investment restrictions are as follows:

- Securities company is not allowed to purchase, contribute capital to invest in real-estate assets except for the purpose of use for head office, branches, and transaction offices directly serving professional business activities of the securities company.

- Securities company may invest in real-estate investment and fixed assets on the principle that the carrying value of the fixed assets and real-estate investment should not exceed fifty percent (50%) of the total value of assets of the securities company.

- Securities company is not allowed to use more than seventy percent (70%) of its owners' equity to invest in corporate bonds. Securities company, licensed to engage in self-trading activity, is allowed to trade listed bonds in accordance with relevant regulation on trading Government bonds.

- Securities company must not by itself, or authorize another organization or individuals to: Invest in shares or contribute capital to companies that owned more than fifty percent (50%) of the charter capital of the securities company, except for purchasing of odd lots at the request of customers; Make joint investment with an affiliated person of five percent (5%) or more in the charter capital of another securities company; Invest more than twenty percent (20%) in the total currently circulating shares or fund certificates of a listing organization; Invest more than fifteen percent (15%) in the total currently circulating shares or fund certificates of an unlisted organization, this provision shall not apply to member fund certificates; Invest or contribute capital of more than ten percent (10%) in the total paid-up capital of a limited liability company or of a business project; Invest more than fifteen percent (15%) of its owners' equity in a single organization or of a business project; Invest more than seventy percent (70%) of its total equity in shares, capital contribution and a business project, specifically invest more than twenty percent (20%) of its total owners' equity in unlisted shares, capital contribution and a business project.

- Securities company is allowed to establish or purchase an asset management company as a subsidiary. In that case, securities company is not required to follow the above restrictions.

SUBSIDIARIES

As at 31 December 2016, the Company had two (02) directly owned subsidiaries as follows:

Company name	Established under	Business sector	Charter capital	% holding
SSI Asset Management Company Ltd. (SSIAM)	Operating License No.19/UBCK-GP dated 03 August 2007	Investment fund management and investment portfolio management	VND30 billion	100%
SSI Investment Member Fund (SSI IMF)	Approval Letter of Member Fund Foundation No.130/TB-UBCK dated 27 July 2010	Investments in securities and other investible assets, including real estates	VND390 billion	80%

In addition, as at 31 December 2016, the Company had one (01) indirectly owned subsidiary named SSI International Corporation.

ASSOCIATES

As at 31 December 2016, the Company had three (03) indirectly owned associates presented on the consolidated financial statements as follows:

Name	Business establishment	Sector	Charter capital (VND)
The Pan Group (PAN)	Business Registration No. 0301472704 dated 23 March 2016 issued by Ho Chi Minh City Department of Planning and Investment (13th amended license). At the initial stage, the company operated under Business Registration No. 4103003790 dated 31 August 2005. The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.	Cultivation, farming; Livestock services; Post-harvest services; Cultivation services activities; House cleaning services; Investment advisory services (except for financial advisory); Management advisory services (except for finance, economics and law); Market research services.	1,023,724,970,000
Vietnam Fumigation Joint Stock Company (VFG)	Vietnam Fumigation Joint Stock Company is transformed from a State - owned enterprise, so called Vietnam Fumigation Company under Ministry of Agriculture and Rural Development, in accordance with Decision No. 70/QD-TTG dated 3 May 2001 issued by Prime Minister of the Socialist Republic of Vietnam. The company operates under the first Business Registration No. 0302327629 dated 31 December 2001 issued by Ho Chi Minh City Department of Planning and Investment and the 23th amended license dated 11 September 2015. The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.	Production, processing, carton boxes, packaging: plant protection products and fumigating materials; Rendering of fumigating services, eradication of harmful animals for agricultural and forestry products, and other materials; Trading of pesticide, plan protection materials, fumigation materials; Trading of materials and chemicals for agricultural production (except for toxic substances); Fertilizer wholesale; Handling, maintenance, sanitation in factories, warehouses, offices services; Anti – termite service; Anti-termite service for construction works; Renting office, warehouse; Goods inspection; Caring service for agricultural products; Wholesale corn and other grains.	182,854,360,000
Dong Nai Port Joint Stock Company	The company was initially a State-owned enterprise, so called Dong Nai Port Company under Dong Nai Department of Transport, privatised under Decision No. 3004 dated 24 August 2015 issued by People's Committee of Dong Nai Province. The company operates under the first Business Registration No. 4703000301 dated 4 January 2006 and subsequent amended Business Registration No. 3600334112 dated 27 December 2009, 27 December 2010 and 19 March 2016 issued by Dong Nai Department of Planning and Investment. The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.	Warehouses and wharf services; Loading and unloading, transportation of goods in and out of the port; Loading and unloading equipment and vehicles repairs services; Agents and maritime services; Fuel supply services; Building materials trading; Entertainment services for ship's crews; Infrastructure and real estate investment and business.	123,479,870,000

2. BASIS OF PRESENTATION

2.1 APPLIED ACCOUNTING STANDARDS AND SYSTEM

The consolidated financial statements of the Company are prepared and presented in accordance with Vietnamese Enterprise Accounting System, the accounting regulation and guidance applicable to securities companies as set out in Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular No. 334/2016/TT-BTC dated 27 December 2016 amending, supplementing and replacing Appendices No. 02 and No. 04 of Circular No. 210/2014/TT-BTC, Circular No. 146/2014/TT-BTC dated 6 October 2014 providing guidance on financial regime applicable to securities companies and asset management companies and other Vietnamese Accounting Standards promulgated by the Ministry of Finance as per:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 1);

- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);

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

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of Saigon Securities Incorporation (the parent company) and its subsidiaries as at 31 December 2016.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the parent company obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the parent company and subsidiaries are prepared for the same reporting period using the consistent accounting policies.

All intra-company balances, incomes and expenses, and unrealized gains or losses resulting from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries which are not held by the Company, and are presented separately in the consolidated income statement and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

2.3 REGISTERED ACCOUNTING DOCUMENTATION SYSTEM

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

2.4 FISCAL YEAR

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

The Company also prepares its interim financial statements for the six-month period from 1 January to 30 June and its quarterly financial statements for the three-month periods ended 31 March, 30 June, 30 September and 31 December each year.

2.5 ACCOUNTING CURRENCY

The consolidated financial statements are prepared in Vietnam dong ("VND"), which is the accounting currency of the Company.

3. STATEMENT ON COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEMS

Management confirms that the Company has complied with Vietnamese Accounting Standards and Vietnamese Enterprise Accounting Systems in preparing the consolidated financial statements.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

On 30 December 2014, the Ministry of Finance issued Circular No. 210/2014/TT-BTC providing guidance on accounting policies applicable to securities companies ("Circular 210"). This Circular replaces Circular No. 95/2008/TT-BTC dated 24 October 2008 of the Ministry of Finance providing guidance on accounting policies applicable to securities companies and Circular No. 162/2010/TT-BTC dated 20 October 2010 amending and supplementing Circular No. 95/2008/TT-BTC. Circular 210 is applicable to fiscal years beginning on or after 1 January 2016. Circular 210 prescribes contents concerning accounting vouchers, system of accounting accounts as well as method of preparing and presenting the financial statements of securities companies.

On 27 December 2016, the Ministry of Finance issued Circular No. 334/2016/TT-BTC amending, supplementing and replacing Appendices No. 02 and No. 04 of Circular No. 210/2014/TT-BTC dated 30 December 2014 ("Circular 334").

Circular 210 and Circular 334 lead to the following significant changes:

- Changes in name and content of the financial statements: balance sheet is renamed as statement of financial position, statement of cash flows from brokerage and trust activities of investors is separately presented as a part of the basic financial statements.
- Financial assets are categorised into four (4) groups: financial assets at fair value through profit and loss, available-for-sale financial assets, held-to-maturity investments and loans.
- Assets and liabilities of securities companies and investors (including deposits, securities investment and payable accounts) are separately managed.

In addition, Circular 210 and Circular 334 provide guidance on measurement of financial assets, particularly, all financial assets are initially recognized at cost and are subsequently recognized as follow:

- Financial assets at fair value through profit and loss (FVTPL): are recognized at cost. In case they are recognized at fair value, such recognition must comply with current Accounting Law. Gains or losses arisen from the revaluation of these assets are recognized in the income statement.

- Available-for-sale (AFS) financial assets: are recognized at fair value. Any gain or loss arisen from revaluation of AFS financial assets is recognized directly in owners' equity (Other comprehensive income), except for provision for impairment in value of AFS financial assets.

  As the fair value basis has not been allowed to be applied under the current Accounting Law, AFS financial assets are subsequently recognised at cost.

- Held-to-maturity (HTM) financial assets: are recognized at amortised cost based on effective interest rate method.

- Loans: are recognized at amortised cost based on effective interest method.

Circular 210 and Circular 334 are applied for fiscal years beginning on or after 1 January 2016.

The Company has restated the comparative figures of previous year in accordance with requirements of Circular 210 and Circular 334 as presented in Note 44.7 to the consolidated financial statements.

4.2 STANDARDS AND REGULATIONS ISSUED BUT NOT YET TAKEN EFFECT

On 20 November 2015, the National Assembly of Vietnam passed the Law on Accounting No. 88/2015/QH13 ("the new Accounting Law"). The new Accounting Law extends its governing scope to electronic accounting documents and allows the application of fair value basis for some types of assets and liabilities whose value frequently varies in line with market fluctuation, provided that the fair value of these assets and liabilities can be reliably determined. The new Accounting Law takes effect from 1 January 2017.

4.3 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of three months or less that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

Cash deposited by customers for securities trading and cash deposited by securities issuers are presented off-balance sheet.

4.4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (FVTPL)

Financial assets recognized at fair value through profit and loss are financial assets that satisfy either of the following conditions:

a) It is classified as held for trading. A financial asset is classified as held for trading if:

- it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;

- there is evidence of a recent actual pattern of short-term profit-taking; or

- it is a derivative (except derivative that is a financial guarantee contract or effective hedging instrument).

b) Upon initial recognition, a financial asset is designated by the entity as at fair value through profit and loss as it meets one of the following criteria:

- The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the asset or recognising gains or losses on a different basis; or

- The assets and liabilities are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

Financial assets at FVTPL are initially recognized at cost (acquisition cost of the assets excluding transaction cost arising from the purchase) and subsequently recognized at cost less reduction in value arising from revaluation of the assets. Increase in value of the assets is not recognised into the financial statements as the prevailing Law on Accounting has not allowed the use of fair value basis. The reduction in value arising from revaluation is calculated as the difference between the cost of a financial asset at FVTPL and its market value determined in accordance with the guidance under Circular No. 146/2014/TT-BTC.

Increase in the negative difference arising from revaluation of financial assets at FVTPL is recognized into the consolidated income statement under "Loss from revaluation of financial assets at FVTPL". Decrease in the negative difference arising from revaluation is recognized into the consolidated income statement under "Gain from revaluation of financial assets at FVTPL".

Transaction costs relating to the purchase of the financial assets at FVTPL are recognized when incurred as expenses in the consolidated income statement.

4.5 HELD-TO-MATURITY INVESTMENTS (HTM)

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

a) those that the entity upon initial recognition designates as at fair value through profit or loss;

b) those that the entity designates as available-for-sale; and

c) those meet the definition of loans and receivables.

Held-to-maturity investments are initially recognized at cost (acquisition cost of the assets plus (+) transaction costs which are directly attributable to the investments such as brokerage fee, trading fee, issuance agency fee and banking transaction fee). After initial recognition, held-to-maturity financial investments are subsequently measured at amortized cost using the effective interest rate ("EIR").

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

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

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

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

4.6 LOANS

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

a) The amounts the entity has the intent to immediately sell or will sell in a near future which are classified as assets held for trading, and like those which, upon initial recognition, the entity categorized as such recognized at fair, value through profit or loss statements;

b) The amounts categorized by the entity as available-for-sale upon initial recognition; or

c) The amounts whose holders cannot recover most of the initial investment value not due to credit quality impairment and which are categorized as available-for-sale.

Loans are recognized initially at cost (disbursement amount of the loans). After initial recognition, loans are subsequently measured at amortized cost using the effective interest rate (“EIR”).

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

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

4.7 AVAILABLE-FOR-SALE (AFS)

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified as:

a) loans and receivables;

b) held-to-maturity investments; or

c) financial assets at fair value through profit or loss.

AFS financial assets are recognized initially at cost (acquisition cost plus (+) transaction costs which are directly attributable to the purchase of the financial assets). After initial recognition, available-for-sale financial assets are subsequently measured at cost less reduction in value arising from revaluation, as the prevailing Law on Accounting does not allow the use of fair value basis. Accordingly, the reduction in value due to revaluation is calculated by the difference between fair value and cost of the assets at the assessment date.

Any increase or decrease in the negative difference arising from the revaluation of AFS financial assets in comparision with previous is recognized under “Gain/(loss) from revaluation of AFS financial assets” in “Other comprehensive income after tax” which is a part of the consolidated income statement.

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

- Where an equity instrument is classified as available-for-sale, evidence of impairment include a significant or prolonged decline in the fair value of the investment below its original cost. ‘Significant’ is to be evaluated against the original cost of the asset and ‘prolonged’ indicates the period in which the fair value has been below its original cost. When any evidence of impairment exists, provision is determined as the difference between the AFS asset’s cost and fair value at the assessment date.

- Where a debt instrument is classified as available-for-sale, the assessment of impairment is conducted using the same criteria as those applied for HTM investments. When there is any evidence of impairment, provision for an AFS asset is determined as the negative difference between its fair value and amortized cost at the assessment date.

4.8 FAIR VALUE/MARKET VALUE OF FINANCIAL ASSETS

Fair value/market value of the securities is determined in accordance with Circular No. 146/2014/TT-BTC as follows:

- For securities listed on Hanoi Stock Exchange and Ho Chi Minh City Stock Exchange, their market prices are their closing prices on the trading day preceding the date of setting up the provision.

- For securities registered for trading on UPCOM, their market prices are their average closing prices on the trading day preceding the date of setting up the provision.

- For the delisted securities and suspended trading securities from the sixth day afterward, their prices are the book value at the latest financial report date.

- The market price for unlisted securities and securities unregistered for trading used as a basis for setting up the provision is the average of actual trading prices quoted by 3 securities companies conducting transactions at the latest date preceding the revaluation date.

For provision making purpose, fair value is the market price of the securities at the latest trading date which must be within one month to the date of provision making.

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

4.9 DERECOGNITION OF FINANCIAL ASSETS

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

- The rights to receive cash flows from the assets have expired; or

- The Company has transferred its rights to receive cash flows from the assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either:

  - the Company has transferred substantially all the risks and rewards of the assets, or

  - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

4.10 RECLASSIFICATION OF FINANCIAL ASSETS

Reclassification when selling financial assets other than FVTPL

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

Reclassification due to change in purpose or ability to hold

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

- Non-derivative financial assets at FVTPL or financial assets that are not required to be classified as financial asset at FVTPL at the initial recognition can be classified as loans and other receivables or as cash and cash equivalents if the requirements are met. The gains or losses arising from revaluation of financial assets at FVTPL prior to the reclassification are not allowed to be reversed.

- Due to changes in purposes or ability to hold, some HTM investments are required to be reclassified into AFS financial assets and to be revaluated at fair value. The difference arising from revaluation between carrying value and fair value are recognized in the income statement under "Gain/loss from revaluation at fair value".

4.11 INVESTMENTS IN ASSOCIATES

An associate is an entity in which the Company has significant influence but that is neither subsidiaries nor joint ventures. The Company generally deems they have significant influence if they have over 20% of the voting rights.

The Company's investments in associates are accounted for using the equity method of accounting.

Under the equity method, the investment is initially carried in the consolidated statement of financial position at cost. In term of the acquisition, the difference between cost of the investment and the determinable net asset fair value in correspondence with the Company's shares in associate at the acquisition date is defined as goodwill. Negative goodwill is recognized in "Other investment revenue (share of profits/(loss) in associates)" of the consolidated income statement. Positive goodwill will be reflected in the value of investment in associate of the consolidated statement of position.

When determining the determinable fair value of net assets in associates, the Company applies principles and suppositions as follows:

- Fair value of cash and short term deposit, payables to suppliers and other short term liabilities approximates their carrying value due to their short term;
- Fair value of receivables is determined based on estimation of recoverability, therefore, the Company estimates fair value at the cost less provisions for receivables;
- Fair value of financial investments is determined at market prices;
- Fair value of fixed assets approximates their cost less accumulated depreciation
- Fair value of the qualification in the auditors' report in the audited financial statements of associates is determined as zero (0); and
- Fair value of other immaterial assets and debts is determined as their carrying value.

After the initial recognition, the investment is adjusted to changes of the Company's share in associates' post-acquisition net assets. The consolidated income statement reflects the share of the post-acquisition results of operation of the associates. Changes in net asset value of associates, including changes arisen from revaluation of fixed assets and investments, foreign exchange differences and differences arisen from consolidation of associates are not reflected in the consolidated income statement, but recognized directly in "Undistributed profit" in the consolidated statement of financial position.

The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend receivable from associates is deducted from the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period as the Company, using the same accounting policies. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

4.12 RECOGNITION OF MORTGAGED FINANCIAL ASSETS

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

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

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

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

4.13 RECEIVABLES

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

Receivables are subject to review for impairment based on their overdue status or estimated loss arising from undue debts of corporate debtors who have bankruptcy or are under liquidation; or of individual debtors who are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased. Increases or decreases to the provision balance are recorded as "Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans" in the consolidated income statement.

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

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

4.14 TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

4.15 INTANGIBLE FIXED ASSETS

Intangible assets are stated at cost less accumulated amortization.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and other expenditures are charged to the income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

4.16 DEPRECIATION AND AMORTISATION

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

Buildings and architectures	6 years
Office machineries	3 years
Means of transportation	6 years
Office equipment	3 - 5 years
Software	3 years
Land use rights with indefinite life	not amortised
Other intangible fixed assets	2 years

4.17 INVESTMENT PROPERTIES

Investment properties are stated at cost, inclusive of related transaction fees less accumulated depreciation.

Subsequent expenditure relating to an investment property that has already been recognised is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Company.

Depreciation and amortisation of the property is calculated on a straight-line basis over the estimated useful life of each asset. The depreciation period is 27.5 years.

4.18 OPERATING LEASE

Whether an agreement is determined as a property lease agreement depends on the nature of the agreement at the beginning: whether the implementation of the agreement depends on the use of a certain asset and whether the agreement includes clauses on the use rights of the asset.

Rentals respective to operating leases are charged to the income statement on a straight-line basis over the term of the lease.

4.19 PREPAID EXPENSES

Prepaid expenses, including short-term prepaid expenses and long-term prepaid expenses in the statement of financial position, are amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

The following types of expenses are recorded as prepaid expenses and are amortised over the period from one (1) years to three (3) years to the income statement:

- Office renovation expenses;
- Office rental expenses; and
- Office tools and consumables.

4.20 REPURCHASE AGREEMENTS

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

4.21 BORROWINGS AND BONDS ISSUANCE

Borrowings and bonds issued by the Company are recorded and stated at cost of the balance at the end of the financial year.

4.22 PAYABLES AND ACCRUED EXPENSES

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

4.23 EMPLOYEE BENEFITS

4.23.1 Post-employment benefits

Post-employment benefits are paid to retired employees of the Company by the Social Insurance Agency, which belongs to the Ministry of Labour and Social Affairs. The Company is required to contribute to these post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 18% of an employee’s basic salary on a monthly basis. The Company has no further obligation to fund the post-employment benefits of its employees, other than the liability to pay Social Insurance Agency on a monthly basis.

4.23.2 Severance pay

The severance pay to employee is accrued at the end of each reporting period for all employees who have been in service for more than 12 months up to 31 December 2008 at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. Since 1 January 2009, the average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Increase or decreases to the accrued amount other than actual payment to employee will be taken to the income statement.

This accrued severance pay will be used to perform payment to employee when terminating labour contract in accordance with the Labour Code.

4.23.3 Unemployment allowance

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

4.24 FOREIGN CURRENCY TRANSACTIONS

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

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

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

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

4.25 TREASURY SHARES

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

4.26 CONVERSION OF SUBSIDIARIES' FINANCIAL STATEMENTS INTO PARENT COMPANY'S ACCOUNTING CURRENCY

Subsidiaries' financial statements which are prepared in the foreign currency that is different from the Parent Company's accounting currency are converted into the Parent Company's accounting currency for consolidation purpose. Actual transaction exchange rates used for converting subsidiaries' financial statements are determined as follows:

- For assets, the exchange rate used for translation is the banking buying rate at the reporting date;

- For liabilities, the exchange rate for translation is the banking selling rate at the reporting date.

- If the gap between the banking buying rate and banking selling rate does not exceed 0.2%, the Company is allowed to apply the average exchange rate.

- All items on the income statement and cash flow statement are converted using the actual exchange rate at the time of the transaction. Average exchange rate is allowed to be applied if it approximates the actual exchange rate at the time of the transaction (the difference is 2% or less). If the gap between the exchange rate at the beginning of the year and at the end of the year is higher than 20%, the Company shall apply the exchange rate at the end of the year.

Foreign exchange rate difference arising from the translation of subsidiary's financial statements is accumulatively reflected in "Foreign exchange rate difference" item of the Owners' Equity section of the consolidated financial statements.

4.27 REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of receipts or receivables less trade discount, concessions and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from brokerage services

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

Revenue from trading of securities

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

Other income

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

Interest income

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

Dividends

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

Properties leasing revenue

Properties leasing revenue is recognized into operational result on a straight-line basis over the leasing contract life.

Other revenues from rendering services

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

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

4.28 BORROWING COSTS

Borrowing costs include accrued interest and other expenses which are directly attributable to the Company's borrowings and bonds issued.

4.29 COST OF SECURITIES SOLD

The Company applies moving weighted average method to calculate cost of equity securities sold and specific identification method to calculate cost of debt securities sold.

4.30 CORPORATE INCOME TAX

Current income tax

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

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

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

Deferred income tax

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

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

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

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to a certain extent that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Previously unrecognized deferred income tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

4.31 OWNERS' EQUITY

Contributed capital from shareholders

Contributed capital from stock issuance is recorded in Charter Capital at par value.

Undistributed profit

Undistributed profit comprises of realised and unrealised undistributed profit.

- Unrealised profit of the period is the difference between gain and loss arisen from revaluation of financial assets at FVTPL or other financial assets through profit and loss in the consolidated income statement.

- Realised profit during the period is the net difference between total revenue and income, and total expenses in the income statement of the Company, except for gain or loss arisen from revaluation of financial assets recognized in unrealised profit.

Reserves

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

	Percentage of profit after tax	Maximum balance
Charter Capital Supplementary Reserve	5%	10% of charter capital
Operational risk and finance Reserve	5%	10% of charter capital

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

4.32 APPROPRIATION OF NET PROFITS

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

4.33 NIL BALANCES

Items or balances required by Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular 334/2016/TT-BTC dated 27 December 2016 and Circular No. 146/2014/TT-BTC dated 6 October 2014 issued by the Ministry of Finance that are not shown in these financial statements indicate nil balance.

5. CASH AND CASH EQUIVALENTS

	Ending balance VND	Opening balance (restated) VND
Cash	**201,151,935,146**	**511,360,295,275**
Cash on hand	286,126,343	619,978,961
Cash at banks for the operation of the Company	200,865,808,803	510,740,316,314
Cash equivalents	**107,413,029,168**	**235,000,000,000**
Total	**308,564,964,314**	**746,360,295,275**

6. VALUE AND VOLUME OF TRADING DURING THE YEAR

	Volume of trading during the year (Unit)	Value of trading during the year (VND)
a. The Company	**238,987,725**	**23,316,081,714,980**
Shares	29,331,525	1,201,362,008,810
Bonds	209,656,000	21,914,719,706,170
Other securities	200	200,000,000,000
b. Investors	**9,789,410,769**	**199,410,268,231,020**
Shares	9,761,357,391	196,569,205,108,840
Bonds	26,113,038	2,821,293,313,880
Other securities	1,940,340	19,769,808,300
Total	**10,028,398,494**	**222,726,349,946,000**

7. FINANCIAL ASSETS

Concepts of financial assets

Cost

Cost of a financial asset is the amount of cash or cash equivalents paid, disbursed or payable of such financial asset at its initial recognition. The transaction costs incurred directly from the purchase of financial asset might be included in the cost of the financial asset or not depending on the category that the financial asset is classified in.

Fair value/market value

The fair value or market value of a financial asset is the price at which the financial asset would be traded voluntarily between knowledgeable parties on an arm's length basis.

The fair value/market value of securities is determined in accordance with Circular No. 146/2014/TT-BTC as described in Note 4.8.

Amortised cost

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

For presentation purpose, provision for diminution in value or irrecoverability of financial assets is recognised in "Provision for impairment of financial assets and mortgage assets" in the statement of financial position.

Carrying amount

Carrying amount of a financial asset is the amount at which the financial asset is recognized in the statement of financial position. Carrying amount of a financial asset might be recognised at cost minus reduction in value due to revaluation (for FVTPL and AFS financial assets) or at amortised cost (for HTM investments and loans), depending on the category that the financial asset is classified in.

7.1 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (FVTPL)

	Ending balance			Opening balance (restated)		
	Cost	Carrying value	Fair value (2)	Cost	Carrying value	Fair value (2)
	VND	VND	VND	VND	VND	VND
Listed shares (1)	**1,192,233,668,924**	**1,091,451,521,096**	**1,182,661,089,550**	**1,145,742,140,034**	**1,014,068,302,383**	**1,029,158,400,620**
HPG	62,389,734,766	62,389,734,766	62,883,142,250	274,847,301,025	233,614,098,445	233,618,162,400
SSC	165,218,161,649	116,265,149,512	116,537,119,900	163,767,030,476	163,767,030,476	169,888,443,000
FPT	183,082,847,113	183,082,847,113	183,665,416,000	20,227,325	20,227,325	23,087,400
PVS	77,970,999,907	63,439,530,184	63,439,447,600	91,905,033,734	40,323,601,384	40,320,697,100
DBC	251,288,227,278	251,288,227,278	291,843,753,000	184,957,167,636	182,892,443,393	183,833,265,400
ELC	206,857,447,945	206,857,447,945	235,373,954,000	101,933,671,357	89,333,923,660	90,776,354,520
PET	45,060,789,684	31,306,898,943	31,305,912,700	45,059,171,784	40,422,281,043	40,421,865,400
LAS	41,063,264,511	40,888,080,914	43,837,664,000	90,741,504,757	90,741,504,757	94,259,034,000
VAF	67,766,775,917	45,253,072,700	45,253,072,700	67,766,743,877	49,532,076,000	49,532,076,000
Other listed shares	91,535,420,154	90,680,531,741	108,521,607,400	124,744,288,063	123,421,115,900	126,485,415,400
Unlisted shares	**82,191,081,939**	**31,878,481,894**	**64,047,685,411**	**128,879,508,164**	**74,304,077,765**	**95,165,322,548**
Viglacera Dap Cau Sheet Glass JSC.	15,200,000,000	-	-	15,200,000,000	624,800,000	624,800,000
Sunway Investment JSC.	15,000,000,000	15,000,000,000	44,021,457,129	15,000,000,000	15,000,000,000	34,761,408,826
Descon Construction Corporation JSC.	17,456,571,492	9,337,620,500	9,337,620,500	17,456,571,492	8,970,233,914	8,970,233,914
Other unlisted shares	34,534,510,447	7,540,861,394	10,688,607,782	81,222,936,672	49,709,043,851	50,808,879,808
Unisted bonds	302,337,500,100	302,337,500,100	302,337,500,100	-	-	-
BHS BOND 2016	302,337,500,100	302,337,500,100	302,337,500,100	-	-	-
Total	**1,576,762,250,963**	**1,425,667,503,090**	**1,549,046,275,061**	**1,274,621,648,198**	**1,088,372,380,148**	**1,124,323,723,168**

(1) As at 31 December 2016, among the shares listed on Stock Exchanges or registered in UpCoM classified as financial assets at FVTPL, there are 10,300,000 shares with par value of VND 103,000,000,000 used as collaterals for bond issuance by the Company in phase 1 of 2016, and 2,781,088 shares with par value of VND 27,810,880,000 used as collaterals for short-term borrowings of the Company.

(2) Fair value is calculated only for the purpose of financial statement presentation in accordance with Circular No. 334/2016/TT-BTC and Circular No. 210/2014/TT-BTC. This value is not recognised in the consolidated financial statements.

7.2 AVAILABLE-FOR-SALE (AFS) FINANCIAL ASSETS

	Ending balance			Opening balance (restated)		
	Cost	Carrying value	Fair value (2)	Cost	Carrying value	Fair value (2)
	VND	VND	VND	VND	VND	VND
Listed shares (1)	**814,610,060,866**	**811,920,570,723**	**1,450,302,936,240**	**601,526,137,510**	**598,402,379,976**	**1,221,871,304,600**
VSC	175,885,933,796	175,885,933,796	204,374,352,000	130,725,685,748	130,725,685,748	213,625,643,000
TMS	113,028,048,762	113,028,048,762	246,273,781,100	99,845,361,724	99,845,361,724	461,148,769,500
OPC	113,218,396,107	113,218,396,107	151,464,696,600	113,076,487,266	113,076,487,266	137,037,565,000
GIL	7,690,629,840	7,624,907,598	7,835,175,000	81,968,204,098	81,943,671,500	94,752,910,000
SGN	204,116,454,286	204,116,454,286	562,729,138,440	109,073,594,000	109,073,594,000	193,391,158,800
CTD	107,474,155,061	107,474,155,061	127,765,695,000	941,861	941,861	2,907,000
Other listed shares	93,196,443,014	90,572,675,113	149,860,098,100	66,835,862,813	63,736,637,877	121,912,351,300
Unlisted shares	**147,905,540,000**	**147,905,540,000**	**165,005,540,000**	**-**	**-**	**-**
Vietnam Engine and Agriculture Machinery Corporation JSC.	142,900,000,000	142,900,000,000	160,000,000,000	-	-	-
Other unlisted shares	5,005,540,000	5,005,540,000	5,005,540,000	-	-	-
Listed bonds	**-**	**-**	**-**	**204,948,811,623**	**204,948,811,623**	**231,166,558,218**
BID_106	-	-	-	204,948,811,623	204,948,811,623	231,166,558,218
Total	**962,515,600,866**	**959,826,110,723**	**1,615,308,476,240**	**806,474,949,133**	**803,351,191,599**	**1,453,037,862,818**

(1) As at 31 December 2016, among the shares listed on Stock Exchanges or registered in UpCoM classified as AFS financial assets, there are 7,989,600 shares with par value of VND 79,896,000,000 used as collaterals for bond issuance by the Company in phase 2 of 2015 and phase 1 of 2016, and 1,859,818 shares with par value of VND 18,598,180,000 used as collaterals for short-term borrowings of the Company.

(2) Fair value is calculated only for the purpose of financial statement presentation in accordance with Circular No. 334/2016/TT-BTC and Circular No. 210/2014/TT-BTC. This value is not recognised in the consolidated financial statements.

7.3 HELD-TO-MATURITY INVESTMENTS (HTM)

	Ending Balance VND	Opening balance (restated) VND
Unlisted bonds	11,603,575,929	23,206,856,721
TMS convertible bonds	*11,603,575,929*	*23,206,856,721*
Term deposits with original maturity of over 3 months to 1 year (1)	5,232,140,149,255	4,408,192,784,426
Total	**5,243,743,725,184**	**4,431,399,641,147**

As at 31 December 2016, there are term deposits with original maturity of over 3 months to 1 year and balances of VND 1,602 billion and VND 3,566.1 billion that are used as collaterals for bank overdrafts and short-term borrowings of the Company respectively.

7.4 LOANS AND RECEIVABLES

	Ending balance		Opening balance (restated)	
	Cost VND	Fair value (3) VND	Cost VND	Fair value (3) VND
Receivables from margin activities (1)	3,564,875,010,978	3,536,444,006,045	3,256,363,621,210	3,256,363,621,210
Advances to investors	214,303,031,818	214,303,031,818	93,457,735,870	93,457,735,870
Advances under securities brokerage contract (2)	-	-	284,251,211,500	284,251,211,500
Total	**3,779,178,042,796**	**3,750,747,037,863**	**3,634,072,568,580**	**3,634,072,568,580**

(1) Securities under margin transaction are used as collaterals for the loans granted by the Company to investors. As at 31 December 2016 and 31 December 2015, the par value of those securities that are used as collaterals for margin trading was VND 5,207,197,455,000 and VND 5,221,587,690,000 respectively.

(2) These relate to brokerage contracts for selling bonds held by customers; whereby the Company advances to customers for the period that bonds are awaiting to be sold. These advances were reimbursed in 2016.

(3) The fair value of loans and receivables are measured at book value less provision for doubtful debt.

7.5 CHANGE IN MARKET VALUES OF FINANCIAL ASSETS

Financial assets	Ending balance				Opening balance (restated)			
		Revaluation difference				Revaluation difference		
	Cost (VND)	Increase (VND)	Decrease (VND)	Revaluated value (VND)	Cost (VND)	Increase (VND)	Decrease (VND)	Revaluated value (VND)
FVTPL	**1,576,762,250,963**	**123,378,771,971**	**(151,094,747,873)**	**1,549,046,275,061**	**1,274,621,648,198**	**35,951,343,020**	**(186,249,268,050)**	**1,124,323,723,168**
Listed shares	1,192,233,668,924	91,209,568,454	(100,782,147,828)	1,182,661,089,550	1,145,742,140,034	15,090,098,226	(131,673,837,640)	1,029,158,400,620
Unlisted shares	82,191,081,939	32,169,203,517	(50,312,600,045)	64,047,685,411	128,879,508,164	20,861,244,794	(54,575,430,410)	95,165,322,548
Unlisted bonds	302,337,500,100	-	-	302,337,500,100	-	-		-
AFS	**962,515,600,866**	**655,482,365,517**	**(2,689,490,143)**	**1,615,308,476,240**	**806,474,949,133**	**649,686,671,219**	**(3,123,757,534)**	**1,453,037,862,818**
Listed shares	814,610,060,866	638,382,365,517	(2,689,490,143)	1,450,302,936,240	601,526,137,510	623,468,924,624	(3,123,757,534)	1,221,871,304,600
Unlisted shares	147,905,540,000	17,100,000,000	-	165,005,540,000	-	-	-	-
Listed bonds	-	-	-	-	204,948,811,623	26,217,746,595	-	231,166,558,218
Total	**2,539,277,851,829**	**778,861,137,488**	**(153,784,238,016)**	**3,164,354,751,301**	**2,081,096,597,331**	**685,638,014,239**	**(189,373,025,584)**	**2,577,361,585,986**

Revaluated value is the fair value of securities for the purpose of financial statement presentation. This value is not recognized in the Company's accounting book.

8. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND MORTGAGE ASSETS

	Ending balance VND	Opening balance VND
Loans	(28,431,004,933)	-

The provision is made for impairment of loans from margin activities.

9. RECEIVABLES

	Ending balance VND	Opening balance VND
1. Receivables from disposal of investments	53,486,347,570	2,531,847,570
In which: doubtful debts	2,531,847,570	2,531,847,570
2. Receivables and accruals from dividend and interest income	133,000,000	5,169,979,900
In which: doubtful debts	133,000,000	133,000,000
3. Advances to suppliers	21,135,273,595	11,301,258,947
4. Receivables from services provided by the Company	36,101,403,942	9,353,388,977
In which: doubtful debts	12,971,609,076	1,206,000,000
5. Other receivables	3,002,523,445	4,823,233,846
In which: doubtful debts	388,517,477	388,517,477
6. Provision for impairment of receivables	(15,922,492,654)	(3,431,111,960)
Total	**97,936,055,898**	**29,748,597,280**

Details of provision for impairment of receivables

	Ending balance of doubtful debts VND	Opening balance of provision VND	Addition VND	Reversal VND	Ending balance of provision VND	Opening balance of doubtful debts VND
Provision for doubtful receivables from disposal of financial assets	2,531,847,570	1,772,293,299	759,554,271	-	2,531,847,570	2,531,847,570
Dang Van Sy	2,531,847,570	1,772,293,299	759,554,271	-	2,531,847,570	2,531,847,570
Provision for doubtful dividend, interest income receivables	133,000,000	133,000,000	-	-	133,000,000	133,000,000
Dividend receivable from Pyramid New Technology Trade Corporation	133,000,000	133,000,000	-	-	133,000,000	133,000,000
Doubtful receivables from services provided by the Company	12,971,609,076	1,161,000,000	11,708,127,607	-	12,869,127,607	1,206,000,000
Pyramid New Technology Trade Corporation – advisory fee	525,000,000	525,000,000	-	-	525,000,000	525,000,000
Thai Hoa JSC.	80,000,000	80,000,000	-	-	80,000,000	80,000,000
Eloge France Vietnam JV Pharmaceuticals Company	80,000,000	80,000,000	-	-	80,000,000	80,000,000
Saigon Maritime JSC.	270,000,000	270,000,000	-	-	270,000,000	270,000,000
VIGLACERA Dong Trieu JSC.	101,000,000	101,000,000	-	-	101,000,000	101,000,000
Vietnam Electricity Construction Joint-stock Corporation	150,000,000	105,000,000	45,000,000	-	150,000,000	150,000,000
Que Phong Hydropower JSC	142,994,095	-	42,898,229	-	42,898,229	-
Overdue receivables from margin activities – retail investors	11,622,614,981	-	11,620,229,378	-	11,620,229,378	-
Other doubtful receivables	388,517,477	364,818,661	23,698,816	-	388,517,477	388,517,477
Proceeds from disposal of assets	309,521,422	309,521,422	-	-	309,521,422	309,521,422
Other receivables	78,996,055	55,297,239	23,698,816	-	78,996,055	78,996,055
Total	**16,024,974,123**	**3,431,111,960**	**12,491,380,694**	**-**	**15,922,492,654**	**4,259,365,047**

10. OTHER SHORT-TERM ASSETS

	Ending balance VND	Beginning balance VND
Advances	9,231,952,863	3,278,848,232
Short-term prepaid expenses	7,665,228,021	8,548,603,317
Prepayment for office tools	*1,694,143,977*	*765,059,698*
Prepayment for services	*5,971,084,044*	*7,783,543,619*
Short-term deposits, collaterals and pledges	893,430,260	851,648,005
Other current assets	80,713,062,323	228,968,173,829
Investment of which pay-back receipt is in progress (*)	*80,305,580,600*	*228,968,173,829*
Other	*407,481,723*	-
Total	**98,503,673,467**	**241,647,273,383**

(*) These represent short-term cost of investment relating to the contract between the Company and its customers for selling the shares of Hoang Anh Gia Lai International Agriculture JSC, previously known as Hoang Anh Gia Lai Rubber JSC. Accordingly, the customer will make payments to the Company in accordance with the payment schedule specified in the contract. The control of shares will be transferred to the buyer in line with the payment schedule. The underlying shares after transfer will be blocked and used as collateral assets for the contract. The value of investment awaiting for payback is determined as the difference between original costs of the investment sold, awaiting for payback and the provision for diminution in value of collaterals based on their market value at reporting date.

11. LONG-TERM INVESTMENTS

	Voting right of the Company	Ownership rate of the Company	Ending balance VND	Beginning balance (restated) VND
Held-to-maturity investments			41,007,379,429	50,000,000,000
Term deposits with maturity of more than 1 year (1)			*41,007,379,429*	*50,000,000,000*
Investments in associates (2)			709,336,586,920	637,417,114,391
Pan Group (PAN)	*20.10%*	*20.02%*	*478,275,257,353*	*428,152,498,940*
Dong Nai Port JSC. (PDN)	*20.01%*	*20.00%*	*74,703,544,923*	*67,007,510,494*
Vietnam Fumigation JSC. (VFG)	*20.01%*	*20.00%*	*156,357,784,644*	*142,257,104,957*
Total			**750,343,966,349**	**687,417,114,391**

(1) As at 31 December 2016, term deposits with balance of VND 41 billion and maturity of more than 1 year are used as collaterals for short-term borrowings of the Company.

(2) As at 31 December 2016, among the investments in associates, 11,906,666 shares with par value of VND 119,066,660,000 are used as collaterals for bond issuance in phase 2 of 2015 and 6,607,271 shares with par value of VND 66,072,710,000 are used as collaterals for short-term borrowings of the Company.

Movements of investments in associates of the Company for the years ended 31 December 2016 and 31 December 2015 are as follows:

	Current year VND	Previous year VND
Beginning balance	637,417,114,391	1,043,972,898,151
Purchase	25,087,436,000	203,940,333,949
Disposal of associates during the year	-	(624,521,422,920)
Adjustment made due to change in ownership rate of associates in their subsidiaries	(3,891,899,609)	(27,099,286,669)
Difference arising from changes in outstanding shares of associates	(7,811,526,899)	-
Gain from associates recognized in the consolidated income statement during the year	73,457,661,737	109,964,025,810
Goodwill amortisation	-	*(24,362,534,318)*
Share of profit during the year	*73,457,661,737*	*93,789,245,209*
Gain from disposal of associates	-	*40,537,314,919*
Dividend received	(14,922,198,700)	(65,100,941,300)
Other capital	-	(3,738,492,630)
Ending balance	**709,336,586,920**	**637,417,114,391**

12. TANGIBLE FIXED ASSETS

	Buildings and architectures VND	Office machineries VND	Means of transportation VND	Office equipment VND	Total VND
Cost					
Opening balance	2,609,391,520	68,941,847,513	14,504,261,403	1,194,583,642	87,250,084,078
Increase	-	2,980,095,344	-	98,970,000	3,079,065,344
Purchases	-	*2,980,095,344*	-	*98,970,000*	*3,079,065,344*
Decrease	-	(375,912,000)	-	-	(375,912,000)
Disposals	-	*(375,912,000)*	-	-	*(375,912,000)*
Closing balance	2,609,391,520	71,546,030,857	14,504,261,403	1,293,553,642	89,953,237,422
Accumulated depreciation					
Opening balance	2,609,391,520	59,092,396,347	9,643,207,476	1,107,270,974	72,452,266,317
Increase	-	4,154,827,333	1,085,531,955	67,075,333	5,307,434,621
Depreciation	-	4,154,827,333	1,085,531,955	67,075,333	5,307,434,621
Decrease	-	(375,912,000)	-	-	(375,912,000)
Disposals	-	(375,912,000)	-	-	(375,912,000)
Closing balance	2,609,391,520	62,871,311,680	10,728,739,431	1,174,346,307	77,383,788,938
Net book value					
Opening balance	-	9,849,451,166	4,861,053,927	87,312,668	14,797,817,761
Closing balance	-	8,674,719,177	3,775,521,972	119,207,335	12,569,448,484
Total	**-**	**8,674,719,177**	**3,775,521,972**	**119,207,335**	**12,569,448,484**

ADDITIONAL INFORMATION ON TANGIBLE FIXED ASSETS:

	Ending balance VND	Beginning balance VND
Cost of tangible fixed asset which are fully depreciated but still in active use	69,947,047,965	54,690,998,354

13. INTANGIBLE FIXED ASSETS

	Software VND	Land use rights VND	Other intangible fixed assets VND	Total VND
Cost				
Opening balance	51,200,471,719	109,671,558,000	6,649,215,842	167,521,245,561
Increase	5,686,759,300	-	-	5,686,759,300
Purchases	5,686,759,300	-	-	5,686,759,300
Decrease	-	-	-	-
Closing balance	56,887,231,019	109,671,558,000	6,649,215,842	173,208,004,861
Accumulated amortisation				
Opening balance	47,524,070,891	-	3,112,929,347	50,637,000,238
Increase	2,664,333,201	-	1,059,237,223	3,723,570,424
Amortisation	2,664,333,201	-	1,059,237,223	3,723,570,424
Decrease	-	-	-	-
Closing balance	50,188,404,092	-	4,172,166,570	54,360,570,662
Net book value				
Opening balance	3,676,400,828	109,671,558,000	3,536,286,495	116,884,245,323
Closing balance	6,698,826,927	109,671,558,000	2,477,049,272	118,847,434,199
Total	**6,698,826,927**	**109,671,558,000**	**2,477,049,272**	**118,847,434,199**

ADDITIONAL INFORMATION ON INTANGIBLE FIXED ASSETS:

	Ending balance VND	Beginning balance VND
Land use rights used as collaterals for bond issuance	109,671,558,000	109,671,558,000
Cost of intangible fixed asset which are fully depreciated but still in active use	48,118,076,411	39,197,774,566
Total	**157,789,634,411**	**148,869,332,566**

14. INVESTMENT PROPERTIES

	Buildings and lands VND
Cost	
Opening balance	311,647,615,101
Increase	2,628,186,723
Exchange rate difference arising from conversion of subsidiary's financial statements	*2,628,186,723*
Closing balance	314,275,801,824
Accumulated amortisation	
Opening balance	43,237,694,069
Depreciation	9,175,351,346
Increase	521,584,445
Exchange rate difference arising from conversion of subsidiary's financial statements	*521,584,445*
Closing balance	52,934,629,860
Net book value	
Opening balance	268,409,921,032
Closing balance	261,341,171,964
Total	**261,341,171,964**

Investment properties are six (06) buildings in the United States of America which were bought by SSI International Company for leasing purpose. As at 31 December 2016, the cost of those assets was recorded in USD and converted into VND in SSIIC financial statements using transfer exchange rate of commercial bank where the Company maintains bank account. Difference arising from the conversion is to be presented in the "Foreign exchange difference" item in Owners' equity. Rental revenue for the fiscal year ended at 31 December 2016 amounted to VND 4,951,324,457.

15. CONSTRUCTION IN PROGRESS

	Ending balance VND	Beginning balance VND
Software development	20,770,698,684	-
Other expenses	26,006,810,328	298,340,000
Total	**46,777,509,012**	**298,340,000**

16. LONG-TERM PREPAID EXPENSES

	Ending balance VND	Beginning balance VND
Other long-term prepaid expenses	25,895,763,102	2,405,087,368

Long-term prepaid expenses include cost of furnitures, office equipment, repair and exterior decoration of the Company. These expenses are amortized to the income statement for the maximum period of 36 months.

17. DEFERRED INCOME TAX ASSETS AND PAYABLES

Deferred corporate income tax assets and deferred corporate income tax payables arise due to following temporary differences that are non-deductible in term of corporate income tax:

	Ending balance VND	Beginning balance VND
Deferred income tax asset		
Provision for diminution in value of unlisted shares	7,567,907,481	8,191,398,681
Provision for impairment of the investment awaiting for payback	39,731,416,589	9,998,897,943
Provision for impairment of loans	8,010,246,862	-
Temporary taxable income incurred in 2015	27,131,335,840	27,131,335,840
Unrealised revenue resulting from consolidated financial statement	5,658,251,567	5,658,251,567
Total	**88,099,158,339**	**50,979,884,031**
Deferred income tax payable		
Deferred income tax payable from income of subsidiary	57,285,850	1,812,751,858
	57,285,850	**1,812,751,858**

18. PAYMENT FOR SETTLEMENT ASSISTANCE FUND

Payment for settlement assistance fund represents the amounts deposited at Vietnam Securities Depository.

According to Decision No. 57/QD-VSD dated 28 May 2012 issued by the General Director of the Vietnam Securities Depository, Decision No. 87/2007/QĐ-BTC dated 22 October 2007 by the Minister of Finance regarding the issuance of regulations on registration, custody, clearing and settlement of securities, Circular No. 43/2010/TT-BTC dated 25 March 2010 amending and supplementing the regulations on registration, custody, clearing and settlement of securities, Decision No. 27/QD-VSD dated 13 March 2015 and Decision No. 45/QD-VSD dated 22 May 2014 on the promulgation of regulations on management and use of the settlement assistance fund by the General Director of the Vietnam Securities Depository; the Company must deposit an initial amount of VND120 million at the Vietnam Securities Depository and pay an addition of 0.01% of the total amount of brokered securities in the previous year, but not over VND 2.5 billion per annum.

Movements of the payment for settlement assistance fund during the year are as follows:

	Ending balance VND	Beginning balance VND
Initial payment	6,087,814,535	6,087,814,535
Addition	7,872,720,527	7,872,720,527
Annual accrued interest	6,039,464,938	6,039,464,938
Total	**20,000,000,000**	**20,000,000,000**

19. COLLATERALS AND PLEDGED ASSETS

As at the date of these consolidated financial statements, the following assets have been used as collaterals for borrowings:

ĐƠN VỊ: VND

Assets	Ending balance	Beginning balance	Purposes
Short-term			
Term deposits with maturity of 3 months or less	-	135,000,000,000	Collaterals for short-term borrowings
Financial assets at FVTPL (par value)	130,810,880,000	10,100,000,000	Collaterals for bond issuance and short-term borrowings
AFS financial assets (par value)	98,494,180,000	36,660,000,000	Collaterals for bond issuance and short-term borrowings
Term deposits with maturity of 3 months to 1 year	5,168,100,000,000	4,356,100,000,000	Collaterals for short-term borrowings and bank overdraft
Long-term			
Term deposits with maturity of more than 1 year	41,000,000,000	-	Collaterals for short-term borrowings
Investments in associates (par value)	185,139,370,000	159,146,660,000	Collaterals for bond issuance and short-term borrowings
Intangible fixed assets	109,671,558,000	109,671,558,000	Collaterals for bond issuance
Total	**5,733,215,988,000**	**4,806,678,218,000**	

20. SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES

	Interest rate % per annum	Beginning balance VND	Addition during the year VND	Repayment during the year VND	Ending balance VND
Short-term borrowings		**3,913,847,967,537**	**32,203,034,307,330**	**31,297,541,596,782**	**4,819,340,678,085**
Bank overdrafts	0.8 - 6.57	1,706,347,967,537	23,400,034,307,330	23,852,041,596,782	1,254,340,678,085
Short-term borrowings from banks	5.0 - 7.0	2,207,500,000,000	8,803,000,000,000	7,445,500,000,000	3,565,000,000,000
JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank)		*2,007,500,000,000*	*7,859,000,000,000*	*6,895,500,000,000*	*2,971,000,000,000*
Vietnam International Commercial JS Bank (VIB)		*200,000,000,000*	*247,000,000,000*	*200,000,000,000*	*247,000,000,000*
Petrolimex Group Commercial JS Bank (PG Bank)		-	*697,000,000,000*	*350,000,000,000*	*347,000,000,000*
Short-term finance lease liabilities		-	-	-	-
Total		**3,913,847,967,537**	**32,203,034,307,330**	**31,297,541,596,782**	**4,819,340,678,085**

21. BOND ISSUANCE

	Ending balance VND	Beginning balance VND
Short-term bond issuance	**376,000,000,000**	-
SSIBOND012015	76,000,000,000	-
SSIBOND022015	300,000,000,000	-
Long-term bond issuance	**199,651,666,665**	**687,500,000,000**
SSIBOND012015	-	387,500,000,000
SSIBOND022015	-	300,000,000,000
SSIBOND012016	200,000,000,000	-
Arrangement fee to issue SSIBOND012016	(348,333,335)	-
Total	**575,651,666,665**	**687,500,000,000**

SSIBOND012015 are ordinary bonds, issued in phase 1 in January 2015 under Resolution No. 02/2014/NQ/DHDCD dated 22 December 2014 with quantity of 1000 bonds and par value of VND500 million per bond. These are unsecured bonds, with a 2 year-term and a commitment to repurchase on every 6-month basis. Its interest rate, which was 8.2% per annum in the first year, will be adjusted in the subsequent year. In July 2015, the Company repurchased 225 bonds with total par value of VND 112,500,000,000. In 2016, the Company repurchased 623 bonds with total par value of VND 311,500,000,000.

SSIBOND022015 are the ordinary bonds, which were issued in phase 2 in April 2015 under Resolution No. 02/2014/NQ/DHDCD dated 22 December 2014 with quantity of 600 bonds and par value of VND500 million per bond. These bonds are collateralized using the Company's listed shares and land use rights in accordance with the bond contracts. These bonds are secured in 2 years which bear interest at rate which is the maximum of 1.5% and the average interest rate of 12 months savings deposit denominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam International Commercial Joint Stock Bank (Ly Thuong Kiet branch, Hanoi).

SSIBOND012016 are ordinary bonds, which were issued in phase 1 in August 2016 under Resolution No. 03/2016/NQ/HDQT dated 28 July 2016 with quantity of 200 bonds and par value of VND 1 billion per bond. These bonds are collateralized using the Company's listed shares in accordance with the bond contracts. These bonds are secured in 2 years which bear interest at rate which is maximum of 1.2% per year and the average interest rate of 12 months savings deposit dominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam International Commercial Joint Stock Bank (Ly Thuong Kiet branch, Hanoi)..

22. PAYABLES FOR SECURITIES TRADING ACTIVITIES

	Ending balance VND	Beginning balance VND
Payables to Stock Exchange (payables for purchases of financial assets)	39,617,787,653	104,212,959,126
Payables to Vietnam Securities Depository	-	204,729,206,000
Total	**39,617,787,653**	**308,942,165,126**

23. PAYABLES TO SUPPLIERS

	Ending balance VND	Beginning balance VND
Short-term	**9,261,510,278**	**4,847,340,451**
Viet team Limited Company	-	1,051,014,470
Thanh Viet Production Limited Company	-	1,498,002,687
Services fee payables	2,261,250,000	-
TTT Hanoi Trading and Construction JSC.	2,418,020,814	-
Other payables	4,582,239,464	2,298,323,294
Long-term	-	-
Total	**9,261,510,278**	**4,847,340,451**

24. TAXATION AND STATUTORY OBLIGATIONS

	Ending balance VND	Beginning balance VND
Value added tax	5,482,965,448	903,522,406
Corporate income tax	51,481,407,842	75,215,403,673
Personal income tax	14,280,175,092	13,320,356,345
Other taxes (foreign contractors withholding tax)	2,572,254,856	2,408,877,686
Total	**73,816,803,238**	**91,848,160,110**

STT	Item	Beginning balance VND	Payable in the year VND	Paid in the year VND	Ending balance VND
I	**Tax**	**91,848,160,110**	**372,809,682,209**	**(390,841,039,081)**	**73,816,803,238**
1	Value added tax on domestic goods or services	903,522,406	12,026,647,595	(7,447,204,553)	5,482,965,448
2	Corporate income tax (Note 39.1)	75,215,403,673	220,703,920,528	(244,437,916,359)	51,481,407,842
3	Other taxes	15,729,234,031	140,079,114,086	(138,955,918,169)	16,852,429,948
	Personal income tax	*4,188,166,183*	*28,096,961,406*	*(27,831,274,854)*	*4,453,852,735*
	Personal income tax on behalf of investors	*9,132,190,162*	*87,092,800,053*	*(86,398,667,858)*	*9,826,322,357*
	Business registration tax	-	*15,000,000*	*(15,000,000)*	-
	Others	*2,408,877,686*	*24,874,352,627*	*(24,710,975,457)*	*2,572,254,856*
II	**Other obligatory payables**	-	-	-	-
	Total	**91,848,160,110**	**372,809,682,209**	**(390,841,039,081)**	**73,816,803,238**

25. ACCRUED EXPENSES

	Ending balance VND	Beginning balance VND
Short-term	**62,998,576,869**	**63,406,571,076**
Accrued payable to Stock Exchange and Vietnam Securities Depository	6,468,105,688	5,802,236,553
Interest payable for bonds issued by the Company	28,295,676,827	45,617,847,224
Interest payable for borrowings	5,667,044,384	3,265,485,311
Accrued expenses on repurchase contracts	981,350,992	3,068,427,838
Accrued services fee	630,000,000	690,000,000
Commission payable to counter parties	2,212,907,642	4,619,539,121
Others	18,743,491,336	343,035,029
Long-term	-	-
Total	**62,998,576,869**	**63,406,571,076**

26. OTHER SHORT-TERM PAYABLES

	Ending balance VND	Beginning balance VND
Payables under repurchase contracts	-	176,000,000,000
Deposits from customers under securities purchase contracts	262,800,421,276	8,750,000,000
Dividend, bond coupon payables on behalf	-	2,386,784,100
Dividend payables to the Company's shareholders	5,490,560,750	4,588,929,750
Coupon payables for bonds issued by the Company	701,639,024	715,305,824
Payables to customers relating for the proceeds from purchase/ sale of securities	28,354,700,000	-
Other payables	2,768,579,757	2,470,116,588
Total	**300,115,900,807**	**194,911,136,262**

Deposits from customers under securities purchase contracts represent cash deposits of customers related to securities brokerage and securities purchase contracts. The Company has commitment to use these deposits for purchasing securities as requested by customers.

27. LONG-TERM UNREALISED REVENUE

	Ending balance VND	Beginning balance VND
Unrealized revenue from:		
Disposal of an associate (BBC)	8,144,100,724	8,144,100,724
Disposal of an associate (SSC)	19,186,831,881	19,186,831,881
Disposal of an associate (LAF)	1,688,248,597	1,688,248,597
Disposal of other associate	4,491,927,766	4,491,927,766
Total	**33,511,108,968**	**33,511,108,968**

Unrealised profit is recorded when the Company sells shares to an associate. The above figures are presented in correspondence to the Company's ownership rate in the associates which purchased those shares.

28. OWNERS' EQUITY

28.1 UNDISTRIBUTED PROFIT

	Ending balance VND	Beginning balance VND
Realized profit	1,727,170,255,230	1,528,039,483,892
Unrealized profit	(151,094,747,873)	(186,249,268,054)
Total	**1,576,075,507,357**	**1,341,790,215,838**



28.2 CHANGES IN OWNERS' EQUITY

	Share capital VND	Share premium VND	Treasury shares VND	Other capital VND	Difference from revaluation of assets at fair value VND	Foreign exchange rate differences VND	Charter capital supplementary reserve VND	Operational and financial reserve VND	Undistributed profit VND	Non-controlling interests VND	Total VND
Beginning balance	4,800,636,840,000	29,285,860,000	(170,482,400)	(4,609,514,439)	(3,123,757,542)	31,013,180,718	268,076,952,217	183,569,357,533	1,341,790,215,838	81,140,362,365	6,727,609,014,290
Profit after tax	-	-	-	-	-	-	-	-	874,996,679,907	-	874,996,679,907
Share issuance to employees under Resolution of General Shareholders Meeting No. 01/2016/NQ-DHDCD	100,000,000,000	-	-	-	-	-	-	-	-	-	100,000,000,000
Cost to issue share	-	(20,000,000)	-	-	-	-	-	-	-	-	(20,000,000)
Cash dividends in 2015 (10%)	-	-	-	-	-	-	-	-	(479,836,918,000)	-	(479,836,918,000)
Revaluation of AFS financial assets	-	-	-	-	434,267,399	-	-	-	-	-	434,267,399
Treasury shares	-	-	(2,322,300,400)		-		-	-	-		(2,322,300,400)
Charter capital supplementary reserve	-	-	-	-	-	-	43,483,653,676	-	(43,483,653,676)	-	-
Operational and financial reserve	-	-	-	-	-	-	-	43,483,653,676	(43,483,653,676)	-	-
Bonus, welfare and charity funds	-	-	-		-		-	-	(59,633,400,253)		(59,633,400,253)
Other capital arising from share issuance of associates	-	-	-	4,609,514,439	-	-	-	-	(12,421,041,327)	-	(7,811,526,888)
Foreign exchange rate differences arising from conversion of subsidiary's financial statements	-	-	-	-	-	3,043,240,236	-	-	-	-	3,043,240,236
Difference arising from associates' changes of investment portion in their subsidiaries	-	-	-	-	-	-	-	-	(3,891,899,609)	-	(3,891,899,609)
Non-controlling interest	-	-	-	-	-	-	-	-	2,039,178,153	(2,039,178,153)	-
Ending balance	**4,900,636,840,000**	**29,265,860,000**	**(2,492,782,800)**	**-**	**(2,689,490,143)**	**34,056,420,954**	**311,560,605,893**	**227,053,011,209**	**1,576,075,507,357**	**79,101,184,212**	**7,152,567,156,682**

28.3 PROFIT DISTRIBUTION TO SHAREHOLDERS

		Current year VND	Previous year VND
1.	Undistributed realized profit at the beginning of the year (as at 1/1/2016 and 1/1/2015)	1,528,039,483,892	1,923,556,624,130
2.	Unrealized loss at the end of the year (as at 31/12/2016 and 31/12/2015)	(151,094,747,873)	(186,249,268,054)
3.	Realized profit of the year	841,881,337,875	609,706,984,288
4.	Undistributed profit belonging to shareholders (4)=(1)+(2)+(3)	2,218,826,073,894	2,347,014,340,364
5.	Reserve appropriated from undistributed profit	(162,913,648,537)	(527,920,784,816)
	Charter capital supplementary reserve	*(43,483,653,676)*	*(39,323,710,910)*
	Operational and financial reserve	*(43,483,653,676)*	*(39,323,710,910)*
	Share issuance	-	*(370,013,759,782)*
	Bonus, welfare and charity funds	*(59,633,400,253)*	*(52,096,910,169)*
	Consolidated adjustments	*(16,312,940,932)*	*(27,099,286,666)*
	Others	-	*(63,406,379)*
6.	Profit distributed to shareholders during the year in accordance with Resolution of General Shareholders Meeting	(479,836,918,000)	(427,308,850,000)
7.	Reclassification of realised and unrealised profit	-	(49,994,489,710)
Maximal profit available for distribution to shareholders		**1,576,075,507,357**	**1,341,790,215,838**

28.4 SHARES

	Ending balance (shares)	Beginning balance (shares)
Authorized shares	**490,063,684**	**480,063,684**
Issued shares	**490,063,684**	**480,063,684**
Shares issued and fully paid	490,063,684	480,063,684
Ordinary shares	*490,063,684*	*480,063,684*
Preference shares	-	-
Treasury shares	**(238,434)**	**(6,319)**
Treasury shares held by the Company	(238,434)	(6,319)
Ordinary shares	*(238,434)*	*(6,319)*
Preference shares	-	-
Outstanding shares	**489,825,250**	**480,057,365**
Ordinary shares	*489,825,250*	*480,057,365*
Preference shares	-	-

29. DISCLOSURE ON OFF-BALANCE SHEET ITEMS

29.1. FOREIGN CURRENCIES

	Ending balance	Beginning balance
USD	5,028,241.29	4,994,977.50
EUR	57,765.13	-

29.2. FINANCIAL ASSETS LISTED/REGISTERED FOR TRADING AT VIETNAM SECURITIES DEPOSITORY ("VSD") OF THE COMPANY

Financial assets	Ending balance VND	Beginning balance VND
Unrestricted financial assets	495,544,100,000	671,181,730,000
Mortgage financial assets	414,444,430,000	183,426,660,000
Financial assets awaiting settlement	50,000,000,000	30,000,000
Total	**959,988,530,000**	**854,638,390,000**

29.3. NON-TRADED FINANCIAL ASSETS DEPOSITED AT VSD OF THE COMPANY

Financial assets	Ending balance VND	Beginning balance VND
Unrestricted and non-traded financial assets deposited at VSD	9,552,040,000	23,690,050,000
Restricted and non-traded financial assets deposited at VSD	1,000,000,000	1,000,000,000
Total	**10,552,040,000**	**24,690,050,000**

29.4 FINANCIAL ASSETS AWAITING FOR ARRIVAL OF THE COMPANY

	Ending balance VND	Beginning balance VND
Shares	4,660,000	1,587,550,000

29.5 FINANCIAL ASSETS WHICH HAVE NOT BEEN DEPOSITED AT VSD OF THE COMPANY

	Ending balance VND	Beginning balance VND
Financial assets		
Shares	143,199,470,000	42,946,670,000
Bonds	310,895,100,000	21,790,200,000
Fund certificates	7,425,740,000	7,425,740,000
Total	**461,520,310,000**	**72,162,610,000**

29.6 FINANCIAL ASSETS LISTED/REGISTERED FOR TRADING AT VSD OF INVESTORS

	Ending balance VND	Beginning balance VND
Financial assets		
Unrestricted financial assets	22,283,452,350,000	18,135,210,430,000
Restricted financial assets	682,966,010,000	748,571,050,000
Mortgage financial assets	3,600,644,250,000	2,759,764,320,000
Blocked financial assets	15,664,600,000	-
Financial assets awaiting for settlement	290,207,840,000	578,825,340,000
Financial assets awaiting for lending	-	-
Total	**26,872,935,050,000**	**22,222,371,140,000**

29.7 NON-TRADED FINANCIAL ASSETS DEPOSITED AT VSD OF INVESTORS

	Ending balance VND	Beginning balance VND
Financial assets		
Unrestricted and non-traded financial assets deposited at VSD	1,447,750,000,000	527,060,230,000
Restricted and non-traded financial assets deposited at VSD	102,298,110,000	139,726,810,000
Mortgaged and non-traded financial assets deposited at VSD	102,139,650,000	346,691,280,000
Total	**1,652,187,760,000**	**1,013,478,320,000**

29.8 FINANCIAL ASSETS AWAITING FOR ARRIVAL OF INVESTORS

	Ending balance VND	Beginning balance VND
Shares	277,151,500,000	512,019,620,000

29.9 FINANCIAL ASSETS UNLISTED/UNREGISTERED AT VSD OF INVESTORS

	Ending balance VND	Beginning balance VND
Shares	40,192,750,000	22,912,500,000

29.10 ENTITLED FINANCIAL ASSETS OF INVESTORS

	Ending balance VND	Beginning balance VND
Shares	49,722,960,000	21,859,170,000

29.11 INVESTORS' DEPOSITS

	Ending balance VND	Beginning balance VND
Tiền gửi của Nhà đầu tư		
Investors' deposits for securities trading activities managed by the Company	1,616,354,145,533	1,239,463,316,338
Domestic investors' deposits for securities trading activities managed by the Company	1,509,185,425,722	1,136,419,483,706
Foreign investors' deposits for securities trading activities managed by the Company	107,168,719,811	103,043,832,632
Investors' synthesizing deposits for securities trading activities	5,034,657,285	2,192,903,193
Total	**1,621,388,802,818**	**1,241,656,219,531**

29.12 DEPOSITS OF SECURITIES ISSUERS

	Ending balance VND	Beginning balance VND
Deposits for securities underwriting and issuance agency services	8,894,522,160	81,800,000
Deposits for dividend, bond principal and interest payment	704,446,974	2,311,787,360
Total	**9,598,969,134**	**2,393,587,360**

29.13 PAYABLES TO INVESTORS

	Ending balance VND	Beginning balance VND
Loại phải trả		
Payables to investors - investors' deposits for securities trading activities managed by the Company	1,616,354,145,533	1,239,463,316,338
Domestic investors	*1,509,185,425,722*	*1,136,419,483,706*
Foreign investors	*107,168,719,811*	*103,043,832,632*
Total	**1,616,354,145,533**	**1,239,463,316,338**

29.14. PAYABLES TO SECURITIES ISSUERS

	Ending balance VND	Beginning balance VND
Other payables to securities issuers	8,894,522,160	81,800,000

29.15 DIVIDEND, BOND PRINCIPAL AND INTEREST PAYABLES

	Ending balance VND	Beginning balance VND
Dividend, bond principal and interest payables to securities issuers	704,446,974	2,311,787,360

30. GAIN/(LOSS) FROM FINANCIAL ASSETS

30.1. GAIN/(LOSS) FROM DISPOSAL OF FINANCIAL ASSETS AT FVTPL

No	Financial assets	Quantity Unit	Selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Gain from disposal in the current year VND	Gain from disposal in the previous year VND
I	**Gain from disposal**						
1	**Listed share**	**56,028,341**		**2,067,820,089,028**	**1,608,201,601,330**	**459,618,487,698**	**64,023,476,597**
	DBC	12,213,479	34,546	421,932,235,811	315,836,741,093	106,095,494,718	4,387,014,089
	HPG	11,182,590	40,956	457,990,127,707	404,444,928,396	53,545,199,311	-
	TMS	1,994,593	64,459	128,569,628,500	37,073,538,862	91,496,089,638	-
	GIL	4,316,966	57,207	246,961,698,000	167,136,594,251	79,825,103,749	-
	SGN	400,000	112,150	44,860,000,000	12,714,285,715	32,145,714,285	-
	VHL	1,805,800	42,492	76,732,870,000	32,134,996,714	44,597,873,286	387,879,714
	Other shares	24,114,913		690,773,529,010	638,860,516,299	51,913,012,711	59,248,582,794
2	**Unlisted shares**	**460,000**		**23,057,500,000**	**23,000,000,000**	**57,500,000**	**133,872,665,854**
3	**Listed bonds**	**77,578,000**		**8,148,754,311,668**	**8,080,224,798,885**	**68,529,512,783**	**6,143,674,254**
	TP_BVDB15206	18,558,000	104,721	1,943,416,146,233	1,922,882,058,667	20,534,087,566	304,000,000
	TP_TD1518357	17,500,000	104,612	1,830,716,000,000	1,812,889,286,886	17,826,713,114	-
	Other bonds	41,520,000		4,374,622,165,435	4,344,453,453,332	30,168,712,103	5,839,674,254
4	**Unlisted bonds**	**8,990**		**1,169,348,951,300**	**1,169,000,000,000**	**348,951,300**	**-**
	Total	**134,075,331**		**11,408,980,851,996**	**10,880,426,400,215**	**528,554,451,781**	**204,039,816,705**

30.1. GAIN/(LOSS) FROM DISPOSAL OF FINANCIAL ASSETS AT FVTPL (CONTINUED)

No	Financial assets	Quantity Unit	Selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Loss from disposal in the current year VND	Loss from disposal in the previous year VND
II	**Loss from disposal**						
1	**Listed shares**	**13,864,500**		**302,180,627,000**	**363,170,885,494**	**(60,990,258,494)**	**(2,129,074,006)**
	LAS	9,311,900	23,533	219,145,180,000	246,133,221,272	(26,988,041,272)	-
	PVS	3,000,000	18,000	54,000,000,000	87,035,519,290	(33,035,519,290)	(144,206,327)
	Other listed shares	1,552,600	-	29,035,447,000	30,002,144,932	(966,697,932)	(1,984,867,679)
2	**Unlisted shares**	**-**	**-**	**-**	**-**	**-**	**(21,125,056,902)**
3	**Bonds**	**19,750,100**		**2,130,809,006,642**	**2,177,743,399,999**	**(46,934,393,357)**	**(21,455,323,211)**
	TP_BVDB15206	2,750,000	104,312	286,858,536,604	289,869,733,333	(3,011,196,729)	-
	TP_BVDB15207	3,250,000	102,958	334,612,876,470	339,664,833,333	(5,051,956,863)	-
	TP_TD1020065	750,000	125,200	93,900,170,824	94,631,500,000	(731,329,176)	-
	TP_TD1518355	500,000	103,023	51,511,500,000	51,604,000,000	(92,500,000)	-
	TP_TD1518356	3,000,000	103,731	311,193,627,850	312,419,833,333	(1,226,205,483)	
	TP_TD1518357	7,500,000	103,034	772,753,794,894	776,171,000,000	(3,417,205,106)	-
	TP_TD1520269	2,000,000	104,989	209,978,500,000	213,382,500,000	(3,404,000,000)	
	Other bonds	100		70,000,000,000	100,000,000,000	(30,000,000,000)	(21,455,323,211)
	Total	**33,614,600**		**2,432,989,633,642**	**2,540,914,285,493**	**(107,924,651,851)**	**(44,709,454,119)**

30.2. GAIN/(LOSS) FROM REVALUATION OF FINANCIAL ASSETS

No	Financial assets	Cost VND	Carrying value VND	Revaluation difference at the end of the year VND	Revaluation difference at the beginning of the year (restated) VND	Gain/(loss) recorded this year VND	Increase VND	Decrease VND
I	**FVTPL**	**1,576,762,250,963**	**1,425,667,503,090**	**(151,094,747,873)**	**(186,249,268,054)**	**35,154,520,181**	**152,456,070,613**	**(117,301,550,432)**
1	Listed shares	1,192,233,668,924	1,091,451,521,096	(100,782,147,828)	(131,673,837,644)	30,891,689,816	134,100,352,333	(103,208,662,517)
	HPG	62,389,734,766	62,389,734,766	-	(41,233,202,580)	41,233,202,580	41,233,202,580	-
	ELC	206,857,447,945	206,857,447,945	-	(12,599,747,697)	12,599,747,697	17,485,732,637	(4,885,984,940)
	SSC	165,218,161,649	116,265,149,512	(48,953,012,137)	-	(48,953,012,137)	8,339,940,000	(57,292,952,137)
	PVS	77,970,999,907	63,439,530,184	(14,531,469,723)	(51,581,432,350)	37,049,962,627	38,486,729,906	(1,436,767,279)
	LAS	41,063,264,511	40,888,080,914	(175,183,597)	-	(175,183,597)	20,568,944,734	(20,744,128,331)
	ABC	41,839,250,000	41,839,250,000	-	-	-	544,712,620	(544,712,620)
	Other listed shares	596,894,810,146	559,772,327,775	(37,122,482,371)	(26,259,455,017)	(10,863,027,354)	7,441,089,856	(18,304,117,210)
2	Unlisted shares	82,191,081,939	31,878,481,894	(50,312,600,045)	(54,575,430,410)	4,262,830,365	18,355,718,280	(14,092,887,915)
	DCC	17,456,571,492	9,337,620,500	(8,118,950,992)	(8,486,337,577)	367,386,585	9,337,620,500	(8,970,233,915)
	ABC	-	-	-	(8,240,110,000)	8,240,110,000	8,240,110,000	-
	Other unlisted shares	64,734,510,447	22,540,861,394	(42,193,649,053)	(37,848,982,833)	(4,344,666,220)	777,987,780	(5,122,654,000)
3	Bonds	302,337,500,100	302,337,500,100	-	-	-	-	-
II	**AFS**	**962,515,600,866**	**959,826,110,723**	**(2,689,490,143)**	**(3,123,757,542)**	**434,267,399**	**2,596,845,764**	**(2,162,578,365)**
1	Listed shares	814,610,060,866	811,920,570,723	(2,689,490,143)	(3,123,757,542)	434,267,399	2,596,845,764	(2,162,578,365)
2	Unlisted shares	147,905,540,000	147,905,540,000	-	-	-	-	-
	Total	**2,539,277,851,829**	**2,385,493,613,813**	**(153,784,238,016)**	**(189,373,025,596)**	**35,588,787,580**	**155,052,916,377**	**(119,464,128,797)**

30.3. DIVIDEND, INTEREST INCOME FROM FINANCIAL ASSETS AT FVTPL, HTM INVESTMENTS, LOANS AND RECEIVABLES, AFS FINANCIAL ASSETS

	Current year VND	Previous year (restated) VND
From financial assets at FVTPL	41,285,789,185	39,360,473,850
From HTM financial assets	344,890,502,306	194,038,113,177
From loans and receivables	429,400,211,341	297,393,256,685
From AFS financial assets	75,010,273,478	40,681,868,509
Total	**890,586,776,310**	**571,473,712,221**

31. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND DOUBTFUL DEBTS

	Current year VND	Previous year (restated) VND
Provision for impairment of loans	28,431,004,933	-
Provision for impairment of assets used as collaterals for the investment awaiting for payback (Note 10)	148,662,593,229	-
Provision for impairment of receivables from disposal of financial assets	759,554,271	506,369,514
Total	**177,853,152,433**	**506,369,514**

32. OTHER OPERATING REVENUE

Thu nhập hoạt động khác	Current year VND	Previous year (restated) VND
Revenue from leasing assets	5,669,726,960	7,234,566,832
Revenue from other financial services	17,705,387,252	31,145,928,537
Revenue from interest on investment awaiting for payback due to late payment	62,426,057,476	3,715,003,910
Revenue from fund management	21,039,162,204	10,373,104,735
Revenue from trusted portfolio management	5,083,293,581	3,357,817,736
Other revenues	2,600,680,552	4,033,718,590
Total	**114,524,308,025**	**59,860,140,340**

33. EXPENSES FOR OPERATING ACTIVITIES

	Current year VND	Previous year (restated) VND
Expenses for securities brokerage activities (payables to Stock Exchanges, employees and others)	302,635,295,291	223,408,493,002
Expenses for securities underwriting activities and securities issuance agency services	-	30,000,000
Expenses for financial advisory activities	26,015,542,418	15,192,643,403
Expenses for securities investment advisory activities	14,205,710,814	11,522,471,372
Expenses for securities custodian activities	14,217,781,607	11,074,672,752
Other operating expenses (Note 34)	82,252,708,235	60,051,852,813
Total	**439,327,038,365**	**321,280,133,342**

34. OTHER OPERATING EXPENSES

Other expenses	Current year VND	Previous year (restated) VND
Expenses for funds management activities	7,241,357,682	7,337,750,253
Expense for trusted portfolios management activities	655,340,414	99,462,382
Expense for securities investment advisory services	16,834,510,565	2,824,407,493
Expenses for securities repurchase agreements	3,257,372,332	6,847,181,684
Expenses for deposits of investors for securities brokerage activities	21,435,676,924	21,099,879,520
Office rental expense	16,232,449,138	16,148,996,800
Provision for doubtful debts	11,731,826,423	143,099,211
Provision for receivables from services provided by the Company	11,708,127,607	127,300,000
Other provision for doubtful debts	23,698,816	15,799,211
Other expenses	4,864,174,757	5,551,075,470
Total	**82,252,788,235**	**60,051,852,813**

35. FINANCE INCOME

	Current year VND	Previous year (restated) VND
Foreign exchange rate differences	146,819,024	6,002,789
Interest income from demand deposits	21,595,000,566	37,618,596,063
Share of profit in associates	73,457,661,737	109,964,025,810
Income from disposal of associates	-	107,833,951,553
Total	**95,199,481,327**	**255,422,576,215**

36. FINANCE EXPENSES

	Current year VND	Previous year (restated) VND
Loss from foreign exchange rate difference	188,578,824	49,913,132
Interest expenses on bonds issued	48,299,852,509	50,282,023,335
Interest expenses on short-term borrowings	220,921,974,115	74,924,088,178
Total	**269,410,405,448**	**125,256,024,645**

37. GENERAL AND ADMINISTRATIVE EXPENSES

	Current year VND	Previous year (restated) VND
Exposure on payroll and other employees' benefits	67,534,013,496	64,312,946,239
Social security, health insurance, union fee and unemployment insurance	3,871,949,939	3,434,952,600
Office supplies	947,538,632	1,040,030,423
Tools	1,943,753,742	1,630,131,660
Depreciation expenses	5,404,422,834	7,105,165,183
External service expenses	51,098,854,494	45,403,573,229
Other expenses	9,793,075,068	10,989,652,073
Total	**140,593,608,205**	**133,916,451,407**

38. OTHER INCOME AND EXPENSES

	Năm nay VND	Năm trước VND
Other incomes		
Income from disposal of fixed assets	8,136,364	48,822,920
Income from penalties due to late payment and abandonment of deposits for contract implementation	-	2,008,086,000
Other incomes	2,620,311,652	3,150,549,516
	2,628,448,016	**5,207,458,436**
Other expenses	**(126,449,020)**	**(169,378,964)**
Total	**2,501,998,996**	**5,038,079,472**

39. CORPORATE INCOME TAX

39.1 CORPORATE INCOME TAX ("CIT")

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

The current tax payable is based on taxable profit for the year. The taxable profit of the Company for the year differs from the profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the reporting date. The Company is required to fulfil its corporate income tax obligation with the current tax rate of 20% (in 2015: 22%) on the total taxable profit according to Circular No. 78/2014/TT-BTC dated 02 August 2014.

The estimated current corporate income tax in this year and prior year is represented in the table below:

	Current year VND	Previous year (restated) VND
Profit before tax	**1,056,825,860,115**	**1,053,797,641,057**
Adjustments to increase/(decrease) accounting profit:	(31,527,632,391)	(192,240,296,954)
Adjustments to increase accounting profit:	277,787,220,802	426,844,249,827
- Provision for diminution in value of unlisted shares at year-end	*37,839,537,400*	*40,956,993,400*
- Provision for impairment of investment awaiting for payback at the end of the year	*198,657,082,945*	*49,994,489,716*
- Temporary difference taxable incurred in 2015	*-*	*135,656,679,197*

	Current year VND	Previous year (restated) VND
Difference from revaluation of AFS financial assets	*333,533,023*	*10,339,161,500*
Provision for impairment of loans and receivables	*40,051,234,311*	-
Unrealized revenue (share of profit in associates)	-	*28,291,257,837*
Reversal of provision for investments in associates for consolidation purpose	-	*109,759,654,941*
Disposal of associates	-	*51,403,634,636*
Non-deductibles expenses during the year	*905,833,123*	*442,378,600*
Adjustments to decrease accounting profit:	(309,314,853,193)	(619,084,546,781)
Income from tax exempted activities – dividends	*(77,276,999,500)*	*(58,882,634,250)*
Profit before tax from subsidiaries	*(67,074,882,903)*	*(47,233,988,764)*
Gain from investments in associates	*(73,457,661,737)*	*(109,964,025,808)*
Reversal of provision expenses for unlisted shares at the beginning of the year	*(40,956,993,400)*	*(402,058,826,278)*
Reversal of provision for investment awaiting for payback at the beginning of the year	*(49,994,489,716)*	-
Tax-deductible expenses from previous year	*(553,825,937)*	*(945,071,681)*
Estimated current taxable income	**1,025,298,227,724**	**861,557,344,103**
Corporate income tax rate	20%	22%
Estimated CIT expenses	**205,059,645,545**	**189,542,615,702**
Estimated CIT expenses in subsidiaries	**15,462,957,711**	**12,260,958,527**
CIT payable at the beginning of the year	75,215,403,673	23,038,276,709
CIT adjustment in accordance with tax finalization	181,317,272	379,510,893
CIT paid in the year	(244,437,916,359)	(150,005,958,158)
CIT payable at the end of the year	**51,481,407,842**	**75,215,403,673**

39.2 DEFERRED CORPORATE INCOME TAX

Movement of deferred CIT assets during the year is as follows:

	Current year VND	Previous year (restated) VND
Deferred income tax assets		
Opening balance	50,979,884,031	88,452,941,782
Decrease of non-deductible provision for unlisted shares	(623,491,200)	(80,261,543,101)
Provision for impairment of investment awaiting for payback from current year	29,732,518,646	9,998,897,943
Temporary taxable difference in 2015	-	27,131,335,840
Provision for impairment of loans and receivables	8,010,246,862	-
Unearned revenue arising from consolidating financial statement	-	5,658,251,567
Ending balance	**88,099,158,339**	**50,979,884,031**
Payable income tax deferred		
Opening balance	1,812,751,858	27,359,739,675
Temporary non-taxable income from subsidiary	(1,755,466,008)	(1,404,966,074)
Reversal of provision for associates during the year	-	(24,142,021,743)
Ending balance	**57,285,850**	**1,812,751,858**

Deferred tax (income)/expense is charged to the income statement for the year ended 31 December 2016 and 31 December 2015 as follows:

	Current year VND	Previous year (restated) VND
Deferred income tax (income)/expense		
Decrease of non-deductible provision for unlisted shares	623,491,200	80,261,543,101
Provision for impairment of investment awaiting for payback	(29,732,518,646)	(9,998,897,943)
Temporary taxable difference in 2015	-	(27,131,335,840)
Provision for impairment of loans and receivables	(8,010,246,862)	-
Unearned revenue arising from consolidating financial statements	-	(5,658,251,567)
Temporary non-taxable income from subsidiary	(1,755,466,008)	(1,404,966,074)
Reversal of provision for associates during the year	-	(24,142,021,743)
Adjustment to deferred corporate expense under tax finalization	-	207,915,769
Total	**(38,874,740,316)**	**12,133,985,703**

40. ACCUMULATED OTHER COMPREHENSIVE INCOME

Item	Beginning balance (restated)	Movement during the year	Changes in owners' equity recorded in income statement	Ending balance
Gain/(loss) from revaluation of AFS finance assets	(3,123,757,542)	434,267,399	-	(2,689,490,143)

41. ADDITIONAL INFORMATION FOR STATEMENT OF CHANGES IN OWNERS' EQUITY

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

	Ending balance VND	Beginning balance VND
Income recorded directly to owners' equity	434,267,399	10,339,161,500
Gain from revaluation of AFS financial assets	*434,267,399*	*10,339,161,500*
Expense recorded directly to owners' equity	(16,312,940,936)	(27,099,286,669)
Loss arising from changes in number of outstanding shares of associates	*(12,421,041,327)*	-
Loss arising from associate' changes of investment portion in its subsidiaries	*(3,891,899,609)*	*(27,099,286,669)*
Total	**(15,878,673,537)**	**(16,760,125,169)**

42. DISCLOSURE OF STATEMENT OF CASH FLOWS

Non-monetary transactions which impact statement of cash flows and cash and cash equivalents managed by the Company but not in use

		Ending balance VND	Beginning balance VND
1	Cash and cash equivalents which are term deposits with maturity of 3 months or less used as collaterals for the Company's short-term borrowings	-	135,000,000,000

43. EARNINGS PER SHARE

Earnings per share is calculated by dividing the net profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the year. After tax profit attributable to ordinary shareholders of the Company for the year ended 31 December 2016 is calculated as after-tax profit after deduction for setting up non-shareholder reserves according to the actual appropriation ratio of 2015. For the purpose of compiling consolidated financial statements, other comprehensive incomes not yet included in the net profit after tax to calculate the earnings per share (EPS) indicator since there is no guidance detail.

	Current year	Previous year (restated)
Net profit attributable to ordinary shareholders (VND)	815,643,347,992	781,933,156,129
Weighted average number of ordinary shares for calculation of earnings per share	480,436,945	471,713,404
Earnings per share (VND/share)	1,698	1,658

44. OTHER INFORMATION

44.1 TRANSACTIONS WITH RELATED PARTIES

List of related parties and relationships with the Company is as follows:

Related parties	Relationships
NDH Invest Ltd. and its subsidiaries	SSI's Chairman is the owner of NDH Invest Ltd.
Sunway Investment JSC.	SSI invested in this Company and its member of the BOD is the younger brother of SSI's Chairman
Daiwa Securities Group Inc.	Strategic shareholder
The PAN Group JSC. and its subsidiaries	Associate
Vietnam Fumigation JSC	Associate
Dong Nai Port JSC	Associate
Saigon Dan Linh Real Estate Co., Ltd	Deputy CEO of SSI is also the Chairman of Saigon Dan Linh Real Estate Co.
Nguyen Saigon Co., Ltd	The Chairman of Nguyen Saigon Co., is the brother of SSI's Chairman

Significant balances and transactions with related parties as at 31 December 2016 and for the year then ended are as follows:

Parties	Transaction	Receivables/(Payables) Beginning	Increases	Decrease	Ending	Revenues/ (Expenses)
		VND	VND	VND	VND	VND
Sunway Investment JSC.	Capital contribution	15,000,000,000	-	-	15,000,000,000	-
	Advance for selling securities, securities transaction fee and custodian fee	-	2,287,264,060	(2,287,264,060)	-	2,287,264,060
	Rental expense	-	(12,067,451,000)	12,067,451,000	-	(15,729,757,998)
	Deposit for rental expense	10,800,702,000	-	-	10,800,702,000	-
	Interest on deposit for rental expense	-	1,098,071,372	(1,098,071,372)	-	1,098,071,372
	Receivables from margin activities	103,705,068,842	1,757,861,451,705	(1,725,277,756,535)	136,288,764,012	10,407,357,927
	Advance for bond contract	142,446,211,500	-	(142,446,211,500)	-	-
	Securities trading transactions and trust portfolio	-	995,436,430,000	(995,436,430,000)	-	-
	Consultant fee for securities investment	-	2,488,808,138	(1,852,872,290)	635,935,848	2,488,808,138
	Dividend payment	-	(2,598,502,000)	2,598,502,000	-	-
	Purchase of bonds issued by SSI	(150,000,000,000)	-	150,000,000,000	-	-
	Payables for interest on bonds issued by SSI	(11,821,666,667)	(6,962,291,666)	18,783,958,333	-	(6,962,291,666)
NDH invest Company Ltd. and its subsidiaries	Advance for selling securities, securities transaction fee and custodian fee	-	513,666,694	(513,666,694)	-	513,666,694
	Securities trading transaction	-	763,386,130,000	(763,386,130,000)	-	-
	Dividend payment	-	(42,304,080,000)	42,304,080,000	-	-
	Assistance portfolio fee	-	20,856,415	(12,513,849)	8,342,566	20,856,415
	Advisory fee	-	719,495,000	-	719,495,000	654,086,364
DAIWA SECURITIES GROUP INC	Transaction fee	-	1,389,497,385	(1,389,497,385)	-	1,389,497,385
	Dividend payment	-	(74,606,601,000)	74,606,601,000	-	-
	Fund management fee	1,301,309,536	3,731,448,548	(1,301,613,341)	3,731,144,743	3,683,606,074

Parties	Transaction	Receivables/(Payables) Beginning	Increases	Decrease	Ending	Revenues/ (Expenses)
		VND	VND	VND	VND	VND
The PAN Group JSC. And its subsidiaries	Advance for selling securities, securities transaction fee and custodian fee	-	574,411,312	(574,411,312)	-	574,411,312
	Margin loans	44,623,697,526	39,442,130,180	(84,065,827,706)	-	376,247,509
	Consultant fee	80,000,000	10,531,402,864	(10,529,402,864)	82,000,000	9,595,820,786
	Advance for consultant contract	(100,000,000)	-	100,000,000	-	-
	Advance for selling securities	(697,325)	(7,408,615,364)	7,409,312,689	-	-
	Selling securities	-	70,000,000,000	(70,000,000,000)	-	-
	Storage fee and service fee	(46,395,370)	(1,172,564,708)	1,198,072,154	(20,887,924)	(1,172,564,708)
	Deposit for storage fee	78,262,800	41,741,700	(78,262,800)	41,741,700	-
	Deposit for securities brokerage services	-	(2,714,340,200,549)	2,458,289,779,273	(256,050,421,276)	-
	Interest payable for securities brokerage deposit	-	(20,339,938,253)	19,358,587,261	(981,350,992)	(20,339,938,253)
	Expense for commodity purchase	-	(2,188,650,000)	2,188,650,000	-	(2,188,650,000)
	Capital contribution under the equity method	422,732,107,418	57,824,114,078	(15,652,786,862)	464,903,434,634	41,122,291,544
Vietnam Fumigation JSC.	Capital contribution under the equity method	142,257,104,959	28,845,509,065	(18,126,572,115)	152,976,041,909	20,439,909,064
Dong Nai Port JSC.	Capital contribution under the equity method	67,007,510,494	11,895,461,128	(4,199,426,700)	74,703,544,922	11,895,461,129
Nguyen Saigon Co., Ltd	Advance for selling securities, securities transaction fee and custodian fee	-	501,082,508	(501,082,508)	-	501,082,508
	Receivable from margin trading	-	17,618,730,327	(17,618,730,327)	-	23,075,065
	Dividend payment	-	(208,002,000)	208,002,000	-	-

Parties	Transaction	Receivables/(Payables) Beginning	Increases	Decrease	Ending	Revenues/ (Expenses)
		VND	VND	VND	VND	VND
Saigon Dan Linh Real Estate Co., Ltd	Advance for selling securities, securities transaction fee and custodian fee	-	232,622,022	(232,622,022)	-	232,622,022
	Dividend payment	-	(29,127,343,000)	29,127,343,000	-	-
Other parties	Purchase of bonds issued by SSI	-	(12,500,000,000)	-	(12,500,000,000)	-
	Payables for bond interest issued by SSI	-	(1,942,494,097)	956,097,222	(986,396,875)	(1,036,166,319)

Các giao dịch với các bên liên quan khác

Total remuneration of members of the Board of Directors and the Board of Management

	Current year (VND)	Previous year (VND)
Salary and bonus	12,097,800,000	12,805,380,000
Severance allowance	-	-
Other benefits	-	-
Total	12,097,800,000	12,805,380,000

44.2 SEGMENT INFORMATION

		Brokerage and customer services VND	Proprietary trading VND	Treasury VND	Portfolio Management VND	Investment banking and others VND	Total VND
	For the year ended 31 December 2016						
1.	Direct income	867,914,980,474	933,981,475,118	365,972,768,048	32,534,869,998	111,564,226,908	2,311,968,320,546
2.	Direct expenses	398,225,719,619	419,270,121,646	250,253,064,916	6,182,802,166	43,119,142,872	1,117,050,851,219
3.	Depreciation and allocated expenses	80,093,133,340	19,678,054,313	11,047,328,737	6,559,351,438	20,713,741,384	138,091,609,212
	Profit before tax	**389,596,127,515**	**495,033,299,159**	**104,672,374,395**	**19,792,716,394**	**47,731,342,652**	**1,056,825,860,115**
	Ending balance						
1.	Direct segment assets	3,770,780,023,466	3,547,596,293,979	5,380,560,552,579	29,465,173,739	5,418,301,922	12,733,820,345,685
2.	Allocated segment assets	139,089,596,422	34,172,874,983	19,184,771,920	11,390,958,328	35,971,447,351	239,809,649,004
3.	Unallocated assets	-	-	-		-	254,339,257,015
	Total assets	**3,909,869,619,888**	**3,581,769,168,962**	**5,399,745,324,499**	**40,856,132,067**	**41,389,749,273**	**13,227,969,251,704**
1.	Direct segment liabilities	357,562,927,034	382,044,476,764	5,082,741,133,761	1,783,491,661	5,666,797,792	5,829,798,827,012
2.	Allocated segment liabilities	91,024,989,362	22,363,898,248	12,555,170,946	7,454,632,749	23,540,945,525	156,939,636,830
3.	Unallocated liabilities	-	-	-		-	88,663,631,180
Total liabilities		**448,587,916,396**	**404,408,375,012**	**5,095,296,304,707**	**9,238,124,410**	**29,207,743,317**	**6,075,402,095,022**

Division reporting information by geographic area

Company's activities are mainly in the territory of Vietnam.

The Company has a wholly-owned US subsidiary, SSI International Incorporated ("SSIIC"), which operates in the US real estate business. However, SSIIC's total revenue, expenses and total assets are very low compared to its total revenue, expense and total assets (about 2% to 4%). As a result, the Company does not present segmental reports by geographical area in the notes to the consolidated financial statements .

44.3 OPERATING LEASE COMMITMENTS

The Company leases office under operating lease arrangements. As at 31 December 2016 and 31 December 2015, the committed future rental payment under the operating lease agreements is as follows:

	Ending balance VND	Beginning balance VND
Less than 1 year	37,582,831,346	31,297,190,825
From 1 - 5 years	93,343,925,550	54,035,694,786
More than 5 years	-	988,202,160
Total	130,926,756,896	86,321,087,771

44.4 MARGIN LENDING SERVICES

The Company signed margin lending contracts with investors to facilitate securities trading activities of investors.

The Company's commitments to provide funds under outstanding margin lending contracts as of 31 December 2016 and 31 December 2015 are as follows:

	Ending balance VND	Beginning balance VND
Head Office (at Ho Chi Minh City)	456,914,659,106	113,910,667,241
Hanoi	301,433,357,447	69,731,029,762
Hai Phong	19,025,748,969	5,431,335,427
Nguyen Cong Tru	131,219,566,031	38,607,675,482
Nha Trang	12,224,989,162	4,012,330,310
Vung Tau	7,587,362,729	3,027,785,117
My Dinh	45,096,690,596	8,915,555,451
Total	**973,502,374,040**	**243,636,378,790**

44.5. PURPOSES AND POLICIES OF FINANCIAL RISK MANAGEMENT

The Company's financial liabilities comprise mostly loans and borrowings, payables to suppliers and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arise directly from its operations. The Company does not hold or issue derivative financial instruments.

The Company is exposed to market risk, credit risk and liquidity risk.

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to maintain an acceptable balance between the cost arisen from risks and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Management reviews and agrees policies for monitoring each of these risks which are summarized below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. There are four types of market risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and available-for-sale investments.

The Company manages market risk by analysing financial sensitivity of the Company as at 31 December 2016 and 31 December 2015. When analysing sensitivity, Management assumes that sensitivity of Available-for-sale debt instruments in the statement of financial position and other related items in the income statement is affected by changes in corresponding market risk. The analysis is based on financial assets and liabilities held by the Company as at 31 December 2016 and 31 December 2015.

Interest rate risk

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

The Company manages interest rate risk by looking at the competitive structure of the market to identify a proper interest rate policy which is favourable for its purposes within its risk management limits.

No analysis on interest sensitivity is performed since the Company's exposure to risk of changes in interest rate is insignificant.

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities in which revenue or expense is denominated in a different currency from the Company's accounting currency and its investments in oversea subsidiaries.

The Company manages foreign exchange risk by hedging against transactions that are expected to take place in the future. The Company do not use any hedging instruments to mitigate foreign exchange risk.

Equity price risk

Listed and unlisted securities which are held by the Company are affected by market risk arising from the uncertainty of future value of invested securities. The Company manages equity price risk by establishing investment limits. The Company's Investment Council considers and approves investments in securities.

As at the reporting date, the fair value of listed shares (FVTPL and AFS) was VND 2,632,964,025,790. The 10% increase (or decrease) in market index would possibly result in a corresponding increase (or decrease) in profit after tax of the Company, depending on its magnitude and length as well as the Company's ownership position of securities which have significant influence on market index.

Credit risk

Credit risk is the risk that counterparty would not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for loans and receivables) and from its financing activities, including deposits with banks, foreign exchanges activities and other financial instruments.

Receivables

Customer credit risk is managed by the Company based on its established policies, procedures and control relating to customer credit risk management. Credit quality of customers is evaluated on the basis of Management's assessment.

Outstanding customer receivables are regularly monitored. Customer credit quality's impairment is analysed at each reporting date on an individual basis for major clients. The Company closely monitors outstanding receivables and operates a credit control unit to mitigate credit risk. Due to the fact that the Company's receivables relate to a large number of diversified customers and corresponding collateral assets, there is no significant concentration of credit risk.

Bank deposits

The Company's bank balances are mainly maintained with high credit rating banks in Vietnam. Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the statement of financial position at each reporting date is the carrying value as presented in Notes 5, 7.3 and 11. The Company evaluates the concentration of credit risk in respect to bank deposit as low.

Margin lending and advances to customers

The Company manages its credit risks via the use of internal control policies, processes and procedures relevant to margin lending and advance payments to customers. The Company assesses customers to determine their credit limits and margin rates before lending margin and advances to customers and periodically reassesses the financial position of customers to adjust the credit limits and margin rates accordingly. The credit limits are measured based on value of collateral assets, customer's credit rating and other indicators.

The following loans considered as overdue as at 31 December 2015 (excluding of contracts that was extended or liquidated before the signing date of this report). Except for financial assets which are reserved for impairment as stated in Notes 8 and 9, according to the Management's assessment, the remaining financial assets are neither overdue nor impaired as they are all liquid.

Unit: VND

	Total	Neither past due nor impaired	Past due but not impaired		
			< 80 days	81–180 days	>180 days
Ending balance	3,779,178,042,796	3,770,764,073,993	6,699,128,102	1,714,840,701	-
Beginning balance	3,349,821,357,080	3,336,640,152,102	13,176,220,438	2,509,267	2,475,273

Liquidity risk

The liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligation due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities.

The Company monitors its liquidity risk by maintaining a level of cash and cash equivalents, borrowings deemed adequate by the Management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The below table summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	Overdue VND	On demand VND	Less than 1 year VND	1 – 5 year VND	Over 5 years VND	Total VND
31 December 2016						
FINANCIAL ASSETS						
Financial assets with fixed terms	**8,413,968,803**	**214,303,031,818**	**9,102,542,267,459**	**41,007,379,429**	**-**	**9,366,266,647,509**
Held-to-maturity (HTM) investments – Debt securities/Term deposits	-	-	5,243,743,725,184	41,007,379,429	-	5,284,751,104,613
Financial assets at fair value through profit and loss – Debt securities	-	-	302,337,500,100	-	-	302,337,500,100
Loans	8,413,968,803	214,303,031,818	3,556,461,042,175	-	-	3,779,178,042,796
Other financial assets	**16,024,974,123**	**96,697,460,810**	**-**	**-**	**-**	**112,722,434,933**
Receivable from securities transaction activities	-	2,100,000	-	-	-	2,100,000
Collaterals and pledges	-	19,999,159,976	-	-	-	19,999,159,976
Other receivables	16,024,974,123	76,696,200,834	-	-	-	92,721,174,957
Cash and cash equivalents	**-**	**308,564,964,315**	**-**	**-**	**-**	**308,564,964,315**
Total	**24,438,942,926**	**619,565,456,943**	**9,102,542,267,459**	**41,007,379,429**	**-**	**9,787,554,046,757**
FINANCIAL LIABILITIES						
Financial liabilities at amortized cost						
Short-term borrowings	-	1,254,340,678,085	3,565,000,000,000	-	-	4,819,340,678,085
Bond issued	-	-	376,000,000,000	199,651,666,665	-	575,651,666,665
Payables for securities transaction activities	-	39,617,787,653	-	-	-	39,617,787,653
Accrued expenses	-	62,998,576,869	-	-	-	62,998,576,869
Other current liabilities	-	300,115,900,807	-	-	-	300,115,900,807
Total	**-**	**1,657,072,943,414**	**3,941,000,000,000**	**199,651,666,665**	**-**	**5,797,724,610,079**
Net liquidity difference	24,438,942,926	(1,037,507,486,471)	5,161,542,267,459	(158,644,287,236)	-	3,989,829,436,678

The Company assessed the concentration of risk with respect to its debt payment as low. The Company is able to access to different source of funds and all the borrowings which are due within 12 months can be renewed with the current lenders.

Collaterals

The Company used a part of the term deposits as collaterals for bank overdrafts and short-term borrowings from commercial banks. As at 31 December 2016, the total carrying value of term deposits used as collaterals for bank overdrafts were VND 1,602,000,000,000, and the total carrying value of term deposits used as collaterals for short-term borrowings were VND 3,607,100,000,000.

Among financial assets at fair value through profit and loss, financial assets available-for-sale and investment in associates as at 31 December 2016, there were 11,248,177 shares with the par value of VND 112,481,770,000 used as collaterals for short-term borrowings; and 30,196,266 shares with par value of VND 301,962,660,000 used as collaterals for bond issued by the Company.

Among non-current assets, land use right with infinite useful life at cost of VND 109,671,558,000 as at 31 December 2016 was used as collaterals for bonds issued in phase 2 of 2015.

The Company held securities as collateral for loans to customers as at 31 December 2016.

Other than that, the Company did not hold any other party's collateral at 31 December 2016 and 31 December 2015

44.6 OFF-BALANCE SHEET ITEM OF SUBSIDIARY

SSIAM, a subsidiary of the Company, conducts portfolio management activities. As at 31 December 2016 and 31 December 2015, SSIAM off-balance sheet items related to portfolio management activities of entrust investors include: deposits, portfolios, receivables and payables are as follows:

	Ending balance (VND)	Beginning balance (VND)
Investor's deposits	12,312,250,568	35,284,770,097
Portfolio of entrusted investors	168,155,956,546	46,383,293,717
Receivable of entrusted investors	3,389,973,001	236,360,869
Payable of entrusted investor	430,347,017	3,537,758,416

In particular, the list of securities in the portfolio of entrusted investors is reduced as follows:

	Ending balance			Beginning balance		
	Amount	Cost	Decrease in value	Amount	Cost	Decrease in value
BFC	189,634	6,363,925,426	(769,722,426)	-	-	-
PNJ	151,560	10,821,503,864	(742,763,864)	-	-	-
HPG	309,859	14,010,580,639	(640,164,789)	-	-	-
DGL	97,700	4,304,253,168	(611,193,168)	-	-	-
VIT	242,100	6,919,661,241	(528,221,241)	-	-	-
NT2	41,140	1,559,152,000	(436,030,000)	-	-	-
ITD	192,900	4,923,112,854	(428,542,854)	-	-	-
VNM	28,807	4,033,008,000	(414,848,800)	-	-	-
ACB	-	-	-	265,900	4,404,706,988	(161,566,988)
PLC	-	-	-	239,000	8,627,900,000	(258,071,811)
CAV	-	-	-	164,270	8,295,635,000	(144,114,842)
MBB	-	-	-	152,261	2,226,280,275	(3,269,675)
Other	770,683	31,277,459,559	(2,376,507,409)	104,523	3,225,686,331	(84,625,030)
	2,024,383	**84,212,656,751**	**(6,947,994,551)**	**925,954**	**26,780,208,594**	**(651,648,346)**

44.7 RECLASSIFICATION OF COMPARATIVE FIGURES

During the year 2016, due to effects of changes in accounting policies and requirements for financial statement preparation and presentation in accordance with Circular 210 and Circular 334, certain corresponding figures in the financial statements for the previous year have been reclassified to compare with the current year's presentation.

Extract from the consolidated statement of financial position

ITEMS	Note	31 December 2015 (previously reported)	Reclassification	31 December 2015 (restated)
A. CURRENT ASSETS		**10,944,974,283,833**	**29,977,663,579**	**10,974,951,947,412**
Cash	[1]	1,755,410,102,161	(1,244,049,806,886)	511,360,295,275
Short-term investments (**)	[2]	5,061,932,791,680	(5,061,932,791,680)	-
Provision for short-term investments (**)	[2]	(42,513,048,144)	42,513,048,144	-
Financial assets at fair value through profit and loss (FVTPL) (*)	[2]	-	1,088,372,380,148	1,088,372,380,148
Held-to-maturity (HTM) investments (*)	[2]	-	4,431,399,641,147	4,431,399,641,147
Loans (*)	[2]	-	3,634,072,568,580	3,634,072,568,580
Available-for-sale (AFS) investments (*)	[2]	-	803,351,191,599	803,351,191,599
Receivables from customers (**)	[3]	3,646,040,547,557	(3,646,040,547,557)	-
Receivables from securities trading activities (**)	[3]	226,779,001	(226,779,001)	-
Provision for doubtful short-term receivables (**)	[3]	(3,431,111,960)	3,431,111,960	-
Receivables from disposal of financial assets (*)	[3]	-	2,531,847,570	2,531,847,570
Receivables and accruals from dividend and interest income (*)	[3]	-	5,169,979,900	5,169,979,900
Receivables from services provided by the Company (*)	[3]	-	9,353,388,977	9,353,388,977
Other receivables	[3]	39,359,691,208	(34,536,457,362)	4,823,233,846
Provision for impairment of receivables (*)	[3]	-	(3,431,111,960)	(3,431,111,960)
Advances (*)	[4]	-	3,278,848,232	3,278,848,232
Collateral and pledged assets	[4]	-	851,648,005	851,648,005
Other short-term assets	[4]	233,098,670,066	(4,130,496,237)	228,968,173,829
B. NON-CURRENT ASSETS		**2,452,507,120,087**	**(1,274,027,469,971)**	**1,178,479,650,116**
Long-term securities investments (**)	[2]	1,405,887,447,424	(1,405,887,447,424)	-
Other long-term investments (**)	[2]	65,000,000,000	(65,000,000,000)	-
Provision for long-term investments (**)	[2]	(146,859,977,453)	146,859,977,453	-
Investments in HTM financial assets (*)	[1]	-	50,000,000,000	50,000,000,000
TOTAL ASSET		**13,397,481,403,920**	**(1,244,049,806,392)**	**12,153,431,597,528**

(*) New items in the statement of financial position as required by Circular 210 and Circular 334.

(**) Items of the balance sheet which are no longer presented in accordance with Circular 210 and Circular 334.

Detailed adjustments for main items are as follows:

[1] Reclassification of investors' deposits to off-balance sheet according to Circular 210 and Circular 334

[2] Reclassification of trusted investment according to Circular 210 and Circular 334

[3] Reclassification of receivables according to Circular 210 and Circular 334

[4] Reclassification of other assets according to Circular 210 and Circular 334

ITEMS	Note	31 December 2015 (previously reported)	Reclassification	31 December 2015 (restated)
CURRENT LIABILITIES		**6,669,872,389,630**	**(1,244,049,806,392)**	**5,425,822,583,238**
Payables for securities trading activities	[5]	1,550,598,384,658	(1,241,656,219,532)	308,942,165,126
Employee benefits (*)	[5]		6,742,952	6,742,952
Dividend, principal and interest payables (**)	[5]	10,002,807,034	(10,002,807,034)	-
Payables to securities issuers (**)	[5]	689,438,960	(689,438,960)	-
Other current liabilities	[5]	186,619,220,070	8,291,916,192	194,911,136,262
Long-term borrowings (**)	[5]	687,500,000,000	(687,500,000,000)	-
Long-term bonds (*)	[5]	-	687,500,000,000	687,500,000,000
Long-term deposits received (*)	[5]		453,246,599	453,246,599
Other long-term payables (**)	[5]	453,246,599	(453,246,599)	-
OWNERS' EQUITY		**6,727,609,014,290**	**-**	**6,727,609,014,290**
Difference from revaluation of financial assets at fair value (*)	[6]	-	(3,123,757,542)	(3,123,757,542)
Financial reserve and legal reserves (**)	[6]	451,646,309,750	(451,646,309,750)	-
Charter capital supplementary reserve (*)	[6]	-	268,076,952,217	268,076,952,217
Operational and financial reserve (*)	[6]	-	183,569,357,533	183,569,357,533
Undistributed profit	[6]	1,338,666,458,296	3,123,757,542	1,341,790,215,838
Unealized profit (*)	[6]	-	(186,249,268,054)	(186,249,268,054)
Realized profit (*)	[6]	-	1,528,039,483,892	1,528,039,483,892
TOTAL LIABILITIES AND OWNERS' EQUITY		**13,397,481,403,920**	**(1,244,049,806,392)**	**12,153,431,597,528**

(*) New items in the statement of financial position as required by Circular 210 and Circular 334.
(**) Items of the balance sheet which are no longer presented in accordance with Circular 210 and Circular 334.
Detailed adjustments for main items are as follows:
[5] Reclassification of liabilities according to Circular 210 and Circular 334
[6] Reclassification of owners' equity according to Circular 210 and Circular 334

Extract from the consolidated income statement

ITEMS	Notes	Previous year (previously reported)	Reclassification	Previous year (restated)
Net revenue (**)	**[7]**	**1,332,878,376,539**	**(1,332,878,376,539)**	**-**
Total operating revenue (*)	**[7]**	**-**	**1,547,518,713,389**	**1,547,518,713,389**
Revenue from securities investment and capital contribution (**)	[7]	389,744,410,192	(389,744,410,192)	-
Gain from financial assets at FVTPL (*)	[7]	-	603,499,177,813	603,499,177,813
Gain from HTM investments (*)	[7]	-	194,038,113,177	194,038,113,177
Gain from loans and receivables (*)	[7]	-	297,393,256,685	297,393,256,685
Gain from AFS financial assets (*)	[7]	-	40,681,868,509	40,681,868,509
Revenue from brokerage activities	[7]	287,588,703,038	(25,109,648)	287,613,812,686
Revenue from advisory services (**)	[7]	44,704,036,602	(44,704,036,602)	-
Revenue from securities investments advisory services (*)	[7]	-	13,652,830,477	13,652,830,477
Revenue from securities custodian services	[7]	7,363,367,773	(407,173)	7,363,774,946
Revenue from financial advisory services (*)	[7]	-	31,051,206,125	31,051,206,125
Revenue from portfolio management and fund management activities (**)	[7]	13,730,952,472	(13,730,952,472)	-
Revenue from property lease (**)	[7]	7,234,566,832	(7,234,566,832)	-
Other revenues (**)	[7]	571,120,435,328	(571,120,435,328)	-
Other income (*)	[7]	-	59,860,140,340	59,860,140,340
Net operating expenses (**)	**[8]**	**315,673,875,950**	**(315,673,875,950)**	**-**
Operating expenses (*)	**[8]**	**-**	**495,009,251,967**	**495,009,251,967**
Direct operating expense (**)	[8]	612,871,847,693	(612,871,847,693)	-
Reversal of provision expense for impairment of securities (**)	[8]	(297,197,971,743)	297,197,971,743	-
Loss from financial assets at FVTPL (*)	[8]	-	172,948,769,284	172,948,769,284
Provision for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans (*)	[8]	-	506,369,514	506,369,514
Expenses for proprietary trading activi-ties (*)	[8]	-	273,979,827	273,979,827
Expenses for brokerage activities (*)	[8]	-	223,408,493,002	223,408,493,002
Expenses for securities underwriting and securities issuance agency ser-vices (*)	[8]	-	30,000,000	30,000,000
Expenses for securities investment advisory services (*)	[8]	-	11,522,471,372	11,522,471,372
Expenses for securities custodian services (*)	[8]	-	11,074,672,752	11,074,672,752

ITEMS	Notes	Previous year (previously reported)	Reclassification	Previous year (restated)
Expenses for financial advisory services (*)	[8]	-	15,192,643,403	15,192,643,403
Other expenses (*)	[8]	-	60,051,852,813	60,051,852,813
Total finance income (*)	**[7]**	**-**	**255,422,576,215**	**255,422,576,215**
Realized and unrealized gain from changes in foreign exchange rates (*)	[7]	-	6,002,789	6,002,789
Interest income from demand deposits (*)	[7]	-	37,618,596,063	37,618,596,063
Gain from disposal of investments in associ-ates (*)	[7]	-	107,833,951,553	107,833,951,553
Share of profits from associates	[7]	54,964,787,658	54,999,238,152	109,964,025,810
Total finance expenses	**[8]**	**-**	**125,256,024,645**	**125,256,024,645**
Realized and unrealized loss from changes in foreign exchange rates (*)	[8]	-	49,913,132	49,913,132
Borrowing costs (*)	[8]	-	125,206,111,513	125,206,111,513
General administrative expenses	**[8]**	**13,070,565,157**	**120,845,886,250**	**133,916,451,407**
Profit before tax		**1,064,136,802,562**	**(10,339,161,505)**	**1,053,797,641,057**
Realized profit (*)		-	821,938,068,964	821,938,068,964
Unrealized profit (*)		-	231,859,572,093	231,859,572,093
Profit after tax		**850,199,242,630**	**(10,339,161,505)**	**839,860,081,125**
Profit after tax attributable to the Company's owners (*)		851,905,717,886	(10,339,161,505)	841,566,556,381
Gain/(loss) from revaluation of AFS financial assets (*)		-	10,339,161,500	10,339,161,500
Total other comprehensive income (*)		**-**	**10,339,161,500**	**10,339,161,500**
Other comprehensive income attributable to the Company's owners (*)		-	10,344,068,020	10,344,068,020
Other comprehensive income attributable to non-controlling interests (*)		-	(4,906,520)	(4,906,520)

(*) New items in the income statement as required by Circular 210 and Circular 334.
(**) Items of the previous income statement which are no longer presented in accordance with Circular 210 and Circular 334.
Detailed adjustments for main items are as follows:
[7] Reclassification of operating revenues according to Circular 210 and Circular 334
[8] Reclassification of operating expenses according to Circular 210 and Circular 334

Extract from the consolidated cash flow statement

ITEMS	Note	Previous year (reported)	Reclassify	Previous year (restated)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**1,952,651,885,005**	**(945,003,315,998)**	**1,007,648,569,007**
Cash at banks of the Company	[9]	1,577,651,885,005	(945,003,315,998)	632,648,569,007
Cash equivalents	[9]	375,000,000,000	-	375,000,000,000
CASH AND CA SH EQUIVALENTS AT THE END OF THE YEAR		**1,990,410,102,161**	**(1,244,049,806,886)**	**746,360,295,275**
Cash at banks of the Company	[9]	1,755,410,102,161	(1,249,967,294,070)	505,442,808,091
Cash equivalents	[9]	235,000,000,000	-	235,000,000,000
Foreign exchange rate differences	[9]	-	5,917,487,184	5,917,487,184

[9] Reclassification of investors' deposits out of the Company's cash and cash equivalents in accordance with Circular 210 and Circular 334

45. EVENT AFTER THE REPORTING DATE

As at 19 January 2017, the Company issued ordinary bonds (code: SSIBOND012017) with par value of VND 300 billion and no collateral under the Resolution No. 01/2017/NQ-HDQT dated 16 January 2017.

Other than the event disclosed above, there has been no matter or circumstance that has arisen since the reporting date which is required to be disclosed in the consolidated financial statements.

Ms. Hoang Thi Minh Thuy
Chief Accountant

Ms. Nguyen Thi Thanh Ha
Chief Financial Officer

Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam
27 March 2017

COMMENTS FROM INTERNAL AUDIT

Internal Audit is established and operated in accordance with the decision of the Board of Management and under the Governance/ Control Unit. Internal Audit consists of a number of staff who have experiences in accounting – auditing field, and are fully certified in securities field. It is an independent department supporting Board of Management in auditing Company's financial and accounting activities. It periodically reviews the financial reports, financial safety ratio reports, accounting books and points out errors in accounting activities to report to the Board of Management; makes recommendations to amend accounting activities in accordance with current regulations.

Quarterly Financial Reports, Semi-Annual Financial Report, Audited Financial Statement for 2016, Financial Safety Ratio Report of the Company were disclosed in accordance with regulations. Periodical recommendations from Internal Audit were promptly considered and applied by the accounting department. Accounting Department should limit the application of the extension of the consolidated financial statements, presenting in full and in more detail the explanatory notes in the financial statements.



OTHER INFORMATION



SHAREHOLDER AND MANAGEMENT INFORMATION

BOARD OF DIRECTORS/ BOARD OF SUPERVISORS

- Details of members and structures of the Board of Directors and Board of Supervisors are presented in section "The Board of Directors' Report" and "The Board of Supervisors' Report".
- Members of BOD, BOS, Board of Management and employees had a corporate governance certificate:

No.	Name	Position	Certificate No.	Date of Issuance
1	Nguyen Duy Hung	Chairman cum CEO	36 QTCT 21/QĐ-TTNC	12/11/2009
2	Nguyen Hong Nam	Member of BOD Deputy CEO	22 QTCT 122/QĐ-TTNC	29/01/2010
3	Ngo Van Diem	Member of BOD	10 QTCT 53/QĐ-TTNC	07/05/2009
4	Bui Quang Nghiem	Member of BOD	29 QTCT 158/QĐ-TTNC	08/09/2009
5	Nguyen Van Khai	Head of BOS	22 QTCT 123/QĐ-TTNC	29/01/2010
6	Dang Phong Luu	Member of BOS	50 QTCT 248/QĐ-TTNC	19/9/2013
7	Ho Thi Huong Tra	Member of BOS	18 QTCT 17/QĐ-TTNC	20/01/2010
8	Nguyen Thi Thanh Ha	Chief Finance Officer	38 QTCT 21/QĐ-TTNC	12/11/2009
9	Nguyen Kim Long	Head of Legal and Internal Control	31 QTCT 96/QĐ-TTNC	30/06/2009
10	Hoang Thi Minh Thuy	Chief Account	61 QTCT 96/QĐ-TTNC	30/06/2009
11	Tran Thi Thuy	Assistant to CEO	37 QTCT 21/QĐ-TTNC	12/11/2009

Two members of the BOD who haven't got corporate governance certificate are Mr Nguyen Duy Khanh and Mr Hironori Oka since they was newly elected in 2015. They will arrange to fully participate in the corporate governance training course as prescribed in the near future. In addition, there is still no training course for corporate governance organized in English for foreigners in Vietnam

In 2016, the BOD also sent representatives and company secretary to attended, exchanged and also contributed their opinion on seminars and conferences about corporate governance organized by SSC, Exchanges and other organizations. Especially, SSI's representative has attended training course on ASEAN Corporate Governance Scorecard organized by HOSE and IFC.

SHAREHOLDER INFORMATION

The shares of Saigon Securities Inc. are listed on the Ho Chi Minh Stock Exchange with the ticker SSI and are centrally deposited at the Vietnam Securities Depository – Ho Chi Minh City Branch.

Stock Information: As at 31/12/2016, the charter capital of SSI stood at VND 4,900,636,840,000 and divided into 490,063,684 common shares with the par value of VND 10,000. The Company did not issue any other but common shares

Treasury share transaction in 2016: The number of treasury shares at 31/12/2016 was 238,434 shares, increasing 232,115 compared to that at 31/12/2015. The reason was the Company bought odd lot SSI shares according to investors' request and bought back ESOP shares from employees who violated the rules according to the decision of the BoD.

Shareholder structure: Details on shareholder structure and ownership of internal persons are presented in Appendix 2 of this Annual Report: The data was updated in accordance with the shareholder list provided by the Vietnam Securities Depository as at 20/03/2017.

Other information: transaction of internal persons and related persons are presented in Appendix 1 of this Annual Report

APPENDIX 1: TRANSACTIONS OF INTERNAL PERSONS/ MAJOR SHAREHOLDERS AND RELATED PERSONS

SSI share trading:

No.	Transaction executor	Relationship with internal person	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increase decrease (purchase, sale, switch, reward...)
			Number of shares	Per-centage	Number of shares	Percent-age	
1	Nguyen Duy Hung	Chairman cum CEO	1,789,400	0.37%	3,012,400	0.61%	Increasing 1,223,000 shares due to purchase transaction under ESOP on 15 December 2016
2	Nguyen Hong Nam	Board member, Deputy CEO, Authorized per-son to disclose information	726,720	0.15%	900,000	0.18%	Decreasing 426,720 shares due to sale transaction to Sai Gon Dan Linh Real Estates Co. Ltd. on 10 November 2016 Increasing 600,000 shares due to purchase transaction under ESOP on 15 Decem-ber 2016

No.	Transaction executor	Relationship with internal person	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increase decrease (purchase, sale, switch, reward...)
			Number of shares	Percentage	Number of shares	Percentage	
3	Ngo Van Diem	Board member	104,000	0.02%	150,000	0.03%	Decreasing 54,000 shares due to sale transaction on 28 October 2016 and 31 October 2016 Increasing 100,000 shares due to purchase transaction under ESOP on 15 December 2016
4	Bui Quang Nghiem	Board member	243,174	0.05%	273,174	0.06%	Increasing 30,000 shares due to purchase transaction under ESOP on 15 December 2016
5	Nguyen Duy Khanh	Board member	100,000	0.02%	300,000	0.06%	Increasing 200,000 shares due to purchase transaction under ESOP on 15 December 2016
6	Nguyen Van Khai	Head of BOS	95,455	0.02%	70,455	0.01%	Decreasing 55,000 shares due to sale transaction from 15 March 2016 to 23 March 2016 Increasing 30,000 shares due to purchase transaction under ESOP on 15 December 2016
7	Dang Phong Luu	BOS member	74,668	0.015%	89,668	0.02%	Increasing 15,000 shares due to purchase transaction under ESOP on 15 December 2016
8	Ho Thi Huong Tra	BOS member	42,661	0.01%	30,661	0.01%	Decreasing 12,000 shares due to sale transaction 13 October 2016 Increasing 15,000 shares due to purchase transaction under ESOP on 15 December 2016 Decreasing 15,000 shares due to sale transaction 28 December 2016
9	Nguyen Thi Thanh Ha	CFO	412,200	0.1%	712,200	0.15%	Increasing 300,000 shares due to purchase transaction under ESOP on 15 December 2016
10	Hoang Thi Minh Thuy	Chief Accountant	60,000	0.01%	120,000	0.02%	Increasing 60,000 shares due to purchase transaction under ESOP on 15 December 2016
12	Daiwa Securities Group Inc.	Related party of Board member Hironori Oka	48,106,601	10.03%	85,606,601	17.47%	Increasing 9,164,870 shares due to purchase transaction from 25 February 2016 to 25 March 2016. Increasing 17,335,130 shares due to purchase transaction from 06 April 2016 to 27 April 2016 Increasing 11,000,000 shares due to purchase transaction from 02 to 06 December 2016

No.	Transaction executor	Relationship with internal person	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increase decrease (purchase, sale, switch, reward...)
			Number of shares	Percentage	Number of shares	Percentage	
13	Saigon Dan Linh Real Estate Co. Ltd.	Related party of Board member cum Deputy CEO Nguyen Hong Nam	29,127,343	6.20%	29,554,063	6.03%	Increasing 426,720 shares due to purchase transaction from Mr. Nguyen Hong Nam on 10 November 2016
14	Nguyen Van Hiem	Related person of Head of BOS Nguyen Van Khai	27,000	0.006%	43,000	0.01%	Increasing 16,000 shares due to purchase transaction under ESOP on 15 December 2016
15	Hoang Thi Khanh Duyen	Related person of Chief Accountant Hoang Thi Minh Thuy	6,000	0.001%	14,000	0.003%	Increasing 8,000 shares due to purchase transaction under ESOP on 15 December 2016

Other transactions: (from and to internal and major shareholders and relalted partities)

Related parties	Relationships
SSI Assets Management Ltd.	100%-owned subsidiary
SSI Investment Member Fund	80%-owned subsidiary
NDH Invest Ltd. and its subsidiaries	SSI's Chairman is the owner of NDH Invest Ltd.
Sunway Investment JSC.	SSI invested in this Company and its member of the BOD is the younger brother of SSI's Chairman
Daiwa Securities Group Inc.	Strategic shareholder
The PAN Group JSC.	Chairman of SSI is also the Chairman of the PAN Group
Saigon Dan Linh Real Estate Co., Ltd	Deputy CEO of SSI is also the Chairman of Saigon Dan Linh Real Estate Co., Ltd
Nguyen Saigon Co., Ltd	The Chairman of Nguyen Saigon Co., Ltd is the brother of SSI's Chairman

Significant balances and transactions with related parties as at 31 December 2016 and for the year then ended are as follows:

Parties	Transaction	Receivables/(Payables)				Revenues/ (Expenses)
		Beginning	Increases	Decrease	Ending	
	VND	VND	VND	VND	VND	VND
SSI Investment Member Fund	Capital contribution	312,000,000,000	-	-	312,000,000,000	-
Sunway Investment JSC.	Capital contribution	15,000,000,000	-	-	15,000,000,000	-
	Advance for selling securities, securities transaction fee and custodian fee	-	2,287,264,060	(2,287,264,060)	-	2,287,264,060
	Rental expense	-	(10,722,536,000)	10,722,536,000	-	(13,936,537,998)

Parties	Transaction	Receivables/(Payables) Beginning	Increases	Decrease	Ending	Revenues/ (Expenses)
	VND	VND	VND	VND	VND	VND
	Deposit for rental expense	10,800,702,000	-	-	10,800,702,000	-
	Interest on deposit for rental	-	1,098,071,372	(1,098,071,372)	-	1,098,071,372
	Receivables from margin activities	103,705,068,842	1,757,861,451,705	(1,725,277,756,535)	136,288,764,012	10,407,357,927
	Advance for bond brokerage contract	142,446,211,500	-	(142,446,211,500)	-	-
	Securities trading transactions and trust portfolio	-	995,436,430,000	(995,436,430,000)	-	-
	Dividend payment	-	(2,598,502,000)	2,598,502,000	-	-
	Purchase of bonds issued by SSI	(150,000,000,000)	-	150,000,000,000	-	-
	Payables for interest on bonds by SSI	(11,821,666,667)	(6,962,291,666)	18,783,958,333	-	(6,962,291,666)
NDH invest Company Ltd. and its subsidiaries	Advance for selling securities, securities transaction fee and custodian fee	-	513,666,694	(513,666,694)	-	513,666,694
	Securities trading transactions	-	763,386,130,000	(763,386,130,000)	-	-
	Dividend payment		(42,304,080,000)	42,304,080,000	-	-
	Consultant fee	-	719,495,000	-	719,495,000	654,086,364
DAIWA SECURITIES GROUP INC	Transaction fee	-	1,389,497,385	(1,389,497,385)	-	1,389,497,385
	Dividend payment	-	(74,606,601,000)	74,606,601,000	-	-

Parties	Transaction	Receivables/(Payables) Beginning	Increases	Decrease	Ending	Revenues/ (Expenses)
	VND	VND	VND	VND	VND	VND
The PAN Group JSC. & subsidiaries	Advance for selling securities, securities transaction fee and custodian fee	-	574,411,312	(574,411,312)	-	574,411,312
	Margin loans	44,623,697,526	39,442,130,180	(84,065,827,706)	-	376,247,509
	Consultant fee	-	10,291,402,865	(10,209,402,865)	82,000,000	9,355,820,786
	Advance for consultant contract	(100,000,000)	-	100,000,000	-	-
	Advance for selling securities	(697,325)	(7,408,615,364)	7,409,312,689	-	-
	Selling securities	-	70,000,000,000	(70,000,000,000)	-	-
	Storage fee and service fee	(46,395,370)	(1,172,564,708)	1,198,072,154	(20,887,924)	(1,172,564,708)
	Deposit for storage fee	78,262,800	41,741,700	(78,262,800)	41,741,700	-
	Deposit for securities brokerage services	-	(2,714,340,200,549)	2,458,289,779,273	(256,050,421,276)	-
	Interest payable for securities brokerage deposit	-	(20,339,938,253)	19,358,587,261	(981,350,992)	(20,339,938,253)
	Expense for commodity purchase	-	(2,188,650,000)	2,188,650,000	-	(2,188,650,000)
SSI Assets Management Ltd.	Capital contribution	30,000,000,000	-	-	30,000,000,000	-
	Dividend	-	41,946,867,580	(41,946,867,580)	-	41,946,867,580
	Advance for selling securities, securities transaction fee and custodian fee	-	4,068,573,205	(4,068,573,205)	-	4,068,573,205
	Balance of trusted portfolio	1,616,344,663,172	1,351,104,341,599	(1,573,083,202,586)	1,394,365,802,185	-

Parties	Transaction	Receivables/(Payables)				Revenues/ (Expenses)
		Beginning	Increases	Decrease	Ending	
	VND	VND	VND	VND	VND	VND
SSI Assets Management Ltd. (continued)	Welfare benefits payables	-	(3,015,251,900)	3,015,251,900	-	-
	Portfolio management fee	(5,427,686,015)	(43,797,677,943)	41,778,509,350	(7,446,854,608)	(43,797,677,943)
	Consultant fee for securities investment	(2,696,581,875)	(37,474,138,434)	36,462,819,888	(3,707,900,421)	(37,474,138,434)
Nguyen Saigon Co., Ltd	Advance for selling securities, securities transaction fee and custodian fee	-	501,082,508	(501,082,508)	-	501,082,508
	Receivable from margin trading	-	17,618,730,327	(17,618,730,327)	-	23,075,065
	Dividend payment	-	(208,002,000)	208,002,000	-	-
Saigon Dan Linh Real Estate Co., Ltd	Advance for selling securities, securities transaction fee and custodian fee	-	232,622,022	(232,622,022)	-	232,622,022
	Dividend payment	-	(29,127,343,000)	29,127,343,000	-	-
Other parties	Purchase of bonds issued by SSI	-	(12,500,000,000)	-	(12,500,000,000)	-
	Payables for bond interest issued by SSI	-	(1,942,494,097)	956,097,222	(986,396,875)	(1,036,166,319)

APPENDIX 2: SHAREHOLDER STRUCTURE AS AT 20/3/2016

Shareholder structure by type of shareholder

NO.	Subject	Number of shares	Ownership proportion (%)	Number of shareholders	Shareholding structure(*)	
					Institutional	Individual
1	The State as shareholder	-	-	-	-	-
2	Founder/ FDI Shareholder	-	-	-	-	-
	- Domestic	-	-	-	-	-
	- Foreign	-	-	-	-	-
3	Major Shareholders	163,355,391	33.33%	3	3	
	- Domestic	77,748,790	15.87%	2	2	
	- Foreign	85,606,601	17.47%	1	1	
4	Labor Union	-	-	-	-	-
	- Domestic	-	-	-	-	-
	- Foreign	-	-	-	-	-
5	Treasury shares	218,434	0.04%	1	1	
6	Preferred stocks (if any)	-	-	-	-	-
7	Other shareholders	326,489,859	66.62%	18,316	212	18,104
	- Domestic	135,157,335	27.58%	16,498	87	16,411
	- Foreign	191,332,524	39.04%	1,818	125	1,693
	TOTAL	***490,063,684***	***100.00%***	***18,320***	***216***	***18,104***
	In which: *- Domestic*	***213,124,559***	***43.49%***	***16,501***	***90***	***16,411***
	- Foreign	***276,939,125***	***56.51%***	***1,819***	***126***	***1,693***

Shareholder structure by type of ownership

	Subject	Number of transfer restriction shares (*)	Number of free transfer shares	Total	Ownership proportion (%)
I.	Internal persons	3,956,000	87,309,159	91,265,159	18.62%
II.	Treasury stocks	-	218,434	218,434	0.04%
III.	Labor Union	-	-	-	-
IV.	Shareholders own preferred stocks (If any)	-	-	-	-
V.	Other Shareholders	11,044,000	387,536,091	398,580,091	81.33%
	1. Domestic	10,904,000	196,343,567	207,247,567	42.29%
	1.1 Individual	10,904,000	108,283,194	119,187,194	24.32%
	1.2 Institutional	-	88,060,373	88,060,373	17.97%
	- In which, State Shareholders	-	-	-	-
	2. Foreign	140,000	191,192,524	191,332,524	39.04%
	2.1 Individual	140,000	12,744,015	12,884,015	2.63%
	2.2 Institutional	-	178,448,509	178,448,509	36.41%
	TOTAL	**15,000,000**	**475,063,684**	**490,063,684**	**100.00%**

(*) Lock-up shares in the issuance of employee stock ownership plan on 23 October 2015 and 15 December 2016. Total lock-up shares is 10,000,000 shares. Lock-up period as follows:

- Lock-up period from 23 October 2016 to 22 October 2017: 5,000,000 shares
- Lock-up period from 15 December 2016 to 14 December 2017: 5,000,000 shares
- Lock-up period from 15 December 2017 to 14 December 2018: 5,000,000 shares

List of shareholders by type

No	Name of organization/ individual	ID/Passport number	Date of issue	Place of issue	Number of stock	Proportional ownership (%)	Number of transfer restriction shares
A. State shareholders					-	-	-
Total A							
B. Major Shareholders							
1	NDH Invest Company Limited	0104285751	30/10/2014	16th floor, ICON4 Tower, 243A De La Thanh street, Lang Thuong, Dong Da, Hanoi	48,194,727	9.83%	-
	Representative: Nguyen Duy Hung	220895567	20/06/2009	No 54, Alley 61/17, Phung Chi Kien street, Nghia Do, Cau Giay, Hanoi	-	-	-
2	Daiwa Securities Group Incorporation	CS6098	03/07/2007	9-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	85,606,601	17.47%	-
	Representative: Hironori Oka	TH1551742	08/09/2006	Apartment no. 3405, Pacific Place building, Pacific Place, 88 Queensway, Hong Kong	-	-	-
3	Saigon Dan Linh Real Estate Co., Ltd	0312490624	04/10/2013	236/43/2 Dien Bien Phu street, Ward 17, Binh Thanh, Hochiminh City	29,554,063	6.03%	-
	Representative: Ha Thi Thanh Van	024100737	02/03/2004	D8, no 60 Giang Van Minh, An Phu ward, District 2, Hochiminh City	-	-	-
Total B					**163,355,391**	**33.33%**	**-**

No	Name of organization/ individual	ID/Passport number	Date of issue	Place of issue	Number of stock	Proportion-al owner-ship (%)	Number of transfer restric-tion shares
C. Strategic shareholders							
1	Daiwa Securities Group Incorporation	CS6098	03/07/2007	9-1 Marunouchi 1-chome, Chiyo-da-ku, Tokyo, Japan	85,606,601	17.47%	-
Total C					**85,606,601**	**17.47%**	-
D. Founding partner/FDI Shareholder (in case Listed company is a FDI company)					-	-	-
Total D					-	-	-
Total (A+B+C+D)					**163,355,391**	**33.33%**	-

Details of internal shareholders and spokesman

No.	Name	Position	Number of Transfer restric-tion shares	Number of Free transfer shares	Total	Ownership Proportion (%)
1	Nguyen Duy Hung	Chairman cum CEO	1,956,000	1,056,400	3,012,400	0.61%
2	Nguyen Hong Nam	Member of BOD cum Deputy CEO Spokesman	900,000	-	900,000	0.18%
3	Ngo Van Diem	Member of BOD	150,000	-	150,000	0.03%
4	Bui Quang Nghiem	Member of BOD	50,000	223,174	273,174	0,06%
5	Hironori Oka	Member of BOD	-	-	-	-
	Daiwa Securities Group Inc.		-	85,606,601	85,606,601	17.47%
6	Nguyen Duy Khanh	Member of BOD	250,000	50,000	300,000	0.06%
7	Nguyen Van Khai	Head of BOS	50,000	20,455	70,455	0.01%
8	Dang Phong Luu	Member of BOS	30,000	59,668	89,668	0.02%
9	Ho Thi Huong Tra	Member of BOS	30,000	661	30,661	0.01%
10	Nguyen Thi Thanh Ha	CFO	450,000	262,200	712,200	0.15%
11	Hoang Thi Minh Thuy	Chief Accountant	90,000	30,000	120,000	0.02%
	TOTAL		***3,956,000***	***87,309,159***	***91,265,159***	***18.62%***

BRANCH NETWORK

THE SOUTH

Head Office: 72 Nguyen Hue, District 1, Ho Chi Minh City

Tel: (08) 38242897 - Fax: (08) 38242997

Nguyen Cong Tru Branch: 92-94-96-98 Nguyen Cong Tru street, District 1, Ho Chi Minh City

Tel: (08) 38218567 - Fax: (08) 38213867

Pham Ngoc Thach Transaction Office: Level 2, ITower building, 49 Pham Ngoc Thach street, District 3, Ho Chi Minh City

Tel: (08) 38235079 - Fax: (08) 38245077

Vung Tau Branch: 4 Le Loi, Vung Tau City

Tel: (064) 3 521 906 - Fax: (064) 3 521 907

Nha Trang Branch: Level 3, Queen Buidling, 50 Le Thanh Phuong, Nha Trang city, Khanh Hoa province

Tel: (058) 3816969 - Fax: (058) 3816968

THE NORTH

Ha Noi Branch: 1C Ngo Quyen, Hoan Kiem district, Ha Noi

Tel: (04) 39366321 - Fax: (04) 39366311

My Dinh Branch: G level, The Manor Building, My Dinh, Me Tri, Tu Liem district, Ha Noi

Tel: (04) 3794 6699 - Fax: (04) 3794 6677

Hai Phong Branch: 22 Ly Tu Trong, Hong Bang district, Hai Phong City

Tel: (031) 3569123 - Fax: (031) 3569130

Tran Hung Dao Transaction Office: 10th floor, Capital Tower, 109 Tran Hung Dao street, Cua Nam ward, Hoan Kiem district, Hanoi

Tel: (04) 39413383 - Fax: (04) 39413385

Nguyen Chi Thanh Transaction Office: 08th floor, TNR Tower, 54A Nguyen Chi Thanh, Lang Thuong ward, Dong Da district, Hanoi

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