SSI

2019 ANNUAL REPORT

REMARKABLE IMPRESSION FOR SOLID FUTURE



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MESSAGE
FROM THE CHAIRMAN

Dear Valued Shareholders,

2019 was the second consecutive year that Vietnam reached an economic growth rate of over 7%, in the highest group in Asia. The goals of macroeconomic stability and inflation curb remained intact. The economic structure had sharp transition with the uprising of the private sector, significantly contributing to stabilization of key macro balances. The balance of payment reached the large surplus, creating abundant supply of foreign currency for foreign exchange reserves and indirectly increasing money supply for liquidity of the banking system. The interest rate, thus, was maintained at low level and slightly declined at the end of year. Contrary to the positive macro movements, Vietnam Stock Market hit a harsh time where both local and foreign investors were wary. The liquidity, transaction value in whole market and total net buying value of foreign investors fell significantly compared to 2018. VN-Index lost its growth momentum in the last 9 months due to concerns of risks related to global political instability and shortage of new catalysts for domestic market that made local and foreign investors proactively withdraw their capital from risky assets such as shares.

The market context caused many challenges in business for SSI in 2019. However, with our business philosophy - loyal to sustainable development strategy to adapting to all market situations - SSI continued to record the positive results from the Company's business segments.

For **Securities Services**, 2019 marked the sixth year in succession that SSI held its No. 1 position in terms of stock/fund certificate brokerage market share in whole market, accounting for 13.31%. The customer size increased with more than 166 thousand accounts, growing by 10% year-on-year.

Treasury played an important role in managing the Company's reserves efficiently, supporting Customers to manage their business capital, providing for liquidity, expanding cooperation with strong commercial banks, and pioneering in launching new products.

Investment Banking focused on advisory services of corporate bond issuance with big transactions while the stock market was not really favorable for equity finance.

In term of **Principal Investment**, SSI proactively divested some investments that gained expected profits and enhanced the state of good shares when the market experienced fluctuations. Thus, the profit of whole portfolio still outperformed VN30. SSI is also one of the first securities companies that issue and successfully create the market for covered warrants.

By the end of 2019, **SSI Asset Management Ltd (SSIAM)** managed VND 4,591 billion investor's assets, outperformed 12% of the planned profit.

This was owing to efforts by the **Governance Unit** in not only maintaining the best transparency and compliance but also mitigating risks among the Company's activities. **The Support Unit** has made its great efforts in smoothly coordinating functions to accommodate the Company's growth in terms of improving technology quality and information security, building and strengthening an attractive working environment and bridging the Company with the public to reflect all the Company's activities in an effective and honest manner.

At the start of 2020, Coronavirus disease 2019 (COVID-19) has made global economic prospect gloomy, many major economies may fall into the recession period. The discontinuity of global supply chain, along with restriction on traveling and trade, has put significant pressure for Vietnam when depending both on external input and output markets. If the disease still prolongs and becomes uncontrollable, the fact that some enterprises must shut down is inevitable. The Stock market also reflects general context through first months with negative movements. VN-Index declines by 30% in the first quarter of 2020 - the highest drop since 2008 global financial crisis, net selling amount of foreign exchange rate also reaches the record number, up to VND 8,700 billion. COVID-19 pandemic is forecasted to create the worst crisis in history, possibly changing the world order, reshaping business model and method of enterprise operation.

Over 20 years of ups and downs with stock market, we identify that 2020 will be a year of challenges and opportunities for SSI to review its business model, refine organizational structure, improve personnel quality and work performance and especially when it's important time to drastically conduct digital transformation at enterprise, be ready to cope with unpredictable factors in the future, steadily adapt to new situations. For business operation, SSI will maintain its sustainable development strategy, uphold the principle of best interests for all stakeholders and transparency as our business philosophy.

We would like to thank our valued clients and partners for walking alongside SSI, to our valued shareholders for having your trust in the Board of Directors and Board of Management in approving the proposals at the General Meeting of Shareholders, and to the Members of the Board of Directors for coming up with efficient business development strategies and plans. And last but not least, my special thanks are dedicated to all the Staffs, who have joined the journey of hardship to create SSI's remarkable impressions in the last 20 years, together firmly enter the future and bring our Company to a brand-new level. With all your unity, we will achieve outstanding greatness in 2020.

We wish You good health and success!

Ho Chi Minh City, April 12, 2020

Chairman cum CEO



Nguyen Duy Hung


REMARKABLE
IMPRESSION



1

GENERAL INFORMATION

SSI's REMARKABLE IMPRESSION
A 20-YEAR JOURNEY

USD 10 billion
the amount mobilized for Vietnam Stock Market during 20 years of operation

VND 100 billion
the budget for community activities for the last 20 years

166,000
the number of accounts managed by the end of 2019, accounting for 7% of total accounts nationwide

16
the number of Branches/Transaction Offices, making SSI the largest operational network in Vietnam to bring the best experiences to customers

100%
As the first company officially increase foreign ownership ratio up to 100%, SSI's goal remains providing favorable conditions in a fair and equitable investment environment for both domestic and foreign investors to level up our business.

REMARKABLE IMPRESSION/ GENERAL INFORMATION

USD 1.35 billion
total transaction value of secondary offering of 267.8 million Vinhomes shares to foreign investors advised by SSI. This is the biggest share offering deal in history of Southeast Asia Stock Market

Top 50
Enterprises with Largest Tax Contribution in Vietnam- playing a "pioneering" role in contributing to State budget as well as promoting general development of whole market

USD 32.3 million
SSI's brand value was announced by Forbes in July 2019, making SSI a Top 50 Leading Brand 2019 voted by Forbes Vietnam

364
total awards that SSI has won over 20 years of operation. As the first privately licensed securities firm in Vietnam Stock Market, SSI has left many indelible marks on several prestigious financial awards in the country and in the region



VISION – MISSION CORE VALUES

VISION

THE BUSINESS OF SUCCESS

SSI Securities Corporation (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.

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**

SSI Securities Corporation (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 20 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. Currently, The Company has a wide network of Branches/ Transaction Offices cover major cities throughout Vietnam, such as Hanoi, Ho Chi Minh City, Hai Phong, Nha Trang, Vung Tau.

Company name:	SSI Securities Corporation (SSI)
	(Formerly known as Saigon Securities Incorporation)
Legal Representative:	Mr. Nguyen Duy Hung (Chairman cum CEO)
Date of incorporation:	30/12/1999
Charter Capital (as at 31/12/2019):	VND 5,100,636,840,000
Owner’s equity (as at 31/12/2019):	VND 9,401,059,780,205
Head Office:	72 Nguyen Hue, Ben Nghe Ward, District 1, Ho Chi Minh City
Website:	http://www.ssi.com.vn/
Telephone:	+84 28 38242897
Fax:	+84 28 38242997
Number of employees (as at 31/12/2019):	966 including 531 employees who are fully certified for securities license.

HISTORY

30/12/1999

SSI was founded with its head office in Ho Chi Minh City, operated in two major segments: Brokerage Services & Investment Advisory. Initial charter capital was VND 6 billion.

1998

Vietnam securities market was established on July 11, 1998;
On the same day, the Prime Ministers Decision No. 127/1998/QD-TTg pinpointed the coming into being of the two Securities Trading Centers (STCs), one in Hanoi and the other in Ho Chi Minh City.

2001

07/2001: Charter capital was raised to VND 20 billion. The company expanded core business functions to 4 areas including Investment Advisory, Brokerage Services, Principal Investment & Securities Depository.

2000

The first trading session was executed on 28th July 2007 at the Ho Chi Minh City Securities Trading Center.

2002

07/2002: SSI established its first branch in Hanoi, expanding its operations to Northern areas.

2005

06/2005: SSI raised charter capital to VND 52 billion with 6 main business lines including Investment Advisory, Brokerage Services, Principal Investment, Securities Depository and Investment Portfolio Management, Underwriting Service.

2005

Hanoi Securities Trading Center came into operation on March 08, 2005;
In the same year, the Prime Minister issued the Decision to establish the independent Securities Depository Center to support the operation of the stock market;
Total market capitalization was equivalent to 1% of GDP.

2006

12/2006: SSI stock listed on the Hanoi Securities Trading Center (now known as Hanoi Stock Exchange);
One year later, SSI switched its stock listing to Ho Chi Minh City Trading Center (now known as Ho Chi Minh Stock Exchange).

2007

Vietnam Securities Law came into effect;
Total market capitalization was equivalent to 43% of GDP.

2008

04/2008: Charter capital was raised to VND 1,366 billion;
06/2008: Daiwa became Strategic Shareholder of SSI.

REMARKABLE IMPRESSION/ GENERAL INFORMATION

IT'S BEEN 20 YEARS OF GROWTH ALONGSIDE WITH VIETNAM SECURITIES MARKET, OUR DEVELOPMENT MILESTONES WERE ALWAYS ATTACHED WITH EVERY IMPORTANT PROGRESS OF THE MARKET

2009

07/2009: SSIAM became the first company in Vietnam securities market to obtain a license to invest overseas.

2010

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

2013

03/2013: Charter capital was raised to VND 3,537.9 billion

2015

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

2017

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

04/2017: In January and April 2017, SSI carried out successfully two private placements of corporate bonds worth VND 300 billion for each issuance;

05/2017: SSI was granted with securities trading license by the State Securities Commission for trading derivatives and providing clearing services and settlement of derivatives trading.

Hanoi Stock Exchange issued the Decision to accept SSI as a member of Derivatives trading market.

2018

02/2018: SSI successfully issued its 3-year fixed rate convertible bonds with the total value of VND 1,150 billion at a coupon rate of 4 percent annually;

12/2018: SSI celebrated its 18th anniversary and officially changed its name to SSI Securities Corporation, matching abbreviation of the company's name and ticker symbol

2019

06/2019: SSI was officially granted Certificate of offering Covered Warrants.

2020

01/2020: Charter capital was raised to VND 5,200.6 billion

2009

Unlisted Public Company Market (UpCOM) was launched on June 24, 2009 at Hanoi Stock Exchange (HNX).

2017

After 17 years since establishment, Vietnam stock market has had a better structure since the Derivatives market has started operating officially on August 10, 2017.

2019

Covered Warrants trading has been launched on Ho Chi Minh Stock Exchange

Total market capitalization was equivalent to 100% of GDP

BUSINESS **UNITS**

SECURITIES SERVICES

Products and Services for enabling investing in listed stocks and mutual funds including: opening of trading accounts, brokerage, order placing, 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; Initial Public Offering (IPO) auction agent; Covered Warrants trading.

Products and Services for derivatives market including account opening, brokerage, advisory, order placing, cash transactions;

Financial services: margin lending, 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.

PRINCIPAL INVESTMENT

Investing in equity, bond, fund certificate, derivative;

Market making;

Covered warrants issuance.

INVESTMENT BANKING

Corporate financing advisory: business evaluation, corporate financing restructuring, listing and IPO advisory;

Mergers and Acquisitions (M&A) advisory;

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

SSI ASSET MANAGEMENT (SSIAM)

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

ASIAMONEY

Awards from Asiamoney Brokers Poll for consecutive 7 years. In 2019, a total of 28 awards has achieved including 25 awards won by individuals and another 3 won by company, in 2 main categories of analyst and sales:
3 company awards for SSI:
"Best local brokerage"
"Best for overall research"
"Best overall sales services
19 individual awards for best strategist, best economist and best analysts in various market sectors.
6 individual awards for best salesperson and best sales trader

Other Awards from Asiamoney
"Best Corporate and Investment Bank" in 2019
"Best Securities House in Vietnam" in 2019

THE ASSET

Award from The Asset
"Best corporate and institutional adviser – Domestic" in 2019

FINANCE ASIA

Award from FinanceAsia
"Best Broker" in Vietnam in 2008 – 2009 – 2010 – 2011 – 2014 – 2015 – 2016 – 2019
"Best Advisor" in Vietnam in 2008 – 2009 – 2010 – 2012 – 2016 – 2019
"Best Investment Bank" in Vietnam in 2010 – 2011 – 2014 – 2016 – 2018 - 2019

ALPHA SOUTHEAST ASIA

Award from Alpha Southeast Asia
"Best retail brokerage in Vietnam" in 2017 – 2018 – 2019

FORBES

Award from Forbes
Top 50 Best Listed Companies in Vietnam in 2014 – 2015 – 2016 – 2017 – 2018 – 2019
Top 50 Most Valuable Brands Vietnam in 2016 – 2017 – 2018 – 2019

AWARD FROM INVESTMENT MAGAZINE AND AVM

Award from Investment Magazine and AVM
The most outstanding securities company of M&A category in the period 2018 – 2019

VCCI

Award from VCCI
Top company with best corporate management company in Vietnam stock market

ANPHABE

Award from Anphabe
Top 50 Most Attractive Employer Brands of 2017 – 2018

HOSE/ HNX / VSD

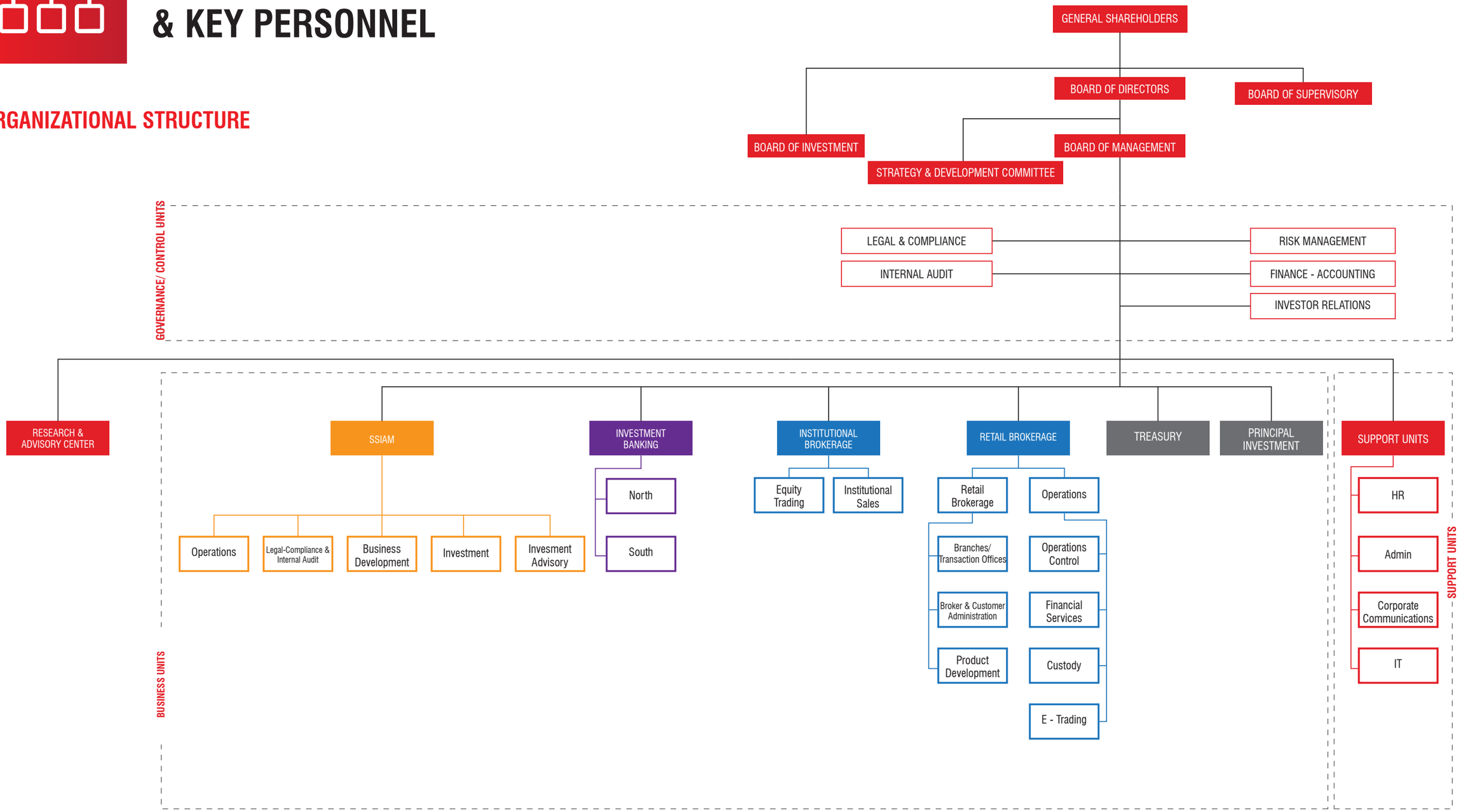
Awards from Hanoi Stock Exchange, Ho Chi Minh Stock Exchange and Vietnam Securities Depository:
Outstanding member in securities depository activities in 2018 – 2019
Outstanding member in stock/ cash transaction in 2018 – 2019
Outstanding member in derivatives transaction in 2018 – 2019

OTHER AWARDS

Top 500 Vietnamese Largest Private Enterprises ((VNR500) for 12 consecutive years (2008 – 2019)
Top 500 Fastest Growing Firms in Vietnam (FAST500) in 2016 – 2017 – 2018 – 2019
Top 500 Most Profitable Enterprises in Vietnam (PROFIT500) in 2018 – 2019
Top 1000 Enterprises with Largest Tax Contribution in Vietnam (V1000) for 8 consecutive years and among Top 50 of the list.

ORGANIZATIONAL STRUCTURE
& KEY PERSONNEL

ORGANIZATIONAL STRUCTURE



KEY PERSONEL

BOARD OF DIRECTOR



Mr. Nguyen Duy Hung

Chairman cum Chief Executive Officer

Mr. Hung is the founder of SSI Securities Corporation. He is also the Founder and Chairman of the PAN Group - a leading player in the field of agriculture and high-quality packaged food.



Mr. Nguyen Hong Nam

Board Member and Deputy CEO; Spokesman

Mr. Nam is a successful leader in many business areas. He graduated from University of Lugansk (Ukraine) with a master's degree in Science.



Mr. Ngo Van Diem

Board Member

Mr. Diem has vast experience in different areas of foreign and domestic investment, state-owned enterprises reform, industrial park development and economic integration after many years working at middle and high-ranking positions in various Government Agencies.

Mr. Diem graduated from Leipzig University and hold a PhD in Economics from Martin Luther University Halle (Germany).



Mr. Nguyen Duy Khanh

Board Member

Mr. Khanh received a B.A in Finance from The University of George Washington, United States.

He had a time working with SSI during the implementation phase of Conversion project consulted by McKinsey. He supported the establishment of SSI International Corp and made valuable contribution to the success of this company. Mr. Khanh is also a board member of PAN Group Joint Stock Company (PAN - HOSE).



Mr. Hironori Oka

Board Member

Mr. Hironori Oka has more than 20 years of experience in the field of finance and securities, working at many positions in various countries such as Japan, Hong Kong, USA, Singapore and Taiwan. He has held senior positions at Daiwa Group and has been responsible for major duties in leadership role since 1994. Currently, Mr. Oka is Managing Director and Head of Asia & Oceania cum President and CEO of Daiwa Capital Markets Hong Kong Limited.



Mr. Pham Viet Muon

Board Member

Mr. Muon is also a Member of the Board of Directors, PAN Group Joint Stock Company (PAN - HOSE). Previously, he was the former Vice Chairman of the Government Office, Standing Deputy Chairman of the Steering Committee for Innovation and Development of Enterprises. He has intensive knowledge and experience over 15 years in restructuring and equitizing state-owned enterprises.

Mr. Muon holds a PhD in Economics.

BOARD OF SUPERVISORY



Mr. Nguyen Van Khai

Head of the Supervisory Board

Mr. Khai joined the Supervisory Board in 1999 and was elected continuously as the Head of the Supervisory Board over the term.

Mr. Khai has a wealth of experience in managing and operating enterprises. He is the Vice Chairman of the Board of Long An Export Processing Joint Stock Company (LAF - HOSE) and Member of the Board of Ben Tre Seafood Import Export Joint Stock Company (ABT - HOSE).

He holds a Master's degree in Technology Management.



Mr. Dang Phong Luu

Member

Mr. Luu has been a member of SSI's Supervisory Board since 2005. He was the Director of Tan Binh Branch - Vietnam International Commercial Joint Stock Bank (VIB). Mr. Luu has over 20 years of experience in finance and banking. He graduated from Banking University, Ho Chi Minh City.

He is currently running his own business at An Bao Co., Ltd as Chairman of the Board of Members.



Mrs. Le Cam Binh

Member

Mrs. Binh has many years of experience in accounting, auditing and consulting. She has been the Director of Internal Audit since May 2017. She formerly worked for A&C Auditing and Consulting Company, in charge of managing auditing contracts for insurance and financial enterprises.

Mrs. Binh graduated from Thang Long University with a major in Accounting and Finance. She was granted the Certified Public Accountants (CPA) by the Ministry of Finance in 2005 and was granted the IFRS Certificate in February 2017 by ICAEW.

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REMARKABLE IMPRESSION/ GENERAL INFORMATION

REMARKABLE IMPRESSION/ GENERAL INFORMATION

KEY PERSONS

BOARD OF DIRECTORS



Mr. Nguyen Duy Hung
Chairman cum Chief Executive Officer



Nguyen Hong Nam
Member of BOD cum Deputy CEO

STRATEGY & DEVELOPMENT COMMITTEE



Mr. Diep The Anh
Research & Development Director

GOVERNANCE/ CONTROL UNITS



Mr. Nguyen Kim Long
Director of Legal & Compliance



Ms. Le Cam Binh
Director of Internal Audit



Ms. Nguyen Thi Thanh Ha
Chief Financial Officer



Ms. Hoang Thi Minh Thuy
Chief Accountant



Mr. Dang Manh Cuong
Director of Risk Management



Ms. Bui Thi Hong Nhung
IR Manager

RESEARCH & ADVISORY CENTER



Ms. Hoang Viet Phuong
Head of Research

BUSINESS UNITS

SSIAM | INVESTMENT BANKING | INSTITUTIONAL BROKERAGE | RETAIL BROKERAGE | TREASURY | PRINCIPAL INVESTMENT



Ms. Le Thi Le Hang
Chief Executive Officer



Ms. Nguyen Ngoc Anh
Managing Director



Mr. Mai Hoang Khanh Minh
Managing Director
Institutional Brokerage



Mr. Nguyen Anh Duc
Managing Director
Institutional Sales



Mr. Bui The Tan
Managing Director



Ms. Nguyen Vu Thuy Huong
Managing Director



Ms. To Thuy Linh
Deputy Chief Executive Officer



Mr. Nguyen Phan Dung
Deputy Chief Executive Officer



Ms. Ngo Thu Nga
Director of Equity Trading



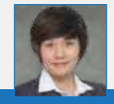
Ms. Cao Thi Ngoc Quynh
Director of Institutional Sale



Ms. Do Thi Thanh Thuy
Deputy Managing Director



Ms. Huynh Thi Thanh Thao
Director of Operations



Ms. Le Thi Thanh Tam
Director of Product Development

SUPPORT UNITS



Ms. Doan Ngoc Ly Ly
Chief Operating Officer



Ms. Do Thi Quynh
Chief Personnel Officer



Mr. Steve Yam
Chief Information Officer



Mr. Luong Lan My
Director of
Coporate Communications



Ms. Vu Thi Thu Trang
Admin Manager



OPERATIONAL IMPRESSION 2019

2019 **HIGHLIGHTS**

The sixth consecutive year on top 1

of stock/fund certificate brokerage market share.

One of the first Securities companies is licensed to issue Covered Warrants (CW), in 2019,

SSI issued 24 million CWs, equivalent to 44% of total issuance value,

with daily transaction worth of 65% of CW transaction value in whole market at the end of 2019.

SSI launched bond investment product,

S-Bond, with attractive yield – 10.5%/year

to help customers diversify their portfolio, optimize profit and minimize risks. SSI conducts careful verification for all bonds under S-Bond list and acts as market maker to increase liquidity for bonds.

SSI iBoard

is developed based on intelligent technology platform, permitting customers to monitor the market and quickly place transaction orders on the same platform for both equity and derivatives trading.



SSI Asset Management Ltd (SSIAM) publicized

SSIAM VNFIN LEAD ETF Funds

the first ETF that simulates industry index in Vietnam, expected to attract ETF capital flows for Vietnam Stock Market.

SSI launched

iWin – the pioneering simulation trading system on the market

a perfect environment for investors to test their strategies and get acquainted with stock market. SSI also organized a competition for traders on iWin with total value of award up to VND 1 billion.

SSI's achievements were recognized by local and foreign outstanding awards during 2019

ASIAMONEY BROKER POLL

"Best Local Brokerage in Vietnam" for the seventh consecutive year

ALPHA SOUTHEAST ASIA

"Best retail brokerage in Vietnam" for the second consecutive year

THE ASSET TRIPLE A COUNTRY AWARDS 2019

"Best corporate and institutional adviser – Domestic" for the second consecutive year

FORBES

Top 50 Best Listed Companies in Vietnam for the sixth consecutive year

Top 50 Most Valuable Brands in Vietnam for the fourth consecutive year

BUSINESS
ENVIRONMENT 2019

MACROECONOMICS 2019

The Vietnamese economy in 2019 had achieved positive results, with growth on a strong trajectory. The target of a stabilized macro-economy with controlled inflation was maintained, as the average CPI Index increased by just 2.79% YoY, much lower than the annual target of 4% YoY. Economic growth reached over 7% for the second consecutive year, ranking amongst the top in terms of Asian growth rates.

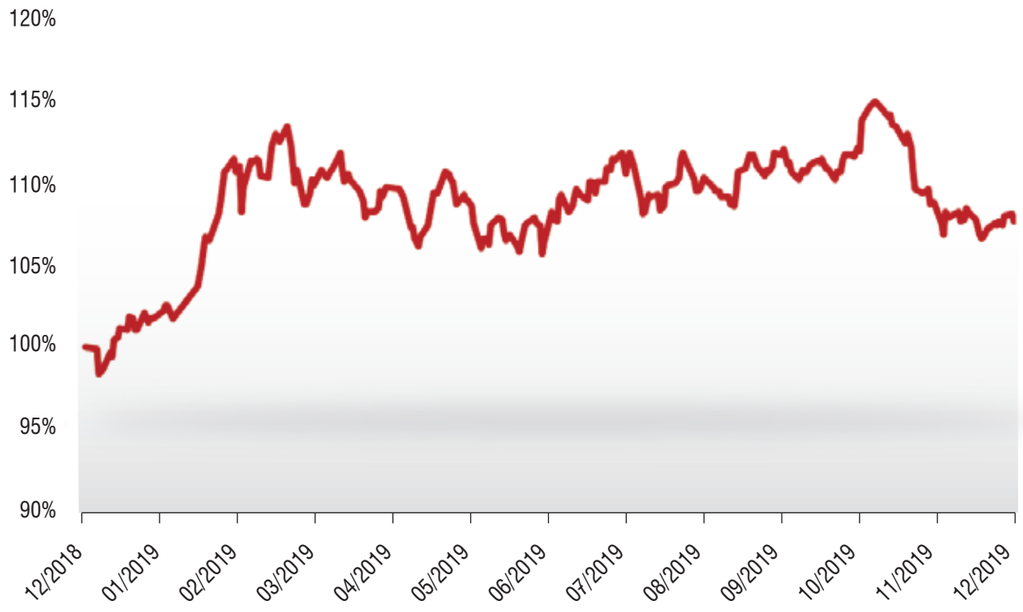
Economically, there has been a clear structural shift with the rise of the private sector, greatly influential towards stabilizing the growth trajectory of important macro indicators. While exports from the FDI-invested sector increased just slightly, by 4% YoY, locally-owned companies maintained a stunning growth rate of 18% YoY. Many industrial and technological products such as telephones, electronics, machines & equipment, and automobiles that were manufactured by Vietnamese enterprises have been racking up in terms of export value.

The tourism industry continued to grow at a robust expansion, with an increase of 16% YoY in international arrivals and 17% YoY in tourism exports. Due to the increase in exports of goods and services of the domestic sector, the trade surplus of goods and services in 2019 reached $7.9 billion USD, more than double compared to 2018. Therefore, the total balance of payments in 2019 reached a large surplus, approximately $ 20 billion USD, amassing large foreign exchange reserves while indirectly increasing supply in terms of available liquidity for the banking system. Thus, interest rates were kept at a comparatively low level, having slightly reduced by the end of the year.

STOCK MARKET REVIEW

In contradiction to the positive developments of macroeconomics, 2019 is considered as a challenging year for Vietnam Stock Market.

VN Index 2019 performance



Source: Bloomberg



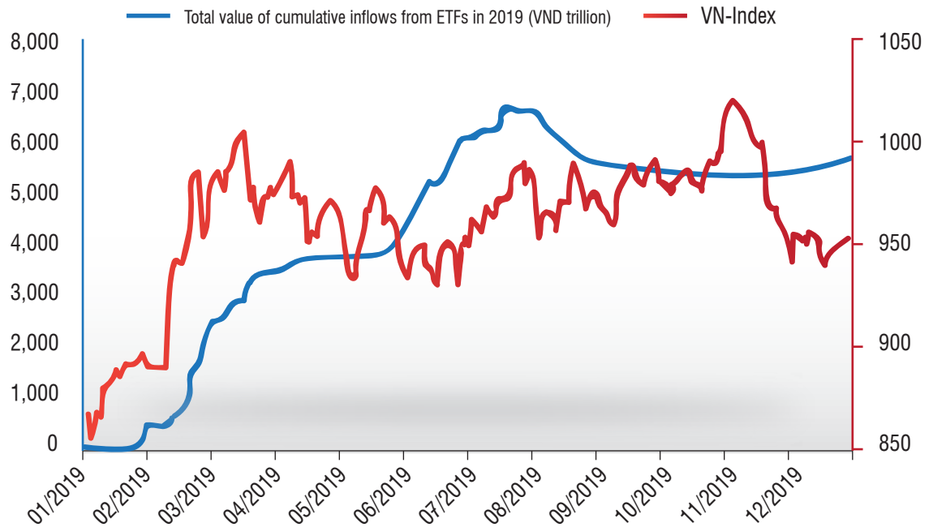
	12/2019	12/2018	+/- %
Equity market			
VN-Index	961	893	7.7%
HNX-Index	103	104	-1.6%
UPCom	57	53	7.2%
Daily trading value (VND billion)	5,224	5,347	-2.3%
Net buying/ (selling) of foreign investor (VND billion)	(978)	706	-238.5%
Derivatives market			
Number of contracts	79,731	127,824	-37.6%
Total transaction value (VND billion)	7,002	11,434	-38.8%

Source: Bloomberg, SSI Research & Advisory Center

The VN Index ended 2019 at 960.99 points, gaining 68.45 points or 7.67% YoY. The market surged in the first 3 months of the year, being supported by strong foreign inflows (especially via Exchange-traded fund (ETF) tracking Vietnam market). VN-Index then lost upward momentum in the following months of the years (except for July and September) due to rising fears of US-China trade war escalation, an inverted yield curve, and geopolitical tensions, all of which triggered foreign outflows. Sentiment of retail investors (who account for 86% of market trading value in Vietnam in 2019) was lackluster from both global uncertainties and lack of new near-term catalysts, such as large IPOs or state divestment, FOL solutions, market upgrade news, etc. Therefore, retail investors had either actively withdrew from the market, or switched to safer investment instruments such as corporate bonds and gold. Average daily trading value via order matching (across 3 bourses) declined by -34% YoY in 2019 to USD 149 million in 2019. Foreign investors in total net bought USD206 million in 2019 via both matching orders and put-through transactions, much lower than 2018 net inflows of USD 1.84 billion USD.

New foreign capital inflows into Vietnam are still mainly through ETFs, due to the limited access of foreign investors to the market. The total net inflow of capital from ETFs has been about USD 220 million. All 5 ETFs simulating the Vietnamese market recorded positive inflows of capital in the past year, especially two funds VFMVN30 ETF and VanEck Vectors Vietnam ETF. Launched in July 2019, the Premia Vietnam ETF is the latest fund to enter the market and has only made a modest contribution at the beginning of $24 million. SSIAM VNX50 ETF and DWS FTSE Vietnam Swap UCITS ETF has attracted net inflows of USD 2.5 million and USD 14.9 million respectively.

The total value of cumulative inflows from ETFs in 2019



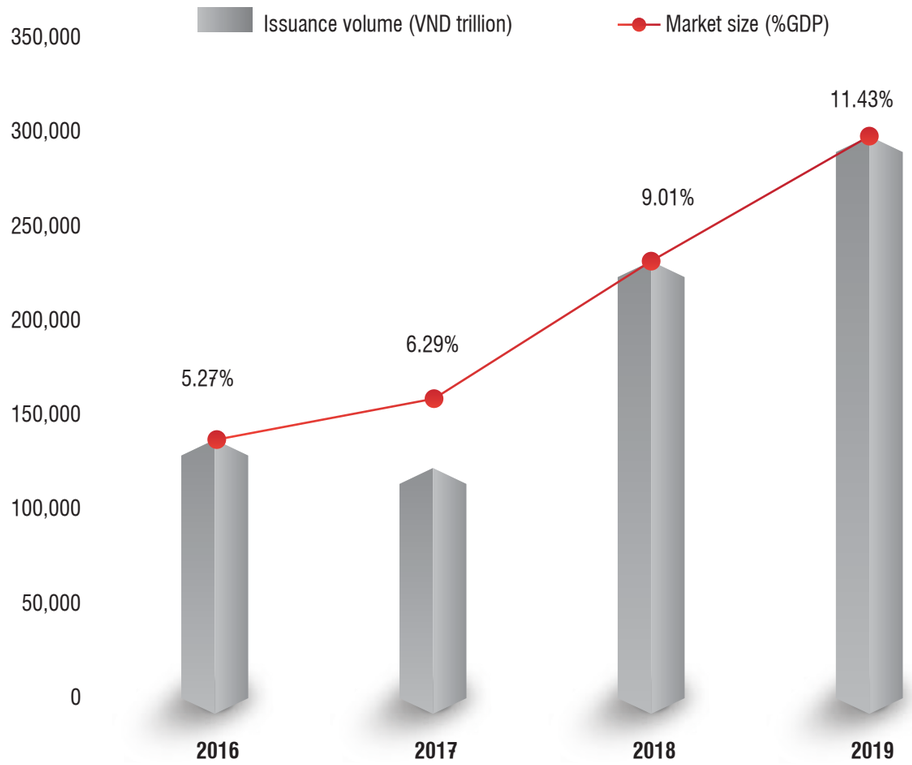
Source: Research & Advisory Center

The unfavorable market conditions also affected the capital mobilization activities of many enterprises to some extent. Far from the vibrant year of 2018 with a series of blockbuster deals in the first six months, 2019 was a quiet year for IPO activities with only a few small businesses conducting public offering auctions. Similarly, capital mobilization activities are quite limited.

Regarding the derivatives market which has been officially in operation for two years, positive growth has been recorded. There are currently two products on this market including: VN30 Index Futures Contract and 5-year government bond futures contracts. By the end of 2019, according to the report of State Securities Commission of Vietnam (SSC), the market has reached over 90,000 accounts, up 58% compared to the end of 2018. The system of trading and clearing members of the derivatives market consists of 19 securities companies which are granted clearing members' certificates. In addition, Covered Warrant (CW) was a new product to be officially traded on June 28, 2019. The launching of this product contributes to supporting investors in preventing fluctuations of the stock market.

It is important not to overlook the booming corporate bond market in 2019. According to statistics published by Hanoi Stock Exchange (HNX) and businesses, there were 211 companies offering a total of VND 300,588 billion bonds, divided into 807 issuance of which there were 12 unsuccessful releases. The total number of bonds issued for the whole year was VND 280,141 billion, equivalent to 93.2% of the offering value and increased by 25% compared to 2018. The large number of issued bonds in the year led to the sharp increase in the size of the corporate bond market, from 9.01% of GDP (2018) to about 11.3% of GDP (2019). The total amount of circulating corporate bonds reached nearly VND 670 trillion.

Vietnam's corporate bond market



Source: Ministry of Finance, SSI

The expansion of bond market, especially corporate bonds, is an inevitable trend to create a balance and improve the quality of financial markets. However, corporate bond is now still a quite new investment channel in Vietnam. The recently impressive growth may contain certain risks that need to be identified and adjusted by management agencies to ensure the healthy and sustainable development of the market.



2019 PERFORMANCE REPORT

2019 FINANCIAL POSITION

In 2019, SSI's total assets continued to increase firmly, reaching VND 27 thousand billion as of 31 December 2019 - an increase of 13.5% over the same period.

Balance sheet of 2017 – 2019 period (VND million)

Item	2017	2018	2019
Current assets	**17,227,983**	**22,270,357**	**22,290,867**
Financial assets	17,092,445	22,237,874	22,255,950
Cash and cash equivalents	*345,986*	*612,880*	*1,040,783*
Financial assets at fair value through profit and loss (FVTPL)	*1,431,143*	*2,039,986*	*4,315,245*
Held-to-maturity (HTM) investments	*7,882,154*	*12,326,240*	*10,721,931*
Loans	*5,764,072*	*5,966,651*	*5,359,342*
Available-for-sale (AFS) financial assets	*1,534,864*	*1,265,085*	*760,042*
Other Financial assets	*134,227*	*27,032*	*58,607*
Other Current assets	*135,538*	*32,483*	*34,917*
Non-current assets	**1,536,392**	**1,555,270**	**4,753,248**
Long-term investments	943,370	1,065,903	4,238,856
Held-to-maturity (HTM) investments	*130,424*	*301,622*	*3,444,541*
Investment in associates	*812,945*	*764,281*	*794,315*
Fixed assets	161,101	118,743	147,013
Investment properties	218,231	214,562	205,777
Construction in progress	47,154	4,923	29,450
Other long-term assets	166,536	151,139	132,153
TOTAL ASSETS	**18,764,375**	**23,825,627**	**27,044,115**
Current liabilities	**9,354,274**	**13,469,410**	**16,409,541**
Short-term borrowings	8,503,888	11,193,159	15,550,226
Short-term bonds	199,872	255,000	0
Other current liabilities	650,515	2,021,252	859,315
Non-current liabilities	**793,851**	**1,200,552**	**1,233,515**
Long-term convertible bonds	0	1,068,320	1,105,938
Long-term bonds	569,300	0	0
Other non-current liabilities	224,551	132,232	127,577
TOTAL LIABILITIES	**10,148,125**	**14,669,962**	**17,643,055**
OWNERS' EQUITY	**8,616,250**	**9,155,665**	**9,401,060**

Source: SSI Audited Consolidated Financial Statements

In terms of structure, current assets accounted for 82% of total Company's assets, in which safe assets such as cash, cash equivalents and bank deposits accounted for 3.9%, Held-to-maturity (HTM) investments including term deposits and certificates of deposit with remaining maturity of less than 1 year gained by 39.7%.

Total bank deposits remained at VND 11,762 billion at the end of 2019, equivalent to a 9% reduction year-to-year. This asset is fully financed by loans from commercial banks. The average interest rate difference between borrowing interest rates and deposit interest rates is 1.5%. Treasury not only brings a part of revenue to the Company, but these impressive figures are also testimony to SSI's creditworthiness, professionalism and dynamism in business relations with commercial banks. Furthermore, it also brings other benefits such as building a low-cost, fast and effective payment relationship in payment services for investors. Risk management for treasury activities is also very rigorous with partner banks for loans and deposits being prestigious banks with absolutely guaranteed liquidity. In 2019, the Company did not have any payment delay or disputes related to loan and deposit contracts.

Given unpredictable fluctuations of the share market in 2018-2019 and served for demands of new services, SSI allocated its assets in a flexible manner. The Company gradually transferred a part of investment assets from shares to bonds and certificates of deposits. Particularly, in 2019, available-for-sale (AFS) financial assets declined by 40% while financial assets at fair value through profit and loss (FVTPL) increased over 2 times, mainly thanks to new investments in certificates of deposits. In addition, 3% of FVTPL list was the held securities with hedging against risks for covered warrants released by SSI during the year.

SSI's margin outstanding balance tended to decline slightly, at VND 5,286 billion at the end of 2019, while foreign securities companies were entering the market and initially gave very low lending interest rate to customers. However, the Company continued to focus on improving quality of services supplied to investors in combination with diversification of financial products and services and maintains careful lending policy in context of unpredictable market fluctuations, instead of non-sustainable competition with very low interest rate. SSI's margin lending has been conducted with rigorous risk control thanks to the co-ordination of multiple control inspections of the Operations Control, Financial Services, Risk Management and periodic review of Internal Audit in collaboration with Internal Control. Risk management process for margin lending activities is an end-to-end process, from the development of a scoring system for stocks qualified for margin lending, to the determination of reasonable limits, monitoring of potential daily volatility, to compliance with risk management discipline when the warning thresholds are hit. Strict risk management supports customers to make flexible and safe investment transactions and preserve capital for the Company, in 2019 no bad debts were incurred in SSI. Margin lending activities were evaluated quite effectively despite a year of ups and downs, outstanding loans at times reached a record level of over VND 6,200 billion and sometimes decreased to VND 5,000 billion, but overall posing no risk. The average lending interest rate of over 12% of the total outstanding loans has contributed significantly to revenue, accounting for more than 20% of the total operating income of the Company.

Asset growth also corresponds to the growth of the Company's capital. Owner's equity reached more than VND 9,401 billion in 2019, up from VND 9,156 billion at the end of 2018. The remaining source mainly includes bank loans with outstanding short-term loans from banks at the end of 2019 being VND 16,409.5 billion and SSI's convertible bonds balance being VND 1,106 billion. Although the loans and bond issuance grew at a large scale, SSI always ensured liquidity at the highest level, in 2019 as well as throughout the business process, the Company never had a liquidity risk event nor generated any bad debts. Capital raising is mainly done in VND, except a small portion of loan made in foreign currency from foreign banks but properly hedged by foreign currency swap contract. As mentioned above, the Company's loans are mainly to finance the asset growing transactions, namely bank deposits which are free of potential credit risks. Deposit terms are very flexible and are always signed with an overdraft loan limit, along with accurate projections of interest rate fluctuations, so the company are not faced with interest rates risks.



REMARKABLE IMPRESSION/ OPERATIONAL IMPRESSION 2019

2019 Financial highlights

Business performance	2015	2016	2017	2018	2019
Net revenue (VND)	1,802,941,289,604	2,540,929,472,830	3,043,190,092,433	3,938,662,332,650	3,301,484,401,084
Net profit from operating activities (VND)	104,875,956,159,609	1,141,560,999,946	1,392,314,526,117	1,567,029,926,018	1,098,616,647,855
Total profit before tax (VND)	1,053,797,641,057	1,144,062,998,942	1,405,021,409,033	1,623,213,463,955	1,105,523,561,457
Profit after tax	839,860,081,125	94,466,423,550,041	1,161,104,595,823	1,302,937,242,558	907,096,976,031
Profit after tax of the parent company's shareholders (VND)	841,566,556,381	946,703,413,703	1,161,852,985,813	1,304,930,180,565	909,201,424,728

Balance sheet	2015	2016	2017	2018	2019
Total assets (VND)	12,153,431,597,528	14,006,830,388,635	18,764,375,171,848	23,825,626,725,361	27,044,115,024,913
Paid-in charter capital (VND)	4,800,636,840,000	4,900,636,840,000	5,000,636,840,000	5,100,636,840,000	5,100,636,840,000
Total number of weighted average shares	471,713,404	480,436,945	490,089,282	499,834,406	508,772,958
Owner's equity (VND)	6,727,609,014,290	7,906,811,867,993	8,616,249,695,902	9,155,664,527,633	9,401,059,780,205

Other items

Asset structure	2015	2016	2017	2018	2019
Current assets/Total assets	90.3%	90.41%	91.81%	93.47%	82.42%
Long-term assets/Total assets	9.7%	9.59%	8.19%	6.53%	17.58%

Capital structure	2015	2016	2017	2018	2019
Liabilities/Total assets	44.64%	43.55%	54.08%	61.57%	65.24%
Equity/Total assets	55.36%	56.45%	45.92%	38.43%	34.76%

Rate of returns	2015	2016	2017	2018	2019
Profit after tax/Total assets (ROA)	6.91%	6.74%	6.19%	5.47%	3.35%
Profit after tax/equity (ROE)	12.6%	12.1%	13.6%	14.3%	9.72%
Profit after tax/Charter capital	17.49%	19.28%	23.22%	25.54%	17.78%
Profit after tax/Net revenue	46.58%	37.18%	38.15%	33.08%	27.48%
EPS (VND)	1,658	1,843	2,08	2,428	1,663

Solvency ratios	2015	2016	2017	2018	2019
Current ratio (Current assets/Current liabilities)	2.33	2.17	1.84	1.65	1.36
Quick ratio (Cash, cash equivalents and short-term financial investments/Current liabilities)	2.28	2.13	1.81	1.65	1.35

2019 BUSINESS PERFORMANCE

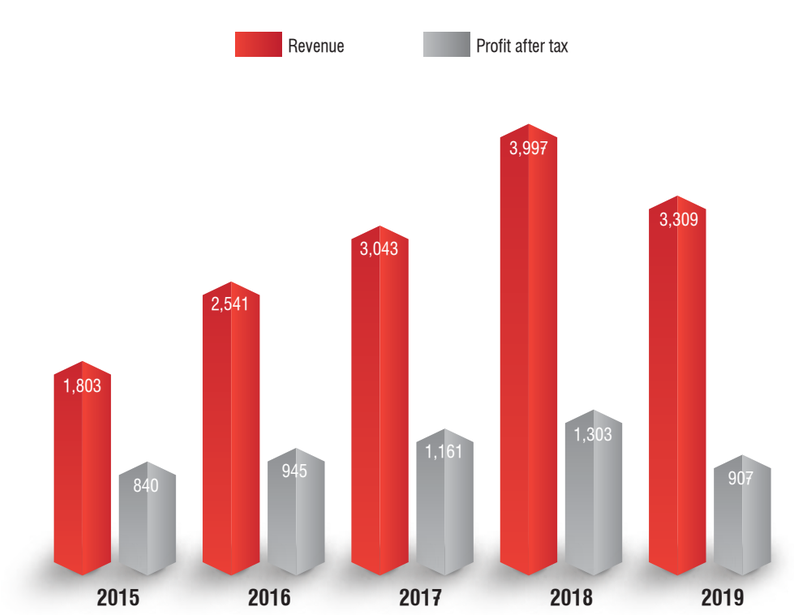
2019 was a year full of difficulties for SSI in specific and Securities Companies in general due to sharp decline of market liquidity. At HOSE, average transaction volume per session only reached 189.2 million stocks, equivalent to VND 3,765 billion/day, a reduction of 17.8% and 26.8%, respectively in volume and value over the same period. The average transaction value through order-matching at 3 trading floors during 2019 fell by 34% to USD 149 million. Total net buying value of foreign investors only reached USD 206 million in 2019, a reduction of 89% compared to 2018. Unfavorable market conditions also made equity finance and public offering of many enterprises take negative effects with no record high value as in 2018. This adversely affects business operations of securities companies, especially in the sectors demanding high liquidity and transaction value as stock brokerage.

In addition, the Circular No. 128/2018/TT-BTC was released and took effect since 15 February 2019, removing floor price of stock buying and selling services at 0.15%. This regulation has made a sharp competition on brokerage charge. Many Securities companies immediately reduced to very low transaction charges, even applied zero dong discount programs, permanent transaction free, etc. At the same time, since the half-end of 2018, more and more foreign competitors joined the market with advantage of cheap capital, enthusiastically expanded their margin and provided the market with margin packages with attractive price.

Over 20 years of ups and downs with stock market, we identify that 2020 will be a year of challenges and opportunities for SSI. SSI remained commitment to diversified products and services in core businesses, including Retail Brokerage and Institutional Brokerage (brokerage, custody, investment advisory), Investment Banking (financial advisory for corporate customers), Principal Investment, Treasury and Asset Management, to provide customers with a full range of services, enabling customers to optimize investment capital and business flexibility. Also, in 2019, SSI spent many resources for research and development of new products, establishment of information technology system in line with enhancement of personnel's quality to satisfy the most Customers' requirements in new period.

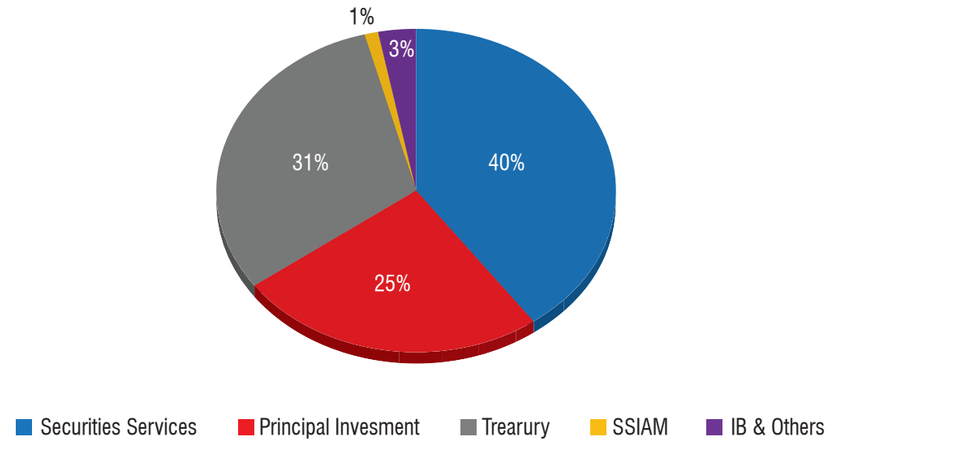
After assessment of the market during the first 9 months with many adverse effects on the Company's business operations, in October 2019, under General Meeting of Shareholders' authorization, SSI Board of Directors (BOD) decided to make adjustment to business plan in 2019 with some targets: 2019 profit before tax at VND 1,100 billion, revenue at VND 2,950 billion, equivalent to a decline of 35.3% and 21.9% compared to business plan at the beginning of year. At the end of 2019, the Company recognize the consolidated revenue by VND 3,308.6 billion, consolidated profit before tax by VND 1,105.5 billion - completing the adjusted business plan with stable operating costs over the same period.

Business performance from 2015 to 2019 (VND billion)



Source: SSI Audited Consolidated Financial Statements

Consolidated revenue structure in 2019



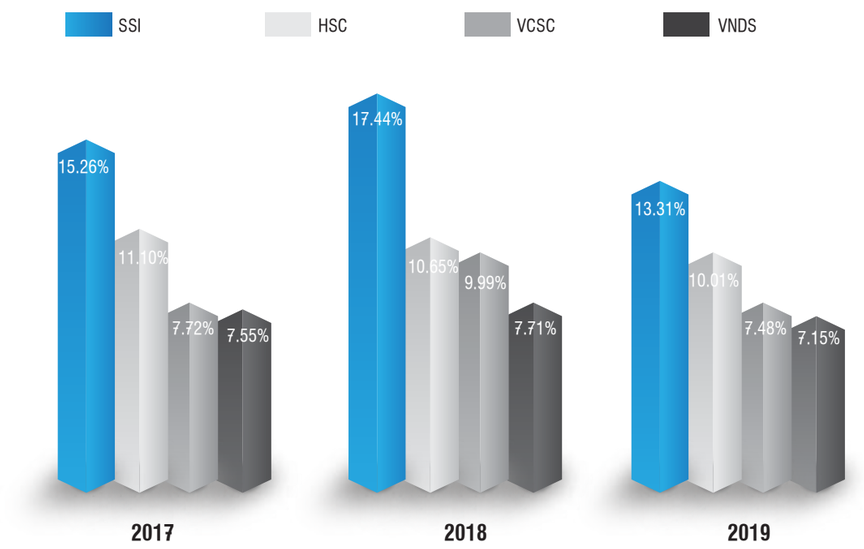
Source: SSI Audited Consolidated Financial Statements

Details of each business segment shall be shown below.

SECURITIES SERVICES

6 years in a row on Top 1 of brokerage market share

Market share in the market



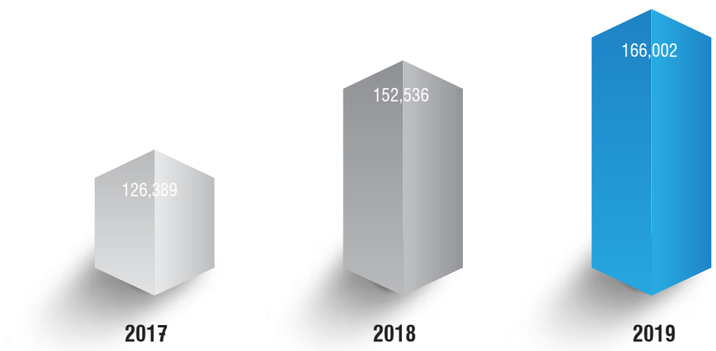
Source: HNX, HOSE, Summary by SSI

2019 marked the sixth consecutive year that SSI held its No. 1 position in terms of stock/fund certificate brokerage market share. Specifically, market share reached by 13.96% at HOSE and 9.7% at HNX. SSI's market share both in these Stock exchanges during 2019 gained by 13.31%. Market share in individual brokerage stood at 9.61% during 2019, accounting for 72.2% of general market share of SSI.

Increase in number of accounts under management

The number of newly opened accounts maintained at high level, reached 14,417 accounts at the end of 2019, increasing total accounts to over 166,000, a rise of 10% compared to 2018.

Number of total accounts

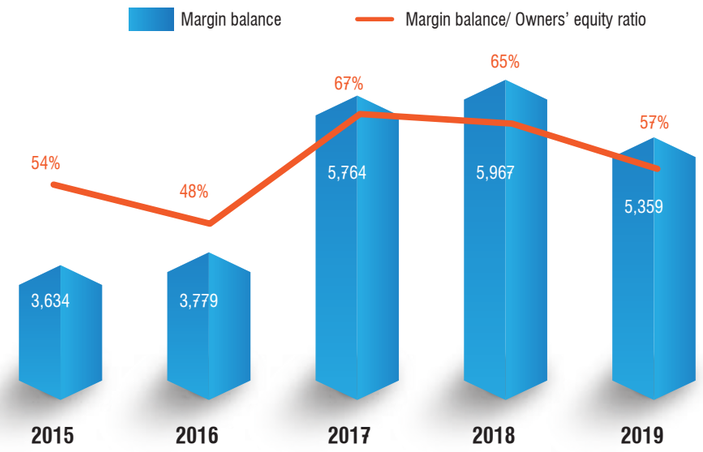


Source: SSI

Margin balance remained stable compared to transaction value on the market

In 2019, transaction value on the market had sharp decrease from VND 6,500 billion in 2018 down to VND 4,600 billion/session, a reduction of over 30%. SSI still remained high outstanding balance, at VND 5,359 billion at the end of 2019, gave effective financial assistance to investors, making significant contribution to the Company's revenue.

Average margin lending balance of SSI



Source: SSI Audited Consolidated Financial Statements

Margin lending balance had slight decrease compared to the end of 2018 due to strong competition from foreign-invested securities companies newly joining the market, which have advantage of cheap capital with very low initial lending interest rate. However, the Company continued to focus on improving quality of services supplied to investors and maintained prudent lending policy in context of unpredictable market fluctuations, minimized risks for the Company and Customers, instead of non-sustainable competition with very low interest rate.



Product diversification for investors

The positive highlight during 2019 was that SSI put Covered warrants (CW) into operation, bringing more choices to investors, promoting transaction operations in equity market. SSI is one of the first securities companies to get license for issuance of warrants, one of two companies listing CW through online transaction platform. The Company offered 24 million of CWs - equivalent to 44% of whole market in term of total issuance value, with daily transaction value accounting for 65% of value of CW transaction at the end of 2019.

In the context of unfavorable market, SSI proactively pioneered in providing of new products, expansion of investment opportunities for customers in addition to traditional investment channel as equity. 2019 marked the sharp change in selling various products, including corporate bonds, cross-sales products with SSIAM, such as fund certificates, trusted portfolio, etc. Especially, SSI obtained success distribution of corporate bonds, such as bonds of Gia Lai Electricity Joint Stock Company (HOSE - GEC), Taseco Air Services Joint Stock Company (HOSE – AST), Con Cung Joint Stock Company, Dat Xanh Group (HOSE - DXG), Dat Phuong Joint Stock Company (HOSE – DPG), attracting potential customers' interest on the market. In addition to distribution of primary bonds, in the 3rd quarter of 2019, through S-Bond, SSI provided service of arrangement of primary corporate bond buying and selling transactions, significantly supporting liquidity for corporate bonds such as Eurowindow Holding Joint Stock Company, Taseco Air Services Joint Stock Company (HOSE – AST), Con Cung Joint Stock Company and initially creating a safe and proactive channel of corporate bond trading for individual and institutional investors.

SSI continued research, development and launch of new products and services, updates and utilities on current transaction products and tools, such as:

iBoard – intelligent price board: helps Customers monitor the market while placing transaction orders, iBoard, integrated with many products including shares, derivatives, warrants and fund certificates, helps Customers easily to monitor and make transaction on the same screen. Various order placement mechanisms are also developed. Several features such as multi-layered display of information, customizable monitoring list and warning management function help customers not to miss any selling and buying opportunities.

SSI Web Trading for derivatives market - Quick ordering function with 1 Click: allows customers to "record" their settings of buy/sell orders only once, then copy these settings for the next orders which cut down all intermediate confirmation steps for auction time optimization - an important factor for the success of every transaction in derivative market.

iWin - simulation trading platform: iWin is a perfect environment for investors to test their strategies and get acquainted with stock market. iWin uses real-time market data, placement orders shall match to actual price and volume. The integration of stock/cash transaction and derivatives transaction will help investors select and test products according to their investment requirements. Another outstanding feature is that iWin helps investors "monitor" transaction strategies of other people, thus, learn investment methods, accumulate transaction knowledge and experiences. Upon successful test of transaction methods and confidence with stock market, iWin also helps investors transfer into real stock accounts and start the actual investment. SSI set a goal of developing iWin to be prestigious community for connection and sharing knowledge and experiences among investors.

For institutional customers, SSI continues its expansion of global partner network through Securities companies and International investment banks for provision of market information and introduction of investment opportunity to International customers. During 2019, SSI organized over 500 meetings between Investors and Enterprises, 7 local and abroad roadshows (where C-Suite Investor Forum 2019 in cooperation with Citi Group Singapore, and Vietnam Corporate Day 2019 in cooperation with Goldman Sachs Singapore), 6 visits to enterprises under topics: Petroleum and Energy, Real assets and Industrial parks, Enterprises with Mid cap and small cap, Banks, Agriculture and Seafoods, Seaports and Transportation.

During the year, facing negative movements from general market and fierce competition market, SSI's Securities Services, which had much dependence on transaction volume and liquidity, recorded the decrease in revenue after many years of high and stable growth. Revenue from Securities Services in 2019 reached VND 1,317.2 billion, a reduction of 30% over the same period, accounting for approximately 40% of total revenue of the Company. In which, revenue from brokerage services gained VND 582 billion, accounting for 44.2%; revenue from margin lending and advance payments to customers reached VND 677.9 billion, accounting for 51.5% of revenue from Securities Services.

Also in 2019, SSI BOD decided to separate SSI Retail and Institutional Research and Investment Advisory into distinct Research and Advisory Center, orienting to specialization of structure to provide customers with the highest quality products and services.

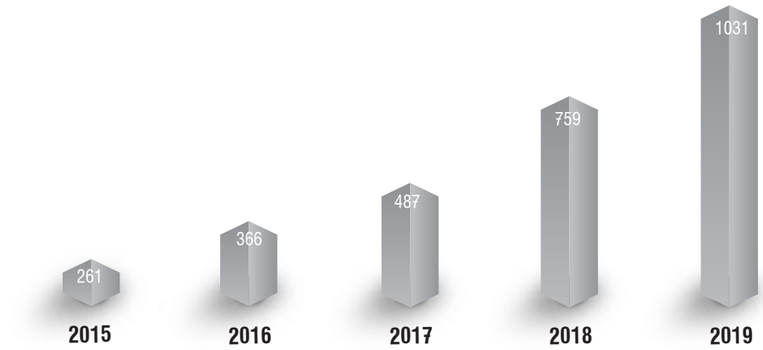


TREASURY

Treasury continues to grow at a stable rate in the context of depression of Vietnam Stock Market

While Vietnam macroeconomics obtains expressive growth compared to general situation of the world's economics, investment and business environment is assured thanks to stable and suitable fiscal and monetary policies. Interest rates on both capital and money markets tend to decrease, the exchange rate was guaranteed, foreign exchange reserves increased, inflation was remained at suitable level, the liquidity in terms of both the Vietnamese dong and foreign currencies was positive. Above factors had positive effects on operations of SSI Treasury with outstanding achievements compared to general situation of SSI. During 2019, SSI Treasury remained stable growth in term of total assets, getting over 13.5% - equivalent to VND 27,044 billion of total assets. Besides, revenue at Treasury reached VND 1,031.3 billion, an increase of 36% compared to the same period in 2018. These results were achieved by building a process of establishment and maintenance of sustainable business policies as well as product and service management, alongside with relentless thinking, creativity, search and assessment of new investment opportunities on the market and effective risk management.

Revenue from Treasury (VND billion)



Source: SSI Consolidated Financial Statements

Liquidity safety is always ensured

By continuity in maintaining high density of short-term financial assets and liquidity on total assets during the past years, SSI Treasury always developed its business strategies based on the principle that Liquidity safety is always a secured top priority, and so is it during 2019. Liquidity of whole Company and deposit safety of Investors were assured, abundant and stable mobilized capital created foundation for other business operation of the Company.

In addition, the expansion of credit relationship with major local and international financial institutions helped SSI approach to diversified capital sources, maintenance of stability and efficiency in Treasury.

Promotion of investment opportunities through derivatives and structured products

On the basis of basic and stable foundation established in 2018, 2019 was the breakthrough and impressive development of Structured Products Department, significantly and effectively contributing to general business performance in 2019. SSI became the major partner in Vietnam derivative market through series of derivative transactions with high value and sales on the market.

Moreover, identifying products with fixed rates will be strategic product in the future, SSI Treasury has positive cooperation with Departments regarding design and development of S-Bond to help investors get diversified portfolio, and create capital mobilization channel for enterprises that SSI appraises and assesses to have good credit quality. The product received broad welcome from investors and created high liquidity in secondary market.

INVESTMENT BANKING

2019 was the fairly quiet year of Vietnam Stock Market with low growth of VN-Index and sharp decline of transaction value. Unfavorable market conditions made adverse effects on mobilization, shortage of large landmark deals, IPO and fund raising activities were limited. This made significant effects on SSI Investment Banking. Revenue during 2019 reached VND 99.3 billion, a reduction of 46.5% compared to the same period in 2018 - the time SSI had deals with record values on the market. Operating cost was strictly controlled under plan.

In the context of difficult business, SSI still consulted successfully the deal of offering shares of Hoa Binh Construction Group Joint Stock Company (HOSE - HBC) to Hyundai Elevator with surplus price of over 50% compared to market price of shares at the time of offering. This strategic cooperation deal had important meaning, promotion the maximum capacities of two Companies. Cooperation with Hyundai Elevator helped HBC attract more capital sources to fund the projects in process, while creating some new opportunities for HBC in provision of Hyundai Elevator's products to customers with the most competitive price.

In contrast to the equity capital market, the excitement of debt capital market had significant contribution to operation performance of SSI Investment Banking. Advisory service in issuance of corporate bonds in particular with majority transactions during the year, such as TNR Holdings Viet Nam Real Estate Investment Development Joint Stock Company, Eurowindow Holding Joint Stock Company, Con Cung Joint Stock Company, etc. with successful amount of nearly VND 13,000 billion, Ho Chi Minh City Development Joint Stock Commercial Bank (HOSE – HDB) with volume of VND 2,460 billion, etc.

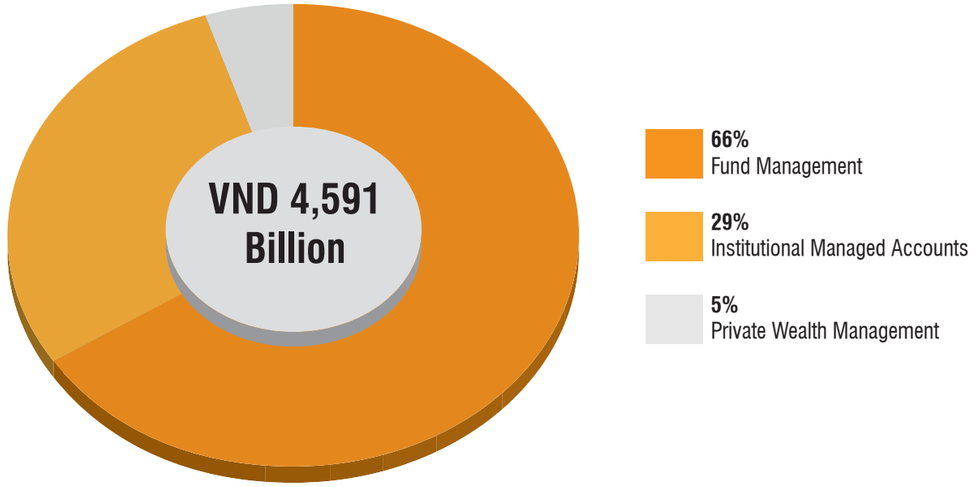
SSI also had close attachment to landmark M&A deals in Vietnam during the past year. The notable deal is M&A deal between Taisho - a Japanese investor and DHG Pharmaceutical Joint Stock Company (HOSE - DHG) with SSI and Daiwa Securities Co., Ltd. as the buyer's consultants. This deal was implemented during 3 years (from 2016 to 2019) with total value of nearly USD 350 million. With experience of two times of public offering and contractual transactions, now, Taisho has increased its ownership ratio at DHG to 51.01%. This deal brought harmonious benefits to shareholders and created favor conditions for development of DHG after M&A. After 3 years of cooperation with Taisho, DHG has created many comprehensive changes in all aspects. Accordingly, integration strategy for development helped DHG and Taisho jointly raise their competition capacities in the international market, while domestic consumers also received many benefits.

The positive business performance of SSI Investment Banking in the context of difficult situation can be attributed to close and effective coordination between employees in two regions, with consistent maintenance with the customer-centric and result-oriented strategy in all activities. SSI continues to pursue its long-term development strategy towards providing top quality products and services to customers. Highly qualified and rational organizational structure is gradually taking shape and develops, promising a stronger development in the future with the determination to resume SSI's No. 1 position in the market.



SSI ASSET MANAGEMENT (SSIAM)

During 2019, SSIAM provided 3 majority service sectors to Investors, they were Fund Management, Portfolio management for Institutional Customers and Private Wealth Management for Retail Customers. Breakdown of total assets under management by each sector is as follows:



Source: SSIAM

Fund Management

SSIAM currently manages VND 3,000 billion of customer assets in domestic and foreign investment funds at the end of 2019, a decline of 20% compared to 2018. The fear of European investors on financial market at emerging markets, including Vietnam, made them implement net withdraw from SSIAM SIF - Vietnam Active Value Portfolio and SSIAM UCITS - Vietnam Value Income and Growth Fund during the last months of the year. The domestic investors had not much positive psychology, they considered and chose more careful investment channels such as bonds or bank savings.

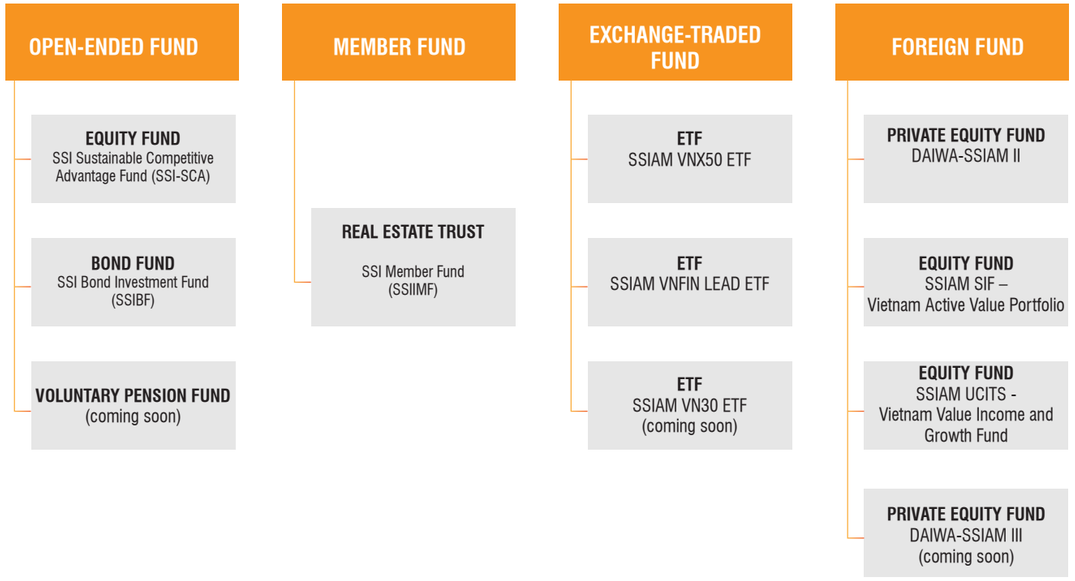
With SSI Sustainable Competitive Advantage Fund (SSI-SCA), SSIAM during 2019 had new mobilization results when successfully launching this fund to foreign investors with popularity in valuable investment, accordingly, the Fund had net withdraw of VND 13.2 billion in 2019 - very low rate compared to total net withdraw of over VND 2,100 billion of domestic open-ended funds on the market. SSIAM VNX50 ETF also increased its scale to VND 180 billion thanks to new mobilization of VND 57.2 billion in 2019. This result was attributed to positively seeking new distribution channels and customers for current products, creating premise for development of new products in the future.

2019 was not only the year of challenges, but also the premise year for potential new business opportunities that SSIAM is targeting. Grasping requirements of investors in demand of investment of market index and industry index, SSIAM cooperated with Ho Chi Minh Stock Exchange (HOSE) to develop Vietnam Leading Financial Index (VNFIN LEAD). In the second half of 2019, the Company made best efforts for deployment of Exchange Trade Fund (ETF) simulating this new index (SSIAM VNFIN LEAD). Besides, to best serve the investors, SSIAM also prepared to establish SSIAM VN30 ETF simulating VND30 index. Upon plans, two ETFs will come into operation in the first half of 2020 with expected scale of over VND 2,000 billion.

Moreover, after success of two PE Funds (Private Equity - investment in unlisted companies in stock market) that SSIAM co-manages with Daiwa Securities - a strategic shareholder of SSI, SSIAM and Daiwa will continue mobilization for the 3rd PE Fund. The first fund close of Daiwa - SSIAM III Fund will take place in June 2020 with expected scale of nearly VND 1,000 billion. SSIAM sets its target at total mobilization of over VND 2,000 billion for Daiwa - SSIAM III Fund.

Over the past years, SSIAM spent many resources for research and worked with partners on the market to prepare for release of Voluntary Pension Fund - a potential product in the future. At the beginning of 2020, SSIAM is officially granted with Voluntary Pension Fund trading license by the Ministry of Finance. This is the premise for the Company to launch this product to market when market conditions are appropriate.

INVESTMENT FUNDS MANAGED BY SSIAM



Source: SSIAM

Portfolio management for Institutional Customers

In 2019, SSIAM maintained its institutional customers stably. SSIAM's customers mainly are large insurance companies and other organizations wishing to entrust their capital. Total asset management value of external Institutional Customers to stand at VND 1,333 billion, a slight reduction of 3% compared to the same period last year.

Private Wealth Management for Retail Customers

Asset management value of retail customers reached VND 231 billion at the end of 2019, a drop of 38.3% compared to 2018. The number of retail customers who decided to withdraw from entrust service had tendency to increase during the past years, due to fear of investment risks from complicated economic and political events in the world with effects on fluctuations of stock market. However, this sector only accounts 5% of total assets of SSIAM, hence its effects on revenue and profit is not significant. SSIAM believes that capital inflows from individual investors are in waiting stage for positive information such as: market upgrading, policies for investor protection and support, T+0 transactions, increase of foreign ownership ratio for some restricted business sectors, etc. to be driven in the near future.

Ending 2019 - one of the most difficult years since establishment, SSIAM exceeded by 12% compared to profit plan since the beginning of the year. However, targets on total management assets and revenue from management charge has not reached the plan. In order to obtain more challenged business target in 2020, SSIAM will have to go the extra miles to conquer all development opportunities in the future.



PRINCIPAL INVESTMENT

In 2019, SSI Principal Investment proactively conducted successful divestments from some investments that achieved expected profits and enhanced the state of good shares when the market experienced fluctuations. Thus, the profit of whole portfolio still outperformed VN30 (7.7% compared to 3%). SSI took advantages of price differences between derivative and cash markets to obtain risk-free profit and automated completion of trading tactics, primarily focused on low-risk but quick and automatic strategies for order placement. Upon signals from the market, orders are triggered automatically by robots, thus, it's possible for make many operations during short time.

After official launch of CW, SSI is one of the first securities companies that issue and successfully create the market for this product. In December 2019, value of SSI's issued CW over 40% of market value and liquidity of these warrants reached about 40-60% of daily total.

In term of active investment strategies, SSI continued its investments in the PAN Group Joint Stock Company (PAN – HOSE) *(single associated company at the present)* and assign people to join BOD and work closely with the Management.

INFORMATION ON ASSOCIATED COMPANY

Company name, address and logo	Business sectors	Paid-in charter	Ownership ratio in associates	2019 business performance	(SSI) Members in the Board of Directors/Board
THE PAN GROUP **The PAN Group Joint Stock Company** **(PAN – HOSE)** Lot A1-9, VL3 Road, Vinh Loc 2 Industrial Park, Long Hiep Commune, Ben Luc District, Long An Province	- Agriculture - Food (confectionery, seafood, fish sauce and food processing)	VND 1,731,011,410,000	20.01%	Net revenue and profit after tax of the parent company's shareholders reached VND 7,784 (reduction of 0.5%) and VND 451 billion (reduction of 20% YoY) respectively. After separation of revenue from consolidated FMC in 2018 (about VND 175 billion), profit after tax from majority business operation during 2019 increased by 15%. Consolidated yields were improved, an increase from 18% in 2018 to 21% in 2019.	2 members in Board of Directors



5 COMMUNITY AND SOCIAL RESPONSIBILITY

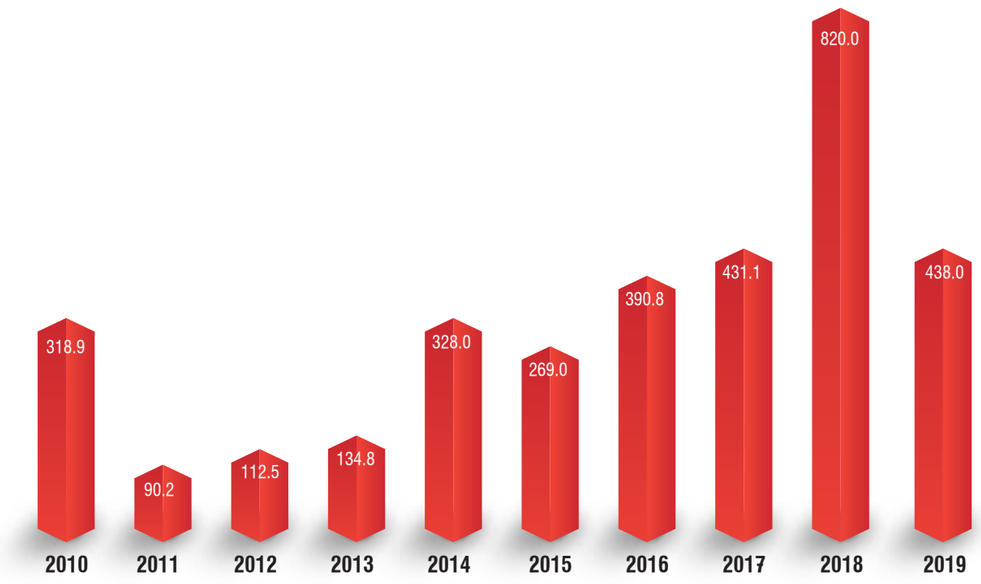
Operating with the vision “The Business of Success”, SSI understands that an enterprise cannot operate while focusing only on stand-alone and short-term development goals without paying attention to long-term growth in relation to the economy, environment and society. For SSI, the Company’s success means optimizing the efficiency as well as maximizing opportunities and value to Customer, Partners, Employees, Shareholders and the Community. That is a critical factor allowing SSI to achieve our strategy and ensure sustainable development for SSI and our stakeholders. Therefore, in addition to fulfilling financial obligation to the State budget, harmonizing interests of Shareholders, Partners, Customers; SSI also actively participates in social welfare and charity activities. This is a cultural beauty of the Company and its management & employees, which was initiated right from the first day of establishment and has been expanding until today.

CONTRIBUTION TO STATE BUDGET AND **PARTICIPATION IN MARKET DEVELOPMENT**

Since its establishment, SSI has always fulfilled its tax obligations and fully paid payable amounts to the State budget, with payment value tending to gradually increase over time. In recent years, the company has often been one of the enterprises to contribute the largest corporate income tax amount in Vietnam and is now the leading company in the securities industry.

Top 1000 Enterprises with Largest Tax Contribution in Vietnam (V1000) for 8 consecutive years and among Top 50 of the list in 2019.

SSI's tax & payable contribution to the State Budget (VND billion)



Source: SSI Consolidated Financial Statements

With the mission of "Connecting Capital to Opportunities", SSI always manages to assist businesses in capital mobilization through the stock markets, contributing to the formation of a channel to direct and distribute capital to the economy in the long term under market mechanism, efficient resource development, and promotion of economic development. For the last 20 years, SSI raised around USD 10 billion for Vietnam financial market, through a massive number of big sized deals with diverse transaction types, in even some are posing a strong impression in the region. Although 2019 is not a favorable year for equity capital market, SSI still consulted successfully the deal of offering shares of Hoa Binh Construction Group Joint Stock Company (HOSE - HBC) to Hyundai Elevator with surplus price of over 50% compared to market price of shares at the time of offering. In addition, it would be incomplete not to mention the notable deal implemented during 3 years from 2016 – 2019, increasing Taisho, a Japanese investor, at DHG Pharmaceutical Joint Stock Company (HOSE - DHG) up to 51.01%, with total deal size at USD 350 million.

Regard to market development, SSI not only strictly and fully complies with the State's regulations on business activities and those relevant regulations, but also stays active in contributing initiatives in development of legal normative documents on the stock market, improving the feasibility and quality of legal documents of the state agencies as well as actively participates in development of new products for release to the market, including comment on the draft of Securities Law 2019 or amended and supplemented Enterprise Law and the Investment Law; and drafting the Code of Professional Ethics chaired by the Vietnam Association of Securities Business. SSI is also active member of Vietnam Association of Securities Business, Vietnam Business Forum, Vietnam Fund Management Club, Bond Trading Association and Vietnam's Chamber of Commerce and Industry.

CUSTOMER – CENTRIC APPROACH IN EVERY ACTIVITY

Over the last 20 years, SSI has always been consistent in its principle of treating customers with utmost respect, not only focusing on profitable businesses but also protecting our investors from any losses of assets while promoting a transparent stock market. The Company is managing more than 166,000 onshore and offshore accounts safely and confidentially. There was no issue occurred related to customer's account information. Stock market witnesses massive fluctuation in 2019. A number of specific stocks plunged to floor prices for consecutive sessions and experienced a lack of liquidity. Thanks to a conservative margin lending policy, increase lending to blue chip stocks with high liquidity, SSI still maintained highest margin balance in the market (VND 5,613 billion per day on average) in order to provide good financial support to clients, preserve Company's capital as well as partially secure client's account. No bad debt was recorded.

SSI focuses on bringing satisfaction to customers with professionalism and dedication in designing products and services to meet the unique needs of each customer's segment; at the same time, constantly innovates and improves the quality of products and services. For many years, the Company has always been pioneering in introducing new products such as derivatives, covered warrants, corporate bonds, fund certificates, etc., diversifying investment products to help customers have many options and minimize risks in the context of unpredictable market fluctuations. Products with modern technology are also constantly being developed and introduced, including iBoard smart price list, iWin stock trading platform, etc. in 2019.

As part of its principle to protect our customers from any losses of assets and develop a transparent stock market, SSI regularly organizes non-profit workshops and actively shared market information through media agencies. Covered warrant (CW) product was officially launched in 2019, providing investors with a new investment option and also promoting trading on equity market. As one of the first securities companies licensed to issue CW, SSI organized a series of workshops named "Covered Warrant – Seizing new opportunity" in Hanoi and Ho Chi Minh City, bringing a comprehensive picture of CW and also information about the growth prospects of underlying stock of CW issued by SSI. Additionally, the Company launched campaign "SSI Call Center: Q&A on CW", taking place on SSI Facebook Page at 15:30 to 16:30 every Friday in 3 months when this new product is put into operation. It is accompanied by the leading prestigious economic - financial experts to present product knowledge, answer investors' question, provide market insights and investment advice to allow customers understand more about this new product.

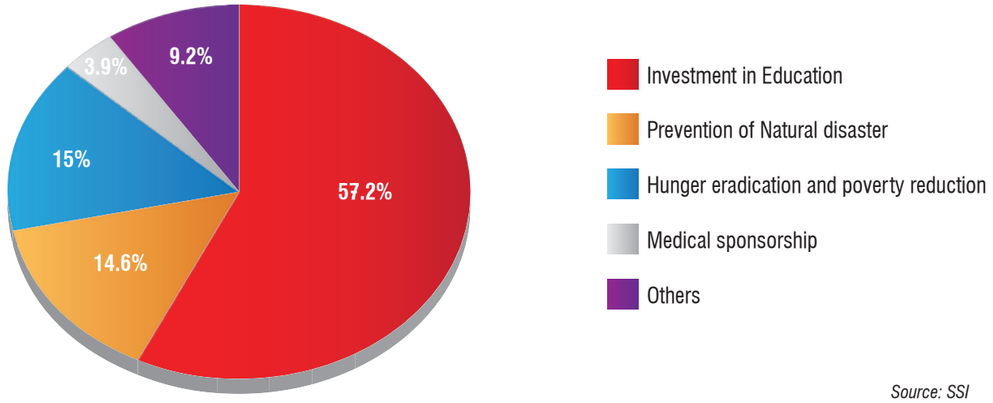
In addition to the direct training activities, as the leading securities company in the market, SSI has been accompanying, sharing and cooperating closely with over 40 press and media agencies, both locally and internationally, to develop public awareness on issues related to markets, contributing to the sustainable development of Vietnam's stock market. The company has always actively worked with the press agencies to promptly share macro-economic reports, stock market reports, money market reports and industry-specific reports conducted by SSI Analysts. Besides, the company was also regularly invited to the financial news programs of national media agencies such as VTV1, Thoi bao Tai chinh, National Assembly Television, etc. to promptly share information and build investor trust in the market, especially during periods of high volatility in the market. In 2019, SSI actively delivered over 30 communication campaigns, with more than 618 articles related to SSI in the mainstream newspapers.



COMMUNITY **DEVELOPMENT**

The Company has spent nearly VND 100 billion for over the last 20 years for community activities. Efforts to initiate, sponsor and contribute to many voluntary activities have practical significance, focus on sustainable and long-term activities for local development.

SSI's attribution rate of social operational costs from 2006 to 2019

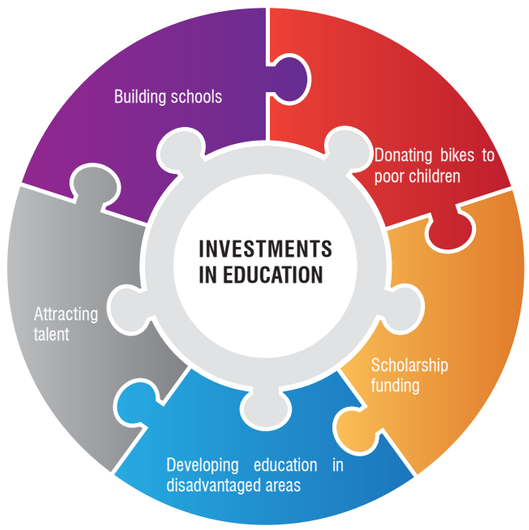


Source: SSI

Investments in Education

This is SSI's top priority in its activity for community principle. SSI believes that cultivating learning is the best step for Vietnam to take to generate strong human capital of next generations for the future of the country.

Therefore, investment in education development is carried out by SSI through diverse and effective activities.



School building projects

Since 2007, SSI has built 10 schools in the Northern and North Central regions to assist with the development education therein. The schools are all located in key areas to which students can have better access to schooling facilities.

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.

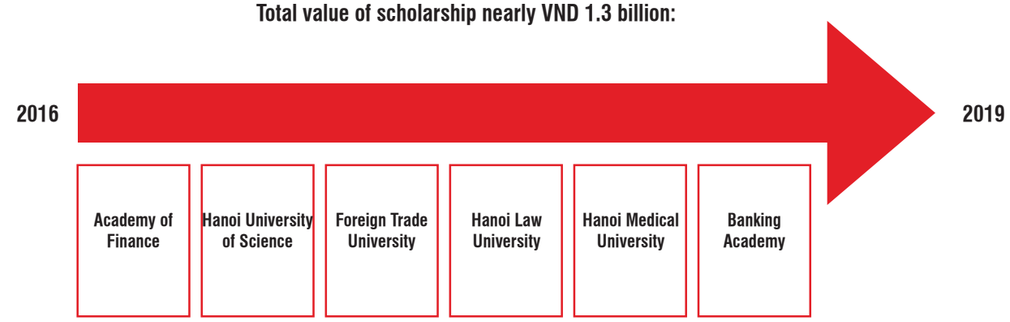
In the case of Bac Ha Lower and Upper Secondary Boarding School for Ethnic Minorities alone, after its launch in 2010, the number of students at the school has increased and stabilized, thus making continued contributions to education development for the localities, especially ethnic minority students who lack of learning conditions more than other regions.

Since established, Bac Ha Lower and Upper Secondary Boarding School for Ethnic Minorities has gradually completed its educational missions, become the second largest house in Lao Cao Province for students from many ethnic minority groups living and studying in terms of Lower and Upper Secondary. The school gathers students from many ethnic minority groups in the district (Dao, Giay, Hmong, La Chi, Nung, Phu La, Tay, Thai, Bo Y). They demonstrate determination to study here until high school graduation; the number of students between age-appropriate class groups is evenly and many have passed the exam into universities, colleges, technical and vocational schools, some students also participate in learning-by-doing programs in Japan. This is the door opening the future for every student while playing a role as the first basic steps to create the well-trained human resources for the locality in the future.

NDH Scholarship Fund

SSI defines a developed society always accompany educational development, and a developed economy must put education first. During many past years, the Company and the NDH Scholarship Foundation continued to award scholarships to needy students with excellent academic performance. It is the fourth year since 2016, 30 selected students of 6 major universities in Hanoi continued to receive scholarships for them to focus on their study and training, contribute to the development of society with their knowledge, and provide support to those living in similar difficult conditions in the future so that the idea of helping others will be spread widely to the next generations.

Total value of scholarship nearly VND 1.3 billion:



Attracting talents

With much attention directed to the next generation of human resources of the country, especially well-trained domestically and internationally high quality human resources, SSI has been accompanying with the Association of Vietnamese Students and Professionals in the U.S. for many years to support, provide career counseling and join hands in bold business ideas of students with potential to be applied in practice. Specifically, in 3 continuous years from 2017 to 2019, SSI is a sponsor of VietChallenge Contest to support its mission of nurturing and developing disruptive and highly competitive startups, contributing to addressing the challenges of the Vietnam and global economy.

From 2015 to 2019, SSI accompanied the "American Arms" Program - Annual Conference of the Association of Vietnamese Students and Professionals in the U.S. In addition to the funding of community engagement exchanges and activities, SSI also sent its senior managers to panel discussions on career orientation in order to equip the youngsters with the right perception of career choices.

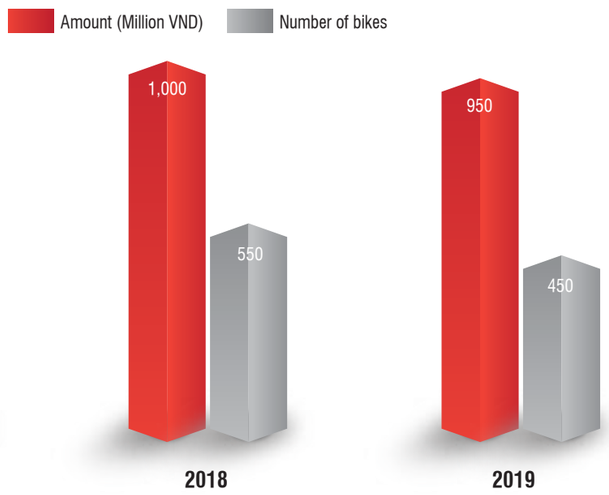
These activities not only show SSI's responsibilities for the young businesses but also directly response to the call for Start-up Nation of the Vietnamese Government. From small steps, the Company continues to develop assistance and investment plans in the next years to support the construction of start-up ecosystem in Vietnam.

Education support for disadvantaged areas

For educational development activities in disadvantaged areas, especially for schools in the northern mountainous provinces - where there remains challenges due to extreme terrain and climate, SSI directs its attention regularly to practical programs to partly assist students and teachers to overcome difficulties in learning, teaching and daily life, such as donation of winter clothes, blankets, food for students and teachers of the Secondary Boarding School for Ethnic Minorities in Duong Huu Commune, Son Dong District, Bac Giang Province; funding for the construction of the school's daytime canteen at Gia Phu 5 Primary School, Nam Tra Village, Gia Phu Commune, Bao Thang District, Lao Cai Province, etc.

During the past years, SSI often accompanied with the Public Security News to donate bikes to children in remote areas, students from many ethnic minority groups and poor studious students across the country. Due to the poor living and studying conditions, many students have to walk more than ten kilometers to make the dream of studying come true. Understanding those difficulties, particularly in 2019, SSI sponsored VND 950 million, the total value up to VND 2.1 billion from 2017, it means that more than 1,100 children have received bikes, making their knowledge journey more convenient.

Number of bikes donated by SSI over years



Source: SSI

Prevention of natural disaster

Vietnam has complex and diverse terrain features running from North to South, from East to West, stretching along the continental shelf of the East Sea, so it is prone to natural disasters. Activities to prevent and address consequences of natural disasters are always priorities of the Party and Government in the development process of the country.

Understanding the importance of natural disaster prevention, SSI always takes the lead in provision of funding to natural disaster prevention activities in many provinces across the country. A prominent project initiated by SSI is the Support program to safe housing to prevent natural disasters and equipment financing for the Office of the Steering Committee for Disaster Prevention, Search and Rescue in 9 Central Coast provinces.

SSI-funded programs are practical support to these provinces, promptly supporting local people and government to mitigate impacts of natural disasters.

Support to build safe and disaster-resistant housing for 30 households

- Thanh Hoa Province
- Quang Binh Province
- Thua Thien - Hue Province

Sponsor equipment for the office of disaster prevention and rescue

- Thanh Hoa Province
- Nghe An Province
- Ha Tinh Province
- Quang Binh Province
- Quang Tri Province
- Thua Thien - Hue Province
- Quang Nam Province
- Quang Ngai Province
- Binh Dinh Province

In 2019, in response to the movement of "Joining hands for the poor - no one left behind" mobilized by the Prime Minister and the call of Committees of Vietnamese Fatherland Front of Dak Lak Province and Ha Giang Province on donation to build houses for people with meritorious services to the Revolution, poor veteran, extremely disadvantaged poor households in remote , border areas and regions affected by natural disasters, SSI sponsored Dak Lak Province and Ha Giang Province VND 1 billion and VND 7 billion respectively; contributed to help the people have durable houses in consistent with the National cultural identity; protect from the harsh climate in border highlands. In 2020, after 116 newly built houses, SSI will continue to conduct this project in Ha Giang Province, raising the total sponsorship for this province up to VND 10 billion, creating favorable conditions and motivation for the people to escape poverty, along with the government to form an increasingly strong national solidarity block and firmly defend the borders of the Fatherland.

Hunger eradication, poverty reduction and handling of challenges

As the enterprise operating in the financial sector, SSI always pays attention to community support issues to enhance knowledge for the people and improve the working and economic production environment. Therefore, in many consecutive years, Hunger eradication and poverty reduction is one of SSI's top priorities.

In 2019, SSI funded VND 1.5 billion for Binh Dinh Province to support the local fishers to equip with surveillance equipment during on the sea. Having advantages with coast length of 134 km, internal water area fishermen of 1,440 km, territorial water area of 40,000 km and exclusive economic zone area of over 1.2 million km2, Binh Dinh Province take the lead of fishermen development across the country, especially offshore fishing. Currently, Binh Dinh Province has more than 6,100 fishing vessels with above 43,000 fishermen mainly operating in the Central Coast, Hoang Sa, Truong Sa, DK1 rig house for the tuna, gill nets, purse seines and squid fishing. In which, 3,118 fishing vessels with length of 15m or more must be equipped with surveillance equipment as prescribed. However, most of fishermen have not had enough condition to equip. This concern results in the fact that many fishing vessels in province are impossible to conduct traceability of exploited seafood, consequently, take the "gold card" from EU when exporting seafood, even some fishing vessels are arrested by the law enforcement forces of other countries when fishing in the overlapping areas, and even in Vietnam sea without equipment installed, hence the functional agencies were unable to determine the ordinates for legal struggle with other countries. Thus, the fact that SSI funded this project opens many opportunities for the fishing industry in locality, not only contributes to good communication between fishing vessels and the mainland during offshore fishing, conduct traceability to serve the import, but also helps the fishermen feel assured to produce, especially contributing to sovereignty protection over seas and island of the country. In addition, SSI also called on other donors to make first phase donation with total amount of VND 15 billion and committed to double such amount from VND 15 billion to VND 30 billion in the next phase.

Not only helping the people in localities to conduct hunger eradication and poverty reduction, economic development, SSI also pays special attention to children with difficult circumstances. Besides, SSI annually cooperates with Binh An Development Center under the Friends for Street Children Association (FFSC) to provide gifts and organize a Mid-Autumn Festival for underprivileged children in Ho Chi Minh City sponsored by the Center. In 2019, through the Center, SSI sent more than 2,000 gifts to children and nearly 200 portions of rice and fish sauce, contributing to bring the children at Tam Thon Hiep Commune, Can Gio District, Ho Chi Minh City a merry mid-autumn season.

Medical sponsorship

Donation programs that target patients and health facilities have been regularly implemented by SSI for many years. In 2019, SSI presented 2 automatic infusion pumps to the National Hospital of Pediatrics, gave gifts, supported expenses for medical examination and treatment, free meals and train for patients at Da Nang Oncology Hospital; at the same time, supported some patients through charity funds of some newspapers and hospitals.

SSI implements its corporate social responsibility by sharing food and clothing, but also targeting to contribute to implementation of some important directions and policies of the Party such as new rural development, border and island protection to preserve sovereignty, maintain security at sea as well as on land, etc., continues to have positive contribution to general development of the society in accordance with the commitment "We strive to better the communities in which we work" that SSI has been committed since establishment.






SOLID
FUTURE



4 DEVELOPMENT STRATEGY

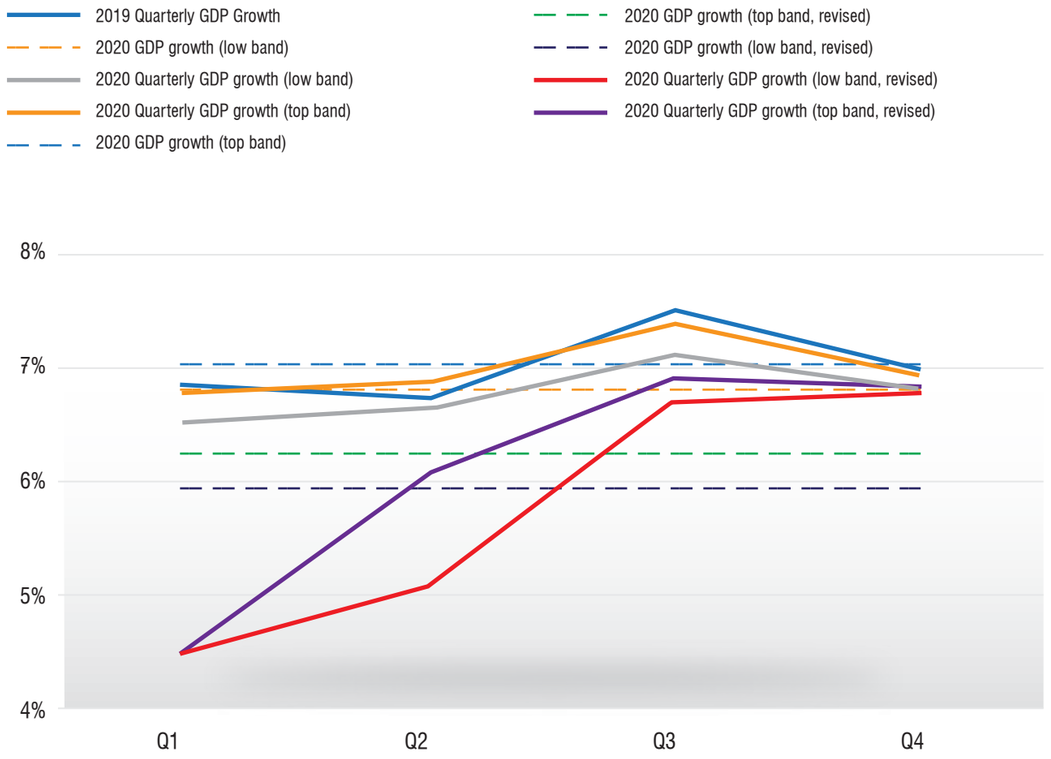
VIETNAM MACRO **OUTLOOK 2020**

VIETNAM MACRO OUTLOOK 2020

Vietnam's economy in 2020 is predicted with not much pressure as by and large it has met the country's 5-year plan of 2016-2020 for GDP growth. In fact, Vietnam's GDP can hit the average growth target at lower end of 6.5-7% by only increase extra 5.4% in 2020.

However, all of the sudden the Covid-19 pandemic in the first quarter of 2020 is the game-changer, making the global economic bleak, and recession risk is quite clear for many major economies. This pandemic affects not only supply side (as it creates a global supply chain disruption), but also demand side (when travel restriction and social distancing are imposed), as result, it hits Vietnam from the both ends, creates significant pressure since we are strongly dependent on external markets for both inputs and outputs.

At the moment, the government has not yet revised down the 2020 growth target but estimates from the Ministry of Planning and Investment showed that growth might be at least 0.8% lower than the initial target (to 5.96-6.25%). However, with extremely negative impact to the economy, trade, consumption and the unprecedented recession risk SSI believes that even the GDP growth range of 5-6% YoY for 2020 is very positive for Vietnam.



Source: Vietnam Government, Ministry of Planning and Investment

For 2020, when several major growth drivers facing trouble (such as manufacturing, export, service, especially tourism or consumption…), Vietnamese Government might have to accelerate public investment for infrastructure (by switching public-private partnership projects into public investment) to support growth. Other stimulus packages (both monetary and fiscal) might be introduced, after the Covid-19 pandemic has been contained.

In details, for monetary policy, interest rate cut and preferential credit package has been in place to support the impacted enterprises, even if inflation might be high in the first half of the year. However, inflation pressure might be easing, when pork price rally will be tamed, not to say the lower commodities price. Exchange rate could have more volatility, as the USD rally might stay on in the flight to safety. However, high forex reserves, maintained trade surplus and capital inflows will limit the impact on USD/VND exchange rate. Foreign investment into Vietnam continues to be stable.

On fiscal side, public investment is the only viable option for boosting growth, especially in the final year of the 5-year plan 2016-2020. State-owned enterprise (SOE) reforms might show no significant result, with no sizeable IPO/divestments.

On risk, beside the negative impacts of Covid-19 pandemic may be prolonged, any further signs of real estate market troubles would be another blow to the economy. Anyway, we do hope that hurdles in real estate market would be resolved significantly in 2020 to attract more private investment.

EQUITY MARKET

In 2020, among several catalysts for the market, new local ETFs can be one of the cornerstone elements to attract inflows into the Vietnam market, of which there are outstanding SSIAM VNFIN LEAD ETF of SSIAM was recently listed as of 18th March 2020 and the VFM Diamond ETF has been approved by the SSC. Meanwhile, the prospect of other ETFs splashing onto the market could also being introduced in the coming time.

In terms of regulation, several new important laws and regulations get approved in 2020. Among the list, SSI expects the Enterprise Law and Investment Law to provide new guidelines for foreign ownership limits (which might legalize the Non-Voting Depositary Receipt (NVDR) trading mechanism). Another key piece of legislation is Decree 32 on SOE divestment, which will streamline the incentivization towards divestment (at least in small-sized SOEs).

In terms of new supply for the market in 2020, SOE divestment might make new strides ahead. However, actual IPO activity might see another quiet year, as it takes time for large SOEs to complete valuation process. Given the above information, it is likely that the Vietnamese market is not expected to upgrade to emerging market status until 2022.

The COVID-19 pandemic has been sweeping the world in the first quarter of 2020 and made significantly adverse effects on prospects of profit growth of business as well as macroeconomic growth. Although it is not easy to estimate the magnitude of decrease in corporate earnings growth, it is obvious that sectors such as transportation, oil & gas, tourism, and out-of-home consumption will be hit immediately. Meanwhile, some other sectors will be impacted later on as the virus spreads its effects up and down the value chain. Lagging indicators will come later from the impact of stagnant production, strained supply chains, lower disposable income overall. To deal with this, supportive policies by the Vietnamese government as well as many other countries are duly expected. Accommodative monetary and fiscal policies introduced by the government such as interest rate cuts, tax payment extension for impacted enterprises, delayed payments for social insurance obligations, and accelerating public investment disbursements to build value-added infrastructure projects are all part of the solution.

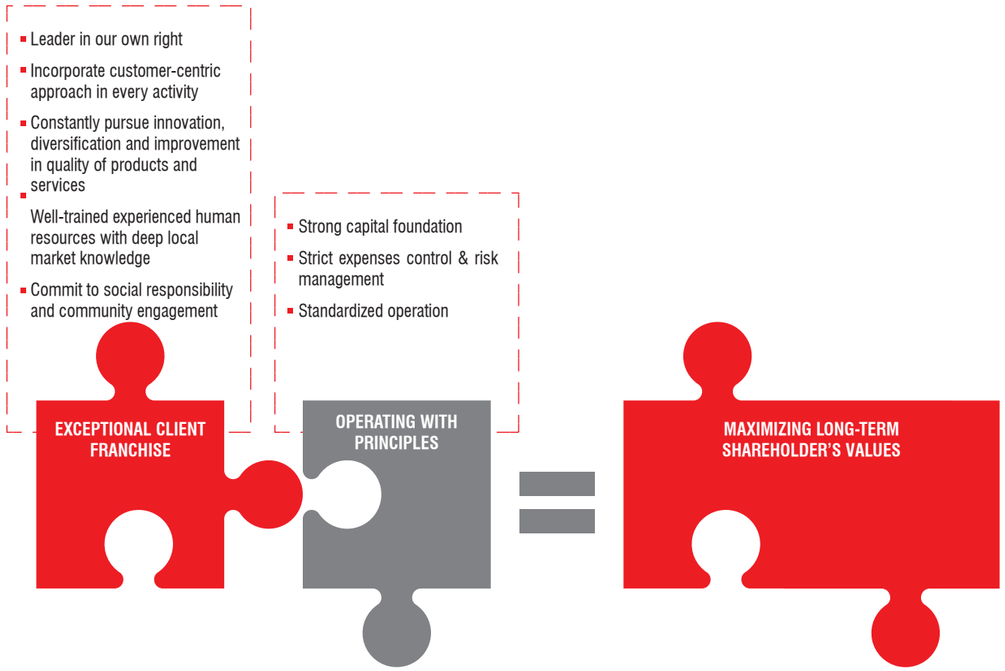
In short term, due to the Covid-19 pandemic, 2020 will be the year that both macroeconomic and corporate earnings will be abruptly hit by this invisible antagonist. Enterprises under research scope of SSI Investment Analysis and Consulting Department are estimated no profit growth in 2020, marking a large pullback from the growth rate of 18.6% in 2019. If excluding banking sector, earning growth is estimated at -9.4%, with a sharp decline caused by airlines, aviation, oi l& gas, industrials, etc. In contrast to the generally annual pattern of strong inflows in observed in the 1st quarter, a huge amount of capital has been rapidly withdrawn from the equity market in Feb and Mar 2020, amounting to a staggering $350 million USD as of the end of March. The VN-Index dropped -31% YTD price point on 23rd Mar 2020, falling to as low as 666.6 points, the lowest level since Dec 2016.

Looking over the long term, it is likely that all new regulations designed to fulfill the needs of the market will be in ready in the second half of 2021, which will positively impact the psychology of domestic investors and help boost sentiment of the Vietnamese stock market as a whole. Given the bottlenecks present in some key areas such as public investment in infrastructure, the privatization process, or stock market structure, Vietnam needs to apply a sense of urgency to clear these roadblocks in order to maximize growth momentum and efficiency within the period of the golden demographic window, a race to achieve a certain and defined vision for the economy before the population starts to age quickly in 7-10 years from now.

MEDIUM AND LONG-TERM **DEVELOPMENT STRATEGY**

Since our early days, SSI defined and has relentlessly pursued our target to become a leading financial institution in Vietnam and reach out to international markets, to uphold the "Connect Capital to Opportunities" mission, with customer-centric approach. Our persistent target yet flexible approach in addition to business acumen not only help SSI remain resilient against ups and downs on the market, but also justify our position as the No. 1 Securities Company in Vietnam.

SSI believes that the combination between a prestigious brand and operation under standards shall maximize the Shareholders' benefits:



In addition, every five-year development strategy is accompanied by a three-year action plan to clear targets, duties and each specific step, for each business unit as follows:

RETAIL BROKERAGE

SSI Retail Brokerage aims at No. 1 position in terms of market share, diversification and quality of products and services, and personnel efficiency and working environment, through:

Increase number of customers and diversify products for all customer segments

In addition to strong development of traditional customer groups being "high value trade" and "high net-worth value" - contributing to major density of market share, SSI will expand to customer groups who newly join the market, transfer from other investment channels (e.g. Groups of bank deposits, investment in real assets, etc.). The development and expansion of customer groups will be comprehensively implemented via various channels, such as advisory team (major channel), online transaction channels, simulation system, social networks, etc.

Diversification of product and quality, application of technology in product

The development strategy of products and services focus on 3 factors: diversified development; quality; and technology application in development of products to optimize value for customers.

In term of diversification of products and services, in addition to improvement of traditional products such as investment advisory, research report, margin lending, certificates of close-ended/open-ended funds, portfolio management, derivatives, etc., SSI continues to promote the low-risk and fixed-rate products such as corporate bonds. This is a strategic product in competition with banks to attract and expand the new customer groups. The Company continues to accompany the management authorities in research and development of new products under implementation roadmap of the State Securities Commission of Vietnam such as derivatives on stock, option contract, etc.

In term of *quality,* SSI continues to develop each product group according to investment requirements of customers based on risk acceptance level, investment target and duration of each group. Specifically, for investment advisory, some sample portfolios such as long-term portfolio, basic portfolio with term of 3-6 months, development portfolio, or short-term transaction portfolio by cash flow, etc. will be developed for each customer group based on risk acceptance level and investment time of each group. Moreover, procedures of service supply are also standardized and enhanced to high standards to improve satisfaction of customers during experience journey.

For *technology application* during product deployment, grasping demands of customers and development trends of technology, SSI has been focusing on research, development and supply of many modern, convenient and safe technology platforms to ensure high security.

Journey of upgrading our broker from "investment advisor" to "financial advisor"

SSI's brokers have had drastic changes during the past time, coming from "securities broker" with low advisory ability, mainly at information supply, then changed to "investment advisor" with high advisory content, clear investment methods and accompany with customers during investment, highly appreciated on the market. In new business context, fierce competition comes from customers' increased demands, in addition to quality and diversification of financial products and services, the quality of advisory staff needs intensive improvement. Customers need advisors that understand their own requirements, thus, advisors must make proper portfolio for each customer. Advisors not only give consults and establish a proper portfolio but also need orientation to portfolio monitoring and structure, periodic assessment to make comparison to initial targets. Moreover, advisors need more knowledge of financial products in addition to traditional products as shares, for establishment of a more diversified and better risk prevention portfolio. Therefore, in new context, SSI's strategy of staff development is to enhance from "investment advisor" to "financial advisor".

INSTITUTIONAL BROKERAGE

Clients

SSI promotes supply of comprehensive and proper products and services to target customer in the world including traditional markets in US, Hong Kong, Japan, Singapore, UK, etc. to new and other potential markets, and opening investment opportunities in Vietnam for international retail and institutional investors. Given the Government's efforts in upgrade Vietnam stock market to an emerging market, SSI is required to have proper customer development policies to target to customers with bigger scale and more stringent requirements on service standards. Different customer groups and markets have various investment approaches. SSI responds to this by improving servicing quality, coming up with new solutions to optimize customer servicing, and diversifying product offering to cater all customer types over time. Market development strategy based on reliable partners are always appreciated for markets with specific requirements.

Products

Product and service policies are always established and adjusted properly for each institutional customer.

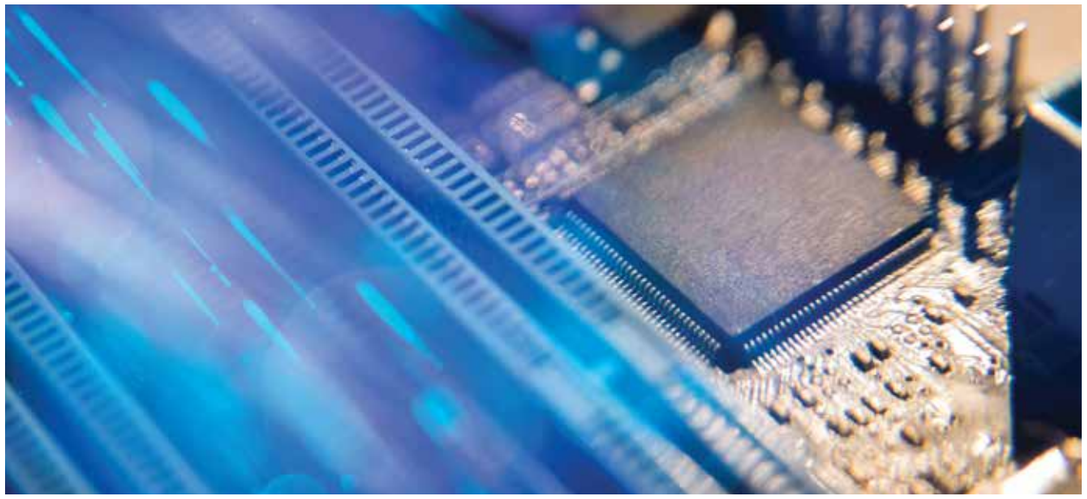
In the near future, SSI Institutional Brokerage will prioritize cross-selling products to capture the opportunities of major IPOs and the privatization movement ordered by the Government and private release of enterprises. As Vietnam stock market matures, diversified investment portfolio and service quality are the two preconditions to attract and retain customers. In addition to share market opportunities, SSI diversifies its product portfolio with ETF, corporate bonds, future contracts (futures) and covered warrants (CW).

Human resources

Human resources is always the decisive key to the success, especially in the financial services business. SSI has policy on intensive investment and development of human resources with high quality and deep knowledge of market, orienting customer's benefits based on efficient supply of products and services.

System

Optimizing trading and ordering system is first priority to maintain system stability and interests of customers. SSI will refine the existing trading system for both stock and derivatives transactions, develop new order placement channels, and enable faster connectivity with transaction systems of international clients. The transaction system at which SSI aims is the most preeminent system on the market to become the firm mainstay for other departments for their business promotion and development. In addition, SSI will promote low-cost order placement channel DMA and algorithmic trading for relevant customers.



INVESTMENT BANKING

SSI Investment Banking aims to hold its leading position in the investment banking in the stock market through:

- Providing comprehensive financial solutions to clients;
- Establishing close cooperation with major global financial institutions;
- Carrying out specialization of human resources.



TREASURY

Justify our established position of No. 1 securities company in term of reputation and financial capability through:

- Improving the quality of capital management;
- Stable year-on-year growth in total assets;
- Offering diversified and effective structured products.

PRINCIPAL INVESTMENT

Investment activities will maintain significant contribution to total revenue based on two major sectors: Investment in equity and Investment in derivatives.

Investment in equity

- Proper allocation of each investment strategy in portfolio: between long-term and short-term; growth, value and hedging; listed shares and IPO/OTC. Proportion of each investment strategy varies from time to time depending on the macroeconomics as well as business background of each business line and enterprise;
- Investment in companies with attractive evaluation and proper governance system.

Investment in derivatives

- Flexible investment determination, focus on market maker to help customers access to derivative products (warrants, options, etc.);
- Concentration on development of quantitative transaction and automatic buying/selling strategies, prevention from subjective risk factors due to human;
- Promotion of ETF, engagement in establishment of funds and market maker for ETF funds on the market.



ASSET MANAGEMENT

Mid and long-term targets of SSIAM are efficient management of trusted funds of investors and sustainable growth of total assets, through:

- Enhancing investment, risk management and service quality capacities;
- Maintaining continuous relations with Investors to understand investment demands and trends in the future to develop appropriate product lines;
- Developing new distribution channels to better approach potential investors.

2020
ACTION PLAN

To successfully achieve these targets, specific solutions are identified for dedicated business units based on long-term strategic vision and focus for sustainability enablers: Product and Service Quality, Human Resources Development and System Development. Customer-Centric Approach is adopted in every activity.

2020 action plan by business unit are presented as follows

RETAIL BROKERAGE

Efficient segmentation of current customers

SSI focuses on customer segmentation based investment demands, features, etc., thus, product supply on demand. In addition, the Company levers and exploits the current customer database, supplements many new products to establish proper portfolio for requirements of many customer segments.

Focus on quality of human resources and initial establishment of Financial advisory

SSI makes brokers re-assessment, no mass hiring of new brokers, classification and review of current one in quality-focused orientation; periodic assessment to remove inappropriate one and retain good one, proper payment policy in line with contribution.

Completion of internal training system

The Company continues to improve and supplement the contents of internal training system aiming at transformation from “investment advisor” into “financial advisor”. The contents will cover aspects from development and training orientation on financial products, sales and customer care procedures, professional training on investment methods and procedures, technical analysis, establishment and maintenance of relations, marketing, etc., contributing to comprehensive development of knowledge and skills to meet customer demands in new context.

Completion of KPI system and supplement of proper policies to new orientation

Additional establishment of KPI system (key performance indicator) and personnel classification under new orientation also are a focus for 2020. Besides, policies for strategy of human resources development will be adjusted to align with new orientation.

Development of financial and technological products

In addition to diversification of financial products, especially bonds to attract customers with bank deposits, SSI continues to make sharp investment in technological products including product groups for young customers, frequently trading customers, internal technological products in customer segmentation, performance monitoring and assessment.



INSTITUTIONAL BROKERAGE

Forecasted to cope with many difficulties in 2020, both in subjective and objective, for Institutional Brokerage, 2020 is determined as a pivotal year to develop and consolidate its staff, products, services and systems as a premise for greater speed-ups in the future.

Therefore, in term of clients, SSI concentrates on consolidation of traditional markets and development of new target customers in these markets, especially customers with new investments in Vietnam. SSI also finds proper and worthy partners in key markets such as US, Europe. Developing new markets will be implemented if possible.

On products: SSI makes intensive investment in complete products and services, and personalization for each customer. Stable frequency and quality of products and services are assured.

On human resources: recruitment of personnel in charge of institutional customers with proper quality in accordance with the Company’s development criteria.

On system: Efficient completion and launching new OMS system to serve Institutional customers.

INVESTMENT BANKING

In 2020, SSI Investment Banking will offer specialization to improve service quality and focus on advisory services as follows:

Capital market: forecast and seek opportunities in capital market, focus on advisory services on public offering shares, equity finance through private placement of listed shares, offering to capitalized State-owned enterprises, etc.

Debt market: forecast the potential and update market information, seek opportunities in advisory on equity finance in debt market for customers through bond issuance, advisory on proper loan syndication for customers.

TREASURY

Maintain growth rate of total assets, enhance business performance

Growth of total assets is the first target of SSI Treasury to maintain SSI's No. 1 position of a prestigious and financial potential Securities company on the market. In order to improve business performance and satisfy capital demands with the most appropriate expenses, SSI will continue to promote its credit relationship with domestic and foreign institutions, optimize market opportunities and approach cheap capital. In addition, SSI will prioritize to strengthen capital supervision and management, and risk management in terms of duration, and quality of investment assets for high liquidity safety and financial efficiency in Treasury's business operations.

Promote new financial instruments to accommodate customer's demands

Continuing the success of S-Bond in 2019, along with development orientation of Private Wealth Management and advantages of the leading securities company in terms of market share, SSI Structured Products Department will cooperate with related departments to design financial product packages in a diversified manner to serve customer's purposes of investment and financial risk prevention.

PRINCIPAL INVESTMENT

For Investment in stocks, SSI will divest from mature investments that gaining expected profit and non-strategic investments. The Company conducts disbursement adapted to market developments, depending on domestic and international macroeconomic signals in each period *(bilateral and multilateral free trade agreements, crisis, inflation, natural disasters and epidemics risks)*. In periods with sharp market fluctuations, proportion of short-term portfolio will be used flexibly to grasp opportunities, maximize profits, and minimize cost of capital for the Company.

In stock selection, SSI focuses on stocks with medium-large capitalization, high liquidity, good governance model, and sustainable growth, mainly in business sectors such as Airlines, Manufacturing, Retail and Telecommunication. The ratio distribution by stock depends on enterprise valuation from time to time, liquidity of stocks as well as operation situation and prospects of each sector in each period.

In addition, SSI Principal Investment also proactively cooperates with Internal Departments and other departments within the Company to optimize profits and limit risks, such as: combination of investment in stocks and investment in derivatives in product structure (futures, covered warrants, etc.), in cooperation with Investment Banking and SSIAM in seeking for new investment opportunities.

For Investment in derivatives, SSI will continue to deploy many new sectors such as ETF, warrants, quantitative transaction, etc. Combination with SSI Information Technology for system and strategy establishment to automate transaction strategies.

For covered warrants, in 2020, SSI will continue its issuance of attractive warrant codes with proper valuation for investors to earn profit through sales of covered warrants. The Company determines its roles in service supplier of this product, thus, creates the most favor conditions for Investors to approach product through valuation and market creation.

For ETF products, Principal Investment is also the member to establish Fund, serves SSI's customers the best and optimize warehouse portfolio for ETF and stock/cash to prevent from risks for warrants

ASSET MANAGEMENT

Promotion of new products

In 2020, SSIAM is expected to establish and list 2 ETFs, namely ETF SSIAM VNFIN LEAD and ETF SSIAM VN30, as well as close PE fund DAIWA-SSIAM III to start investment. For other funds in process of preparation, SSIAM continues to work with partners for consideration of deployment.

Development of distribution channel

SSIAM understands the importance of distribution channel in bringing products to customers effectively. At present, in Vietnam, distribution channel of fund certificates is still limited as only a few commercial banks are granted licenses in distribution of open-ended fund certificates, meanwhile, commercial banks in many other countries in the world are the main distribution channel. The Company will continue to look for other potential distribution channels, with expectation of effectively bringing products to customers.

Upgrade of fund certificate trading system, and improvement of other processes and procedures within Company

At the end of 2018, SSIAM deployed "SSIAM On The Go" – online trading platform for open-ended fund certificates to help investors to place trading and manage their account. In 2020, the Company will continue to upgrade this platform to provide investors with some more utilities.

Other systems will be improved for automation, accordingly, mitigate operational human errors. The Company also review business processes and revise if necessary, for assurance of the best services to customers.





CONSISTENT INTERNAL FORCES FOR SUSTAINABLE DEVELOPMENT

KEY
SUCCESS DRIVERS

INFORMATION TECHNOLOGY

Digital transformation has been considered as a global trend, bringing massive benefits for enterprises including efficient resources spending, operating costs saving, approach to new customers and retaining existing customers. It also helps the Board of Management to make quick and accurate decision thanks to a smooth and timely reporting system. As a result, the company's operation and competitiveness are improved. Digital transformation is a key focus topic at SSI in 2019. A number of activities are implemented on the whole system and initially gained remarkable results.



Along with maintaining and improving the performance of information technology system, the Company focused its resources on developing new and modern technological platforms, including several launched products as follows:

Information portal: **iBoard** smart price board, launched in late 2019, is an effective tool to support investors in making timely investment decisions, thanks to its friendly interface, multi-tier information system and quick order features. As one of the fastest and most modern price board in the market, iBoard can serve the diverse needs of customers for both equity and derivatives products. It is also the only price board in Vietnam that can update warrants' information real time.

Online trading platform: SSI's Next Generation Online Trading system (**NGOT**) is full force implementing and targeted to be on-air in the first half of 2020. iBoard is also integrated with quick order on web, iOS, and Android, allowing customers to update information, analyze and make decision in one single place for both equity and derivatives market. Besides, other trading channels are under development and going to release in the first half of 2020.

Customer Acquisition Channels: SSI launched **iChat** - its first native Vietnamese language chatbot, actively supporting clients on requests related to general information and products/ services of SSI. For phase 2, iChat aims to provide better customer care via market information supporting, order placement, etc.

iWin – a simulated trading platform for equity and derivatives markets, which is an ideal environment for investors to get acquainted with the stock market, as well as test their investment strategies. In 2020, iWin will continue to be upgraded with more lively and social features.

Customer Care: A comprehensive Customer Relationship Management **(CRM)** has been released for SSI's institutional clients. SSI also finished the processes of reengineering for customer & sales management in retail brokerage. Corresponding solution shall be released in 2020. In addition, SSI's **Contact Center** will be rebuilt and released in 2020.

Product development: our **core trading** was consistently extended and developed to be on-time for new products in the market. In 2019, SSI has full spectrum supports for Covered Warrant from trading, IPO, settlement to market making. Bond trading was also enabled in the same year.

Operation supports: In addition to business support activities, in 2019, SSI introduced **E-learning**, the company's new **website** and kicked off many important operation support projects. They all contributed to increase human resource productivity, reduce operation expense, and improve the efficiency of the whole governance system.

These above achievements are such results of the strong expansion of IT team in 2019. There have more than 30 experts with full gears taking care SSI's infrastructure, system and operations. The system stability achievement is over 99% and to be kept on improving. SSI's Quality Control (QC) team extended the coverage to operational governing with significant improvement on the quality of service and product rolling out to the live environment as well as awareness of Service-level Agreement (SLA) compliance and Key Performance Indicator (KPI) achievement. Our SLA achievement on services is around 98%.

Last but not least, we never forget the importance of information security. From 2019, SSI has team of 5+ people taking care these critical subjects. With this team of professionals, we prevented, detected and resolved issues before any material damage to the organization. The Company also equipped them with cutting-edge technical facilities particularly on prevention and detection.

Looking forward to 2020, SSI set higher demand on SLA compliance on service availability and minimize turn-around time. The Company will also introduce more innovative transformation of the technology services and products for our customers.



HUMAN RESOUCES MANAGEMENT

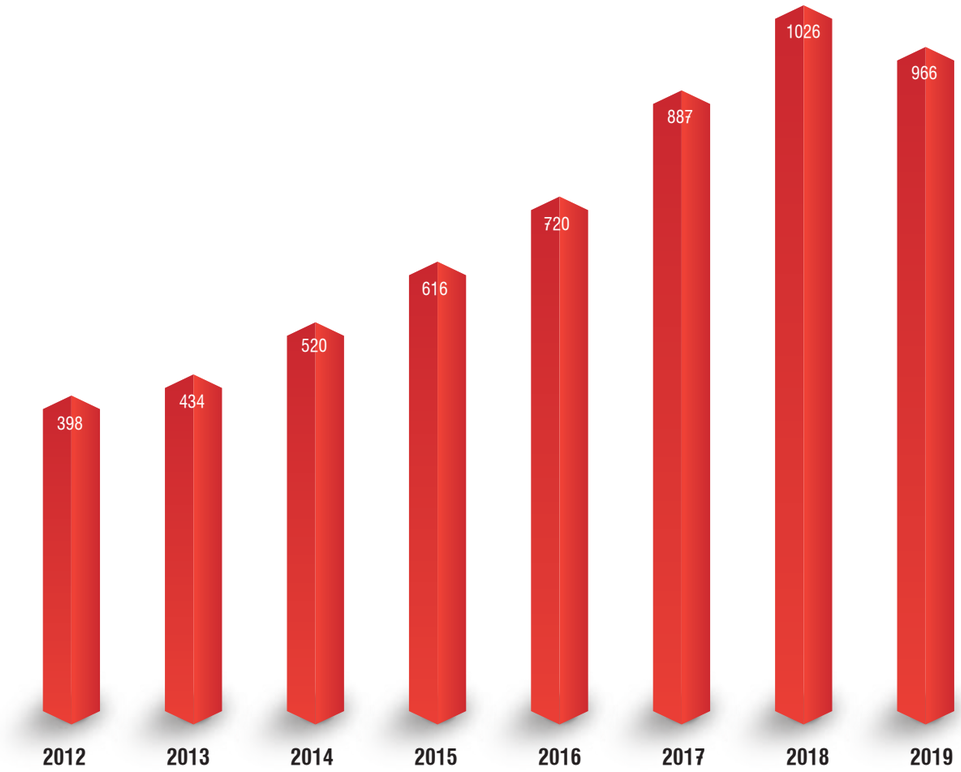
SSI team - 20 years of development and cohesion

Over 20 years of formation and development, SSIers with their beliefs, pride and pioneer missions jointly develop and create a great and transparent SSI with the focus on SSI team's development - the sustainable foundation for SSI to become the symbol domestically and regionally.

SSI team constantly develops year by year in the terms of human resources scale as well as depth development on governance. As of the end of December 2019, the employee size of the Company has exceeded 1,000 persons, an increase of over 150 times compared to the establishment, and the Business units accounts for 80% of whole SSI human resources.

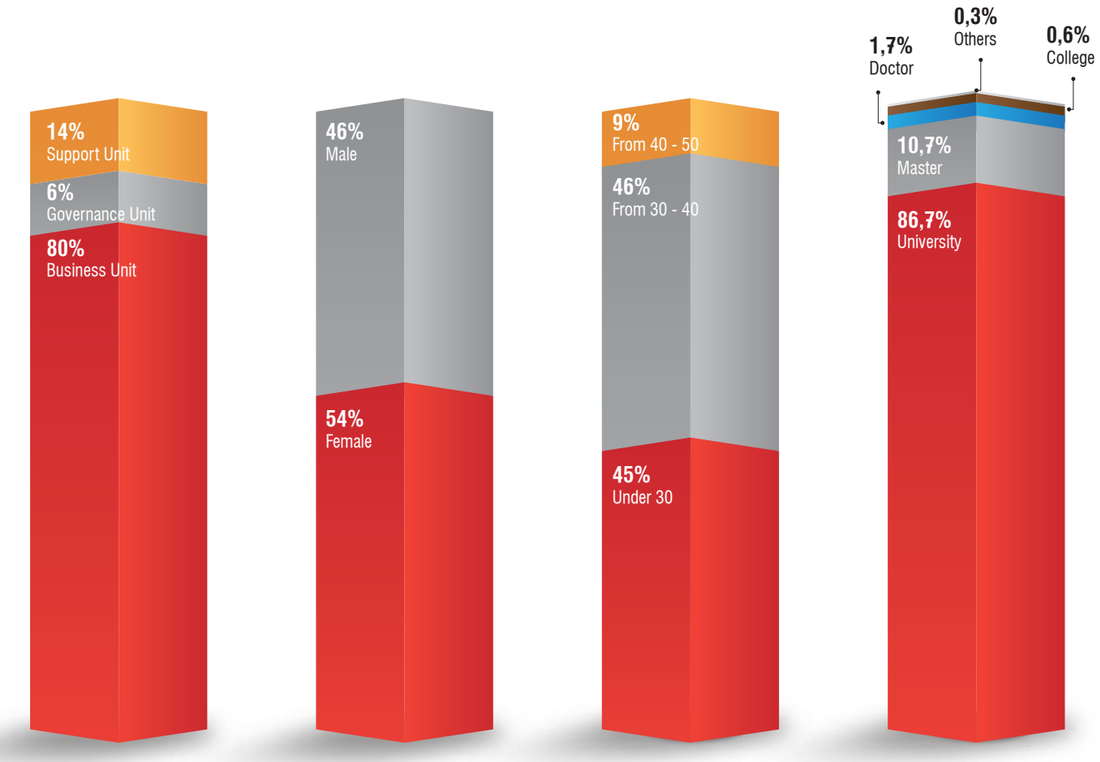
In 2019, new employee hires were 207, most of whom were under 30 years, well-trained with a rate of 86.7% for undergraduate and 11.0% for postgraduate.

Number of employees over years



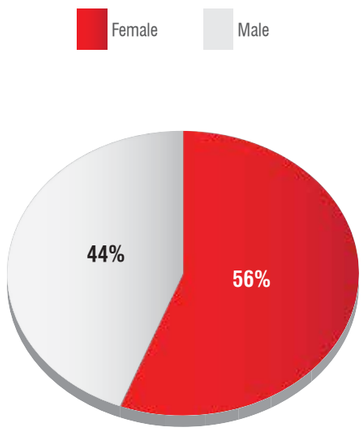
Source: SSI

Personnel structure

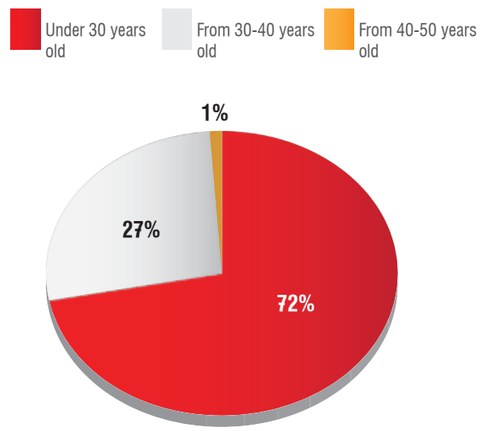


Source: SSI

New employees' structure by gender



New employees' structure by age



Source: SSI

Throughout the 20-year journey, SSI pays special attention to select the team of potential and talented candidates, the leading experts who are enthusiastic, ambitious and ready to take the new opportunities and challenges. SSI believes that the combination between the enhancement of new talents with experience platform at domestic and abroad reputable organizations and the senior personnel at SSI during many years will create the remarkable strength to implement and realize the Company's development strategies from time to time.

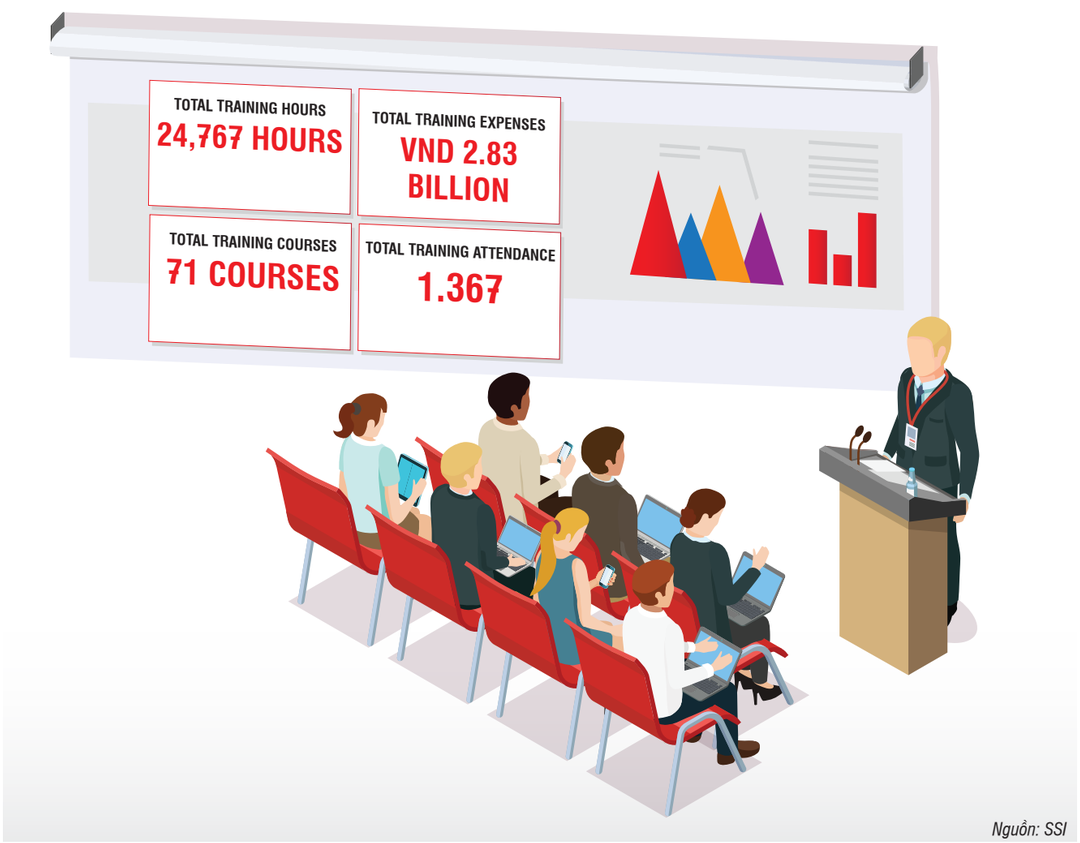
Moreover, the Company also conducts the multi-dimensional and annual cooperation activities with major universities in Vietnam, international student communities from the developed countries such as UK, US, Australia, etc., oriented to attracting the young, dynamic and creative human resources.

Outstanding cooperation and sponsorship programs in 2019: Interns at John Von Neumann Institute (JVN), Talk-show on perception of career choices "Connect the Dots" with overseas students in UK through the Hanoi Association of Vietnamese Students in UK and Northern Ireland (SV UK), SEO Vietnam Careers Program, "Faculty of Economics Stock Exchange - FESE" Contest, "Finance and Banking Arena Contest - FBACX:, etc.; promoting strategic cooperation activities with the parties through research, professional exchange and sharing projects.

Investment for the future

The biggest competitive advantages of SSI are the strength of resources, solidarity and trust in the Company, high commitment and professionalism of each member. Investment in human resources is the investment for the future, and training and development are one of the key factors that promote the career advancement of each individual, a constructive contributor to the common success of SSI.

Understanding values of human resources, SSI always appreciates and invests in training and development of every individual through a series of programs right since joining, including: compulsory training courses required by SSC, training courses on specialist skills, training programs to establish a management platform (customers, teams, organizational structure) with high applicability help employees have stable professional knowledge, understand thoroughly and well apply governance skills, develop their long-term visions for progress, achievements in career and long-term attachment to the Company.



Nguồn: SSI

Breakdown of 2019 training expense



Source: SSI

Internal training activities throughout the system via technical training sessions, seminars, professional coach, etc.; created enabling conditions to link members from the South - North regions, Managers with Staff, Staff members in one department and those from different departments for them to contribute feedback on activity orientation, operational experience, spiritual connection, and together create a "transparent, honest, effective and creative working environment".

In 2019, SSI also developed and launched E-learning online training system to help the employees have new learning methods, more flexibility in terms of time, location and interacts during learning; it is a tool to promote professional learning and testing, diversify and quickly update the knowledge required by the Company.

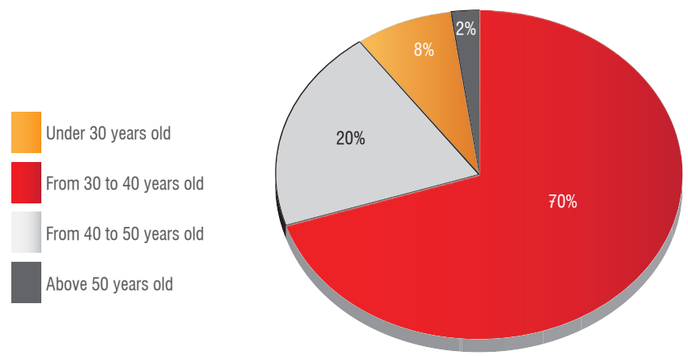
Only does SSI succeed when every individual succeeds

The maturity of SSI in general and the SSI staff in particular show their determination for pursue of the SSI founders and Board of Management on the Vision "The business of success".

SSI pays special attention to the hunting and development of potential candidates under its human resource development plan to deliver short-term plans and long-term strategies of the organization.

The newly promoted employees are provided with training courses to supplement skills, knowledge and tools for the work, including leadership skills, governance skills, business strategy development and implementation; 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 their career ladders.

Management structure by age group in 2019



In 2019, the number of middle-level managers (from Managers or higher) of the Company is 164, accounting for 16.9% of the total number of SSI staff. The number of new promotions was 15, mainly in the age group of 30 to 40.

Source: SSI

SSI adopts modern management practices

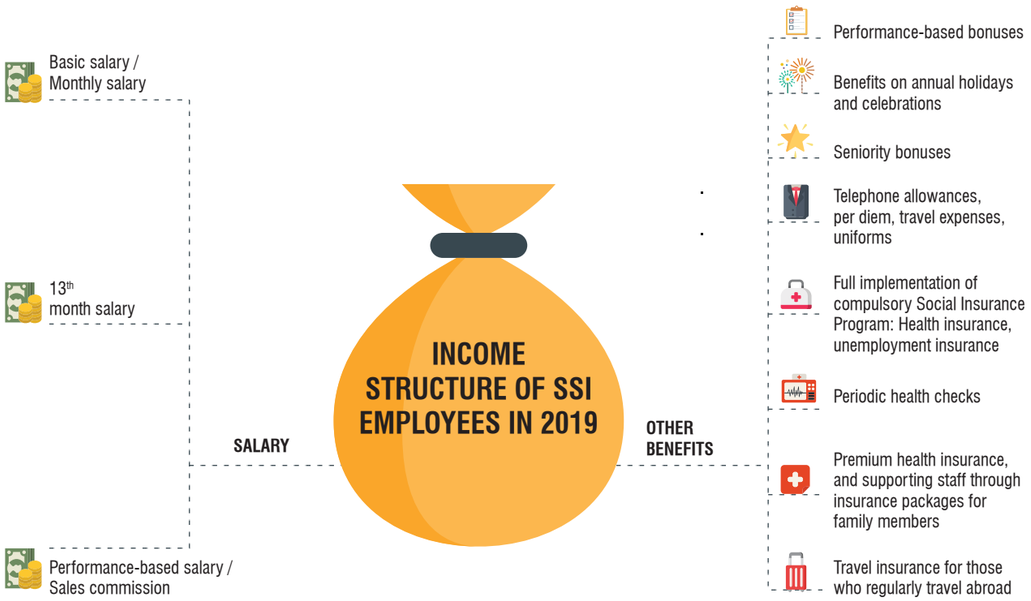
Taking the efficiency as a principle in business and governance, SSI operates a system of human resources policies around the overall efficiency.

Available payment - benefits are linked with competence, achievement and contribution in overall efficiency of Department and SSI.

The Performance Management System (PMS) helps the Company indicate goals and recognize work performance results of each individual at all positions and levels in order to better recognize their achievements and contributions to the overall achievement while monitoring the development roadmap of individuals to have development plan in the future.

SSI maintains a comprehensive system of payment and benefits.

365 days of welfare



In 2019, SSI continued to maintain the budget and released more than VND 427 billion to its employees, in which spending as rewards and benefits accounted for **47.7%** of the total payment.

Payment item	In 2019		In 2018	
	Absolute number (VND)	Proportion	Absolute number (VND)	Proportion
Salary	198,579,697,992	46.5%	175,042,062,828	36.4%
Insurance	24,969,686,441	5.8%	23,044,057,522	4.8%
Reward for work performance	157,514,667,301	36.9%	236,683,929,010	49.3%
Other benefits	46,109,323,845	10.8%	45,542,231,652	9.5%
Total payment	**427,173,375,580**	**100.0%**	**480,312,281,012**	**100.0%**

In parallel with its competitive salary and benefits policies compared with others on the market, in 2019, SSI successfully issued 10 million ESOP shares to employees, staying as the leading organization in the Employee Stock Ownership Plan to align employees' interests with SSI; attract, retain and motivate qualified and committed employees to contribute to the company in the long time.

SSI pays special care and puts the health of employees first. SSI's series of action programs for improvement of working environment and enhancement of health protection for each employee are effectively implemented in the past year.

SSI keeps its working policies that require 5 working days per week, 14 days of leave per year and additional insurance policy to enable employees to have more quality time for their personal interests, care of their relatives and better enjoyment of their life family.

Towards work-life balance

SSI continued to pay due attention to creating a balance between work and life of employees at all levels, facilitating and encouraging members to innovate work approach to ensure work-life balance. In terms of management system, SSI makes strong improvement efforts to reduce overtime hours to allow employees have more time for family and still achieve targeted results.

SSI also tried to create working environments and fair development opportunities between male and female staffs. A gender balance has been maintained 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 personnel 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 continuing to play their "solid support role" for each SSI's employee.

SSI staff activities such as 2 regional soccer teams, photography club, running 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.

In addition, the Board of Management also value employees' work-life balance as evidenced by policies such as: Employees are entitled to 2 more days of sick leaves in the year, staff birthday gifts and occasions such as International Women's on March 8th, the Vietnam Women's Day on October 20th, Autumn Gifts Program and Children's Festival for children of the staff, etc., bringing joy, pride and belonging to every member of SSI.

The Company aims 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.



CORPORATE CULTURE



During nearly 20 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. With existence and development in line with formation and development of corporate, SSI's unique culture is the "soul", including core values, rules, management style, business methods and employees' behaviors and attitudes. It is these cultural distinctions of SSI that ingrain in the belief and promote its importance, contribute to form the strength, connect employees and establish foundation 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 personnel solidarity and shared vision of each individual within SSI.

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

At SSI, these 9 business principles are also core values of the Company and guiding principles of all SSI employees and activities. The meanings embedded in the SSI's 9 business principles encompass all aspects from working culture, communication within the Company, communication with Customers, and behavioral culture to the Community and Society. These are sustainable values that remain unchanged regardless of time and external conditions.

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.

SOLID FUTURE / CONSISTENT INTERNAL FORCES FOR SUSTAINABLE DEVELOPMENT

Along with the Vision of “The Business of Success” and the Mission of “Connecting Capital to Opportunities”, the above business principles help SSI individuals understand their positions and responsibilities, develop their prides in each person on the Company to which they are committed. These values are made clear to the staff members right from the early orientation sessions at the start of their first assignment at the Company, and then are continuously repeated as reminders on the internal media, events and training. Besides, SSI’s core values are always placed in the solemn and visible positions in the working rooms for SSI employees to better understand them every day. And this is also the legacy and motivation for SSI employees to pass it down future generations, thus, whether at any role or position, every employee is always proud of SSI.

Consistent internal communication is the key success factor in SSI’s corporate culture

With nearly 1,000 employees at many provinces and cities across the country, consistent and seamless internal communication is crucial to all activities. Therefore, during the past years, SSI has established its internal communication channel, it is maintained and frequently improved so that it is complete, connecting and accessible to all employees and playing an important role in internal solidarity.

SSI believes that an effective communication channel to from the Management to employees will strengthen the solidarity between them. The business strategies, plans or targets are communicated internally through messages from the Chairman and General Director, helping employees understand thoroughly and agree with SSI’s operation opinions.

Not only an effective communication channel to convey information from the Management to employees, Internal Communication is also a communication channel, connecting members in the Company, not only playing an important role in internal harmony but also connecting for spread and development of SSI’s culture.

Every year, SSI always makes a key message for all officers and employees to have a viewpoint, target and jointly make efforts to create the best results. 2019 with the message “Connection for sustainable future” and the decisive image of brilliant runoff, the internal communication activities also contribute to inspire and spread the spirit of “Solutions led -Skills - Inventive” and connects sources to jointly help SSI make innovations, creations and flexibility when facing fluctuations of the market. All these stories are communicated thoroughly through Internal Newsletters and Internal Forum.

Internal Newsletters is one of the most important communication channels that SSI has maintained since 2012. After 8 years, every two weeks, Internal Newsletters has been a spiritual nourishment for SSIers, reach out to each employee in a well-presented manner through the internal email system with diversified and carefully selected contents.



SOLID FUTURE / CONSISTENT INTERNAL FORCES FOR SUSTAINABLE DEVELOPMENT

In addition to quick and accurate internal news updates and important notices, information, judgment on SSI and markets, the Newsletters also pay attention to contents to help SSI employees get balance between works and life such as useful information on health, study or entertainment. Since 2019, series of SSI’s Stories - the shares of individuals at each department/project have been posted to help them not only to understand and share with the works of other departments but also to get closer.

Besides the information receipt through Internal Newsletters, SSI employees also can interact with others through Internal Forum - SSI Insider. This is a place for SSI individuals to share not only information and events but also their work and life experiences, joys and laughter, and even sadness. The calls for charity and volunteer activities, instructions for health training and care, or interesting mini games are the top topics that SSI employees enthusiastically participate after stressful working hours.

Two-dimensional listening and interaction can be said to be one of the keys for SSI to promote and spread its corporate culture effectively. Through surveys, e-mailing campaigns, online voting or direct comments on internal communication channels, the Board of Management may approach the desires, viewpoints and suggestions from employees, then have proper changes in making business decisions and plans, and improve working environment.

SSI employees jointly desire to help SSI last forever. Every SSI employee is proud of the journey of 20 years. In addition, SSI’s awards, achievements and charity/sponsoring activities are frequently updated in all media channels to remind all people of their positions, roles and responsibilities in SSI’s journey of sustainable development; thus, encourage further efforts for all employees, departments and whole Company get orientation to higher targets.

Nurture and promote SSI’s unique culture

SSI people are not only talents in the financial world with steady expertise, professional working style and induration before difficulties but also the people who know to work hard and play hard - a culture highly valued within the company.

SSI Gala is an annual corporate culture and the most important event for SSI employees. This event is held at the end of the financial year (April). This is an opportunity for the members to present, meet and greet and join the activities for connection and honors. In addition to the relaxation and enjoyment of the joyful and refreshing moments in the team building activities, SSI members will have some reflections on the past journey, including achievements and ongoing issues in the operation of the previous year, from which they can be more motivated and committed to together work on the goal of the following year. During 2019, the “Next Generation” marathon within SSI Gala Dinner 2019 was impressive when it not only promoted the movement of health training for employees but also help every employee exceed their limits and jointly give gifts to patients at Da Nang Oncology Hospital.

Recognition and feedback are one of the factors to help SSI employees enhance their solidarity to SSI. The award “Employee of the year” is the most honor and anticipated award every year. With the nomination and selection within whole Company, the award honors SSI individuals who have been and will continue to have the significant contributions to the development of SSI. The award highlights the core values of SSI, that focus on individuals, and encourages further efforts and development of the members themselves. For the Broker team as a key force, SSI organizes annual ceremony to honor SSI Securities Services to honor individuals with outstanding achievements in business activities of the Unit in particular and contribution to SSI development in general. These are not only talents in the Company but also high-quality experts in Vietnam Finance - Securities industry.

Connection and share are the most mentioned phase at SSI in 2019. During the last year, the connection is shown in work, maintained and developed through physical activities outside of working hours. Football, Yoga and Photography Clubs continue to meet on a regular basis. In particular, the Photography Club organized competitions on the Company-wide scale Photography, or in addition to the annual Open Football Championship, SSI Football Club last year also participated in major friendly tournaments such as VSD football tournament. The highlight of physical activities is formation of Running Club - SSI Runner. Despite new appearance in the 4th quarter of 2019, the Club quickly attracts the participation from many employees with continuously and frequently updated activities. Many members of such club also took part in many large-scale marathons nationwide with distance of 21 km, 42 km, they are the key force in sport movements, contributing to improve the spirit of health training at SSI.

In addition to improvement to spiritual life of employees, SSI also introduced programs for their families and relatives. On the major public holidays such as Children’s Day (June 1) and Mid-Autumn Festival, SSI organized extracurricular activities for SSIKids -children of SSI members. Every December, i.e. the end of a year, also marks the organization of SSI Family Day. The Family Day - Movie Day’s 2019 took place in an informal and meaningful way. The families together watched movies, shared their memorable moments and listened to the gratitude and thanks from their beloved persons and the Company.

In parallel with the welfare policy, these events/activities are the linkage, contributing significantly to the development of a connected and united team. Not just a workplace, SSI wishes to bring a truly friendly, positive environment and create the most favorable conditions for SSI individuals to promote their capacities, work with all their hearts and souls at the Company.

Combination of unique personalities, innovation, professionalism and specific expertise in each SSI individual altogether has made SSI’s unity and harmonization.

SSI’s success depends on the life and expertise of each member working at the Company. However, it takes more than a single talent to build a sustainable business. Therefore, SSI people always strive to learn and improve knowledge, taking initiative at work for better performance, taking the Company’s culture and core values as guiding principles for behavior adjustment in the most common direction, in consistent with the Company’s general development orientation. For this reason, SSI always uphold the unity across the entire company, team spirit, and teamwork, which are shown in the 9 business principles, internal communication and other activities.

A sustainable business must focus on internal resources, emphasizing personal development without overlooking internal harmonization so that every individual can devote to the company’s mission and vision. The staff are not only professional and enthusiastic but also always strive to become an active factor in the company’s development. Understanding this truth, every SSI individual always considers the Company as a “big family” to love, develop and overcome challenges to self-train and build brick-by-brick for the Company’s success and development, it is also the greatest pride of SSI. Each individual is an indispensable chain which makes SSI “system” operate in a seamless and efficient manner, through sharing ideas, discussing, seeking initiatives, solutions and how to achieve the best results.















CORPORATE GOVERNANCE TOWARDS **SUSTAINABLE DEVELOPMENT**

REPORT ON ACTIVITIES OF THE BOARD OF DIRECTORS

MEMBERS OF THE BOARD OF DIRECTORS

As of year-end 2019, the Board of Directors (BOD) consists of 06 members, in which 05 members have held title for a full year, and 01 independent member that is Mr. Pham Viet Muon who was elected to replace his predecessor- Mr. Bui Quang Nghiem who ended his term on 25 Apr 2019. There are 02 members that are Mr. Ngo Van Diem and Mr. Bui Quang Nghiem are independent members. The Board of Directors were selected deliberately among those who had tremendous experiences, relevant qualification and knowledge about governance, law, finance and securities, the roles of whom were also appropriately allocated (executive, non-executive and independent members). One-third of the BOD were independent, non-executive director to ensure the independence and objectivity of the BOD's governance.

List of members in BOD and their ownership of shares are as below:

No.	BOD Member	Position	Year of birth	Share ownership as of 01/01/2019 (*)(**)		Share ownership as of 31/12/2019 (*)(***)	
				Number	Percentage	Number	Percentage
1	Nguyen Duy Hung	Chairman and Chief Executive Officer	1962	6,783,400	1.330%	6,783,400	1.330%
2	Nguyen Hong Nam	BOD Member, Deputy CEO	1967	1,400,000	0.274%	1,400,000	0.274%
3	Ngo Van Diem	BOD Member Independent, Non - executive member	1951	200,000	0.039%	150,000	0.029%
4	Bui Quang Nghiem	BOD Member Independent, Non - executive member	1957	40,000	0.008%	40,000	0.008%
5	Nguyen Duy Khanh	BOD Member Non - executive member	1991	700,000	0.137%	700,000	0.137%
6	Hironori Oka	BOD Member Non-executive member	1963	0	0	0	0.00%

(*) All are common shares

(**) Ratio is calculated against 500,063,684 shares which is equal to 100% charter capital as of 01 Jan 2019

(***) Ratio is calculated against 510,063,684 shares which is equal to 100% charter capital as of 31 Dec 2019

The majority of members of the BOD, the Board of Supervisory (BOS), Board of Management, Chief Financial Officer, Chief Accountant and Company Secretary have completed training courses on corporate governance and have been granted certificates by the State Securities Commission. The newly elected members will participate in all training courses on corporate governance in accordance with law and the competent state agencies (if any).

The person in charge of Corporate Governance and Company Secretary also completed the 3rd Director Certification Program (DCP3) organized by the Vietnam Institute of Directors in August 2019.

ACTIVITIES REPORT OF THE BOARDS OF DIRECTORS

Roles, Responsibilities and Activities of the Board of Director

The BOD always determines the leadership, orientation, direction, management and supervision of the Company's business activities between two annual General Meeting of Shareholders (GSM) according to the Resolution of the GSMs and the Charter of the Company, except for decisions under the jurisdiction of the GSM.

The BOD operates by issuing resolutions and directing the Board of Management to implement the 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 GMS and of the BOD. These documents are kept at the Company's head office and disclosed to all shareholders in conformity with regulations.

When carrying out their functions and responsibilities, the BOD must comply with the law, the Company's Charter, Resolutions of the GSM and the Corporate Governance Policy. 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 addition, the BOD made their 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 ensured that the number of BOD meetings and the number of invited members met legal requirements and effectiveness while specifying each member's role, differentiating between independent and executive members in order to ensure interests of shareholders according to legal regulations;
- The BOD passed Resolutions which fitted 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 would provide social values and eventually fulfill the Company's mission;
- The BOD monitored the implementation of resolutions issued by the GMS and the BOD while evaluating the effectiveness of these resolutions; regularly reviewed policies and regulations of the Company and made timely adjustments in accordance with new situations and requirements.
- The BOD decided on the direction, led and supervised on a regular basis all activities of the Board of Management as well as supporting departments, ensuring that the BOM's leadership was in line with the company's regulations and policies.

In 2019, the BOD had organized 04 meetings, including 02 in-person meetings and 02 meetings for soliciting written opinions:

STT	Member of BOD	Position	Number of attending meetings	Percentage of attendance	Excuse for absence
1	Mr. Nguyen Duy Hung	Chairman	4/4	100%	
2	Mr. Nguyen Hong Nam	Member	4/4	100%	
3	Mr. Ngo Van Diem	Member	4/4	100%	
4	Mr. Pham Viet Muon	Member	3/4		Elected on 25 Apr 2019
5	Mr. Hironori Oka	Member	4/4	100%	
6	Mr. Nguyen Duy Khanh	Member	4/4	100%	
7	Mr. Bui Quang Nghiem	Member	1/4		Ended his term on 25 Apr 2019

Accordingly, the Board of Directors passed 10 resolutions to execute the decisions of the GMS as well as other contents within the authority of the Board .

No	Resolution	Date	Content
1	01/2019/NQ-HĐQT	20/03/2019	Adopting the 2019 Annual General Meeting of Shareholders
2	02/2019/NQ-HĐQT	17/05/2019	Resolution on the offering of Covered Warrants
3	03/2019/NQ-HĐQT	26/08/2019	Resolution on the offering of Covered Warrants with following stocks: REE, VNM, VIC, VJC, VHM, MBB, FPT, and HPG
4	04/2019/NQ-HĐQT	25/10/2019	Consult the General Meeting of Shareholders in writing for approval of stock issuance to pay dividends, increasing charter capital to meet the needs of scaling up company operations
5	05/2019/NQ-HĐQT	25/10/2019	Adjust 2019 Business Plan
6	06/2019/NQ-HĐQT	25/10/2019	Approve the establishment of Sub-Committee on Development Strategy under the BOD
7	07/2019/NQ-HĐQT	25/10/2019	Resolution on function, mission and organization of Sub-Committee on Development Strategy under the BOD
8	08/2019/NQ-HĐQT	25/10/2019	Approve the merge of two Departments: “Retail Research and Investment Advisory” & “Institutional research and investment advisory” into “Research and Advisory Center”
9	09/2019/NQ-HĐQT	25/10/2019	Resolution on offering of Covered Warrant until end of year 2020
10	10/2019/NQ-HĐQT	25/10/2019	Promulgating the Regulation on share issuance under the 2019 Employee Stock Option Program in pursuant to Article 6 of Resolution No. 01/2019 / NQ-DHDCD dated April 25, 2019 of the Annual General Meeting of Shareholders

Supervisory activities for the Board of Management include:

- Reviewing and revising the 2019 business plan, preparing the 2020 business plan for submission to the annual GMS;
- Independent audit of the financial statements for the year 2019;
- Selecting an Audit Firm;
- Continuing to improve risk management and control;
- Developing and perfecting products and services for derivatives market;
- Offering and listing of Covered warrants;
- Promoting internal training activities;
- Continuing to renovate and upgrade the information technology system to support the company's new products and improve customer service quality;
- Reviewing the system, ensuring safety and being proactive in risk management;
- Organizational restructuring through the merge of two departments: “Retail Research and Investment Advisory” & “Institutional research and investment advisory” into “Research and Advisory Center”.
- Providing guidance to implement share issuance under the 2019 Employee Stock Option Program (ESOP) in order to increase of combination between employees and the Company

Operations of the Committees under the Board of Directors

In 2019, the Board of Directors established a Strategy & Development Committee under the Board of Directors on October 25, 2019 and completed its organizational structure, personnel and operational regulations. This Committee has the function of defining business strategies followed by action plans in particular market conditions, supervising the implementation and administration of projects to ensure effectiveness in business activities and to align the development with strategic operations of the Company

In addition, the Board of Directors has appointed independent members in charge of risk management and internal audit.

Activities of the independent BOD member in charge of risk management:

- Reviewing and commenting before submitting to the BOD for approval of the risk management policies and limits;
- Reviewing reports of the CEO, the Risk Management and other departments related to the operation of RM;
- Assessing the Company’s overall effectiveness in risk management

Activities of the independent member in charge of internal audit:

- Reviewing and evaluating issues related to the organizational structure of internal audit; draft report on internal audit strategy and policy before presenting to the BOD for approval and decisions;
- Examining and evaluating Internal Audit activities in terms of compliance with procedures, accounting standards and principles of operations;
- Reporting on the performance and effectiveness of internal audit performed during the year; proposing solutions to overcome shortcomings and limitations in order to improve the business performance of the Company;
- Advising the BOD on the issuance of internal audit strategies and policies

Activities of the Chairman of the Board of Directors

The Chairman of the BOD is responsible for overall management of the BOD’s activities in accordance with the functions, tasks, and authority prescribed in the Company Charter as well as the current provisions of the law, particularly:

- Preparing agendas and plans of the BOD’s activities;
- Preparing programs, agenda, and documents for the meetings; convening and chairing BOD meetings;
- Organizing the ratification of BOD’s resolutions;
- Supervising the implementation of the BOD’s resolutions;
- Chairing GSM and meetings of the BOD.

In addition, the Chairman also acts as the Chief Executive Officer, 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 is adopted by the annual GSM

Activities of Independent Board Members

Independent BOD members are assigned to perform risk management and internal audit tasks as described in the activities of the subcommittees. These members further participate in meetings of the BOD to review proposed strategic orientation and business plan; monitor and monthly report on the activities of the Board, produce results on supervising the Board of Management send to members of the BOD in conformity with the Company Charter.

EVALUATION REPORTS FROM THE BOARD OF DIRECTORS

BOD Evaluation on SSI Performance

In 2019, SSI was consistent with the sustainable development strategy while stimulating investment in both personnel and infrastructure to adapt to the era of technology. The company devoted more resources (time, financial and human capital) for researching and developing new products, building information technology systems, and improving the quality of human forces. SSI commits to assist and accompany with investors in defining appropriate plans to anticipate future development opportunities of the market.

The pessimistic market condition in the first 9 months of 2019 had detrimental effects on the Company's business performance. Facing with this situation, the BOD decided to implement Resolution 05/2019 / NQ-HĐQT dated 25/10/ 2019, in pursuant to Resolution of AGM Meeting in October 2019, announced the revision of 2019 business plan for key financial targets. Specifically, profit before tax and revenue in 2019 were adjusted to VND 1,100 billion and VND 2,950 billion respectively, equivalent to a decrease of 35.3% and 21.9% compared to the initial plan.

By the end of 2019, the Company achieved revised target with consolidated revenue of VND 3,308.6 billion and consolidated profit before tax of VND 1,105.5 billion while operating costs remain stable in comparison to the same period last year. As of December 31, 2019, SSI's total assets has an increase of 13% from the opening balance result to VND 27,044 billion, in which owners' equity reached VND 9,401 billion.

SSI acts in compliance with the law, fulfills its obligations to the State, performs social responsibilities with charity work to be of priority. The company implements corporate governance in public and transparent practices, accomplishes a balance of interests between itself and the benefit of the State, the Shareholders, and Customers.

BOD Evaluation on Board of Management's Performance

The BOD highly appreciated and recognized the Board of Management's performance in 2019. The Board of Management always showed their solidarity and creativity, actively organized and fully implemented the Resolutions of the GMS and BOD in a timely and effective manner. Internal audit and internal control were carried out regularly to prevent and control risks.

SSI has focused and improved business ethic and corporate culture by developing regulations, organizing training and team engagement activities.

Relations with the Public, Investors, and Media Agencies have been paid great attention to improve company's image and increase brand exposure to the public. SSI's analytical reports are objective sources of information, having the in-depth understanding of the stock market, being paid attention and highly appreciated by investors and consulting firms.

BUSINESS PLANS AND ORIENTATION IN 2020

- Building SSI to be the No.1 company with the best quality in securities market; Enhancing financial, human and technology capacity to meet the goal of sustainable development; Fulfilling obligations to the State, Shareholders, Customers, Employees and Community in order to inspire company vision: "The business of success".
- Continuing to utilize the advantage of leading position, striving to maintain the largest brokerage market share, developing new products and services, competing on quality, offering clients more flexible products supporting to optimize working capital, securing capital in margin financing activities.
- Improving the operational quality of information technology, information security and safety in any situation; Building strong team while streamlining and improving the efficiency and effectiveness of system; Strengthening on-the-job training, improving the quality of human resources to meet the technological application requirement of Industry 4.0.

REPORT ON ACTIVITIES OF THE BOARD OF SUPERVISORY

GENERAL INFORMATION

The Board of Supervisory (BOS) consists of 03 members assigned the following main tasks:

Mr. Nguyen Van Khai, Head of the BOS, takes general responsibility and supervises the activities of the Board of Directors, Board of Management, participates in meetings of the Board of Directors and reports to the General Meeting of Shareholders; takes lead in settlement of complaints and requests of Shareholders;

Mr. Dang Phong Luu, Member of the BOS, is in charge of overseeing compliance with law as well as Corporate Charter and implementation of the GMS's Resolutions in business management and operation; jointly reviewing and evaluating reports of Internal Audit, Internal Control and Risk Management;

Mrs. Le Cam Binh, Member of the BOS, takes responsibilities of checking, reviewing accounting books, appraising the Company's financial statements; jointly reviewing and evaluating reports of the Internal Audit, Internal Control and Risk Management.

List of members in The BOS and their ownership of shares is below:

Full name	Position	Year of Birth	Independent Level	Share Ownership as of 01/01/2019 (*)(**)		Share Ownership as of 31/12/2019 (*)(***)	
				Number	Percentage	Number	Percentage
Mr. Nguyen Van Khai	Head of BOS	1967	Non-employed by SSI Holding SSI stock	130,455	0.026%	130,455	0.026%
Mr. Dang Phong Luu	Member of BOS	1967	Non-employed by SSI Holding SSI stock	60,068	0.012%	60,068	0.012%
Mr. Le Cam Binh	Member of BOS	1979	SSI's Internal Audit Holding SSI stock	142,500	0.028%	142,500	0.028%

(*) All are common shares

(**) Ratio is calculated against 510,063,684 shares which is equal to 100% charter capital as of 01/01/2019

(***) Ratio is calculated against 510,063,684 shares which is equal to 100% charter capital as of 31/12/2019

REPORTS ON ACTIVITIES OF THE BOARD OF SUPERVISORY

In 2019, the BOS has performed the duties as prescribed in the Charter of SSI Securities Corporation and the Operation Regulation of the SSI's BOS

- Mr. Nguyen Van Khai, Head of the BOS, represented the BOS to participate in all meetings of the BOD in 2019.
- The BOS has conducted two regular meetings on February 23 and September 12, 2019, performing the following tasks:
  - Assessing the activities of the Board of Directors and the Board of Management in business operations;
  - Checking and supervising the compliance with law as well as with the company's charter and the implementation of Resolutions of the General Meeting of Shareholders by the Board of Directors, the Board of Management and the business executives in 2019;
  - Assessing the performance of internal governance;
  - Review accounting books, appraise financial statements for year end 2018 and semi-annual financial reports 2019.

The results of supervisory activities are recorded as below:

Supervision of members of the Board of Directors, Chief Executive Officer and Board of Management

The BOD and Board of Management executed the Company operations in alignment with the targets set by the General Meeting of Shareholders at the annual meeting. At the time of writing this report, there have been no recorded cases of violating responsibilities and obligations among the Company's executives. Transactions of internal persons and related persons are fully disclosed in accordance with the regulations.

Regarding the management and administration activities, there were no records from regulatory authorities about violations.

2020 is forecasted to be a difficult year for the economy with the outbreak of COVID-19 currently having negative impacts on most of the business sectors in general and SSI in particular. The management levels should closely monitor market movements in order to define specific plans in different scenarios as well as come up with comprehensive solutions to ensure the safety and effectiveness of business operations.

Compliance to regulations and the Company's Charter, and execution of resolutions of General Meeting of Shareholders

The Company's activities in 2019 comply with the provisions of law and charter. The Company strictly obeys the regulations on information disclosure for securities companies and also for listed companies on Ho Chi Minh Stock Exchange. Insiders trading SSI stock conform fully with the regulations on information disclosure.

The company has implemented the decisions passed at the General Meeting of Shareholders, specifically as follows:

- Finalizing the payment of dividend of 10% for previous year in October 2019; Issuing 10,000,000 shares under the Employee Stock Option Program of the General Meeting of Shareholders in January 2020 in accordance with the Resolution No. 01/2019 / NQ-ĐHĐCĐ dated April 25, 2019;
- Conducting the procedures to execute Resolution No. 02/2019 dated November 26, 2019 on stock issuance to pay dividend at the rate of 16%

Assessment of the effectiveness of Internal Control

No material findings were noted by the BOS on the processes reviewed by Internal Control Department. The backlogs are primarily related to the incomprehensive standardization of operating procedures.

Risk management for margin financing activities are strictly carried out by controlling risks for each stock and analyzing financial health of enterprises before offering margin loan.

Monthly capital adequacy reports are reviewed by Internal Audit to ensure compliance with capital adequacy ratio regulated by law. The Internal Audit perform quarterly audit with financial statements to ensure material errors to be adjusted appropriately before disclosure. These reports are in compliance with accounting standards and provisions of law.

The BOS proposed that the Internal Control continues to update the management processes and regulations frequently and periodically, to improve training and communicate to relevant employees to ensure each person to perform compliance.

Financial supervision

The Company prepared and disclosed periodical financial statements in accordance with regulations of by SSC. Semi-annual financial statements, financial safety ratio report, and annual report of 2019 were reviewed and audited by an independent auditor, i.e. Ernst & Young Vietnam Limited, in fulfillment with existing regulations.

The BOS conducted the periodic meeting for the last 6 months of 2019 on March 25, 2020, reviewed 2019 financial reports and came to conclusion that financial data of the Company was transparent, and no material errors were noted.

Coordination between the BOS and the BOD, CEO and Shareholders

In the year 2019, the BOS was in close coordination with and was created preferential conditions by the BOD, the Board of Management and the executives of the Company to carry out its supervisory duties. As a result, information and documents relating to corporate governance, business operations, and financial situation of the Company are adequately provided.



REMUNERATION AND BENEFITS FOR BOARD OF DIRECTORS AND BOARD OF SUPERVISORY

2019 operation fund for BOD and BOS was VND 3 billion, which was approved by the GSM and in accordance with GSM's Resolution 02/2018/NQ-ĐHĐCĐ dated April 25, 2019.

As at 31/12/2019, the BOD comprised of 06 members, of which 02 are executive members, 04 are non-executive members. The BOS consisted of 03 members, in which Ms. Le Cam Binh is internal person, who was appointed on April 20, 2018.

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. Pham Viet Muon	Member of BOD	√		√		√	√
5	Mr. Nguyen Duy Khanh	Member of BOD	√			√	√	
6	Mr. Hironori Oka	Member of BOD	√			√		
Board of Supervisory								
1	Mr. Nguyen Van Khai	Head of BOS	√					√
2	Mr. Dang Phong Luu	Member of BOS	√					√
3	Ms. Le Cam Binh	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 established on retained earnings and based on 2019 business performance approved by the GSM.

Other benefits for members of the BOD and BOS

At present, the expense benefits (the use of company's cars; payment for actual phone costs incurred; social insurance, health insurance and other types of insurance; annual health check, etc.) and other benefits provided in the internal regulations of the Company only apply to the Chairman of the Board of Directors, executive member of the BOD, members of the BOD and members of the BOS who participate in the company operation activities. Other members of the BOD and BOS only receive the per diem allowance (if any).

ESOP for Members of BOD and BOS

In 2019, SSI continued to implement share issuance under the Employee Stock Ownership Plan (ESOP), which aims to combine the interests of employees and the Company; to 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:

Name	Position	Number of shares
Nguyen Duy Hung	Chairman cum CEO	2,017,500
Nguyen Hong Nam	Member of BOD/ Deputy CEO/ Spokesman	700,000
Ngo Van Diem	Member of BOD	40,000
Bui Quang Nghiem	Member of BOD	40,000
Nguyen Duy Khanh	Member of BOD	200,000
Nguyen Van Khai	Head of BOS	30,000
Dang Phong Luu	Member of BOS	15,000
Le Cam Binh	Member of BOS cum Internal Auditor Director	70,000
	TOTAL	**3,112,500**

Total income of members of BOD, members of BOS and Board of Management in 2019 was VND13,126,800,000.



RISK MANAGEMENT

OVERVIEW OF THE RISK MANAGEMENT SYSTEM

The stock market in 2019 continued to experience turbulences due to the impact of US-China trade war, leading to a significant decrease in market liquidity. Besides, the risk factors come from some stocks that lack of liquidity and hit its floor price at consecutive sessions. Despite such unfavorable conditions, SSI succeeded in keeping risk level at the lowest which even below the limit approved by the Board of Directors, thanks to an experienced team and a prudent but flexible risk management strategy to seize the opportunities and timely respond to unexpected problems.

In 2019, the risk management policies and procedures upheld to be completed and updated, in line with the Company's business practices. In addition, training courses on risk awareness and risk prevention have been conducted firmwide to all employees, aiming to improve the effectiveness of risk management. Risk management activities were carried out seamlessly from top to bottom, initiated by the BOD through the development of business strategy and the guidance on risk tolerance limits for each type of risks to every single Business Unit, as follows:

- To develop and convey the 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 duties 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 material risks.

Activities of managing risks are carried out not only by Risk Management Department but also by all Business Units, simultaneously under regular inspection and supervision from the Internal Control and Internal Audit.

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



Risk management activities are carried out in five-step process as below:

1. Risk identification

Risk identification relies on indicators or areas with exposure to potential risk in the Company's business operations. Input data for risk determination includes:

- 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. With reference to this data, the Company can assess and predict the risks likely to occur in the future;
- Analysis of historical data on the risks that have occurred and the tendency of future risks to identify high-risk areas. This method contributes to improving risk management based on the utilization of past experiences and lessons;
- Changes in business strategy, the operating procedures as well as the development of new products, new business activities or execution of business restructuring;
- Recommendations and feedbacks from Government Agencies, Independent Audit, Internal Audit, and Internal Control;
- Changes in business environment, policies and laws;
- External factors affecting the economy, and/or politics, and/or society, and/or Vietnam's financial market such as trade wars, epidemics, and world geopolitical fluctuations, etc.

2. Risk measurement and assessment

SSI uses qualitative and/or quantitative techniques to perform appropriate measurement for specific type of risk.

Quantitative models are prioritized to quantify risks. These models could calculate and estimate exposure values of market risk, operational risk, liquidity risk, and others. These values are quantified to a specific figure or a specific percentage. There are several typical models used by SSI to measure risk, including:

- 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 portfolio over a specific of time; or to determine fluctuations of derivative transactions with a predefined confidence level and period of time;
- Stress testing model used to assess the maximum loss that may occur to the Company in predetermined scenario, so that Company can take proper measures to mitigate the loss when necessary;
- Quantitative scoring model and quantitative stock model based on historical data of price and volume volatility;
- Banks' appraisal and ranking models from which to build deposit limit applied for each bank.

3. Risk limit identification

To ensure that risk is controlled 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 material risk exposure.

Risk limits are determined by both qualitative and quantitative methods in which the latter is preferred.

Limits for each type of risk is determined based on:

- Data and historical events related to the risks under oversight;
- Risk appetite and targets of the BOD;
- Actual operations of related Business Units based on comments of the Heads of Departments.

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 along with specific risk limits for each business unit for approval by the BOD.

4. Risk Monitoring

Activities to monitor risk are performed day-to-day, mainly through risk indicators and their limits. Some risk parameters are set and automatically limited on the system, and others based on daily risk management reports in predetermined forms, or both.

Risk oversight activities are carried out firstly by the business departments where the risk incurs, followed by supervision of independent departments including Risk Management, Internal Control and ultimately Internal Audit.

When risk level is in proximity to alert point, 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 reduce the risk level to safety threshold.

5. Risk Handling

Risk handling activities are performed upon consideration and evaluation of various factors such as the severity of the risk to be treated, the frequency of risk occurrences, costs of risk mitigation, risk characteristics, etc. In order to handle basis risks, there are some measures taken by the company, including:

- *Risk tolerance:* When the cost of dealing with the risk is much greater than the loss that could result from risk, no handling measure is required;
- *Risk avoidance:* Do not perform any activities that could lead to risk having zero or very low level of tolerance as per BOD approval, or in the case that the risk is likely to have severe impact on the image and performance of the company;
- *Risk mitigation:* Applying measures to mitigate the impact of risks on the Company or to minimize the probability of risks, or both;
- *Risk sharing:* Transferring all or part of the identified risks to another party, such as purchasing insurance (if comparable services are applicable) for business activities;
- *Developing risk monitoring and warning system for* timely detection of potential risks and risks with increasing tendency, thereby taking measures to handle risks in a timely manner.

General risk handling process:

- Identifying which factor causes risk positions to increase and which leads to occurrence of risk events;
- Selecting and developing treatment plan, in which clearly identifies departments responsible for implementation, implementation schedule, expected results, resource assessment and planning, and required procedures;
- Performing risk handling in accordance with decided plan;
- Assessing and updating relevant policies and procedures to avoid similar incidents;
- Adjusting relevant limits if necessary, to align with reality.

There are a few types of risks which have been identified to have significant impacts on SSI's business performance, finance, operations and reputation, including: Market Risk, Credit Risk, Liquidity Risk, Legal Risks, System risk, Reputational Risks, Human Resource Management Risk. As the company provides services in the field of finance – securities and does not use much natural resources, the environmental risk is insignificant.

Details of each major risk category as well as method to control and the 2019 results are presented below.

MARKET RISK

SSI's core business activities exposed to market risks are investments in bonds and shares, deposit investment, margin lending, covered warrant offering and derivative products.

Revenue from these activities is affected by fluctuations in interest rates, stock prices, possibly due to market conditions, changes in monetary policy, macro policies of the Government of Vietnam or other countries concerned, geopolitical turmoil such as instability in the East Sea, US-China trade war, as well as other legal provisions. Unexpected variation of interest rates and stock prices may lead to a decrease in the Company's revenue and profit.

In order to mitigate these risks, SSI sustains risk management in an intensive manner, separating each type of risk and facilitating close coordination among related departments and Risk Management from observation, assessment, market forecasts, investment strategy, risk dispersion strategies, to the system of risk limits, risk warning and process to handle risk.

Investment in deposits/ bills/ bonds/ margin lending

As at year end 2019, SSI's equity reached more than VND 9,400 billion; total assets were over VND 27,000 billion; average deposit balance was VND 2,791 billion; cash flow in and out, increasing and decreasing due to customers' payment, borrowing/ repayment activities, and investment disbursement occurs daily not just in a specific frame of time. Such operations required SSI to balance capital and interest rates in order to optimize returns and realize predictions on interest rates. Even with modest interest rate fluctuations in 2019, SSI Treasury still managed to optimize interest rates trading, contributing a significant amount 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, market systematic risk, change in legal regulations and Government's policies related to specific sectors, geopolitical issues, global commercial and economic issues, natural disasters, epidemics, and wars 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

The equity investment portfolio was directly affected by internal factors of the enterprise, the economy as well as international volatility. Unexpected movements and / or impacts of macro factors, external factors such as wars, epidemics may also cause stock prices to fall and negatively affect the business performance of securities companies

In 2019, SSI made good use of market opportunities to divest investments achieving expected returns, while investing in companies of essential business which have potential for constant growth. Furthermore, post-disbursement supervision was also carried out in a strict and thorough manner. For each group of investee enterprises, SSI assigned specialized staff to take site visits regularly and work directly with executives of these firms to understand their vision, strategy and operations plans. SSI also appointed representatives take positions in the BOD and/or the BOS and/or Management Level at the enterprises where SSI holds a sufficiently large percentage of ownership. As a result, SSI could support the investees in all aspects of operation for better management of its portfolio.



Derivatives

The market in 2019 still suffered from adverse impact of US – China Trade war, however no unpredictable significant events occurred. SSI always carefully monitor all market movements to perform appropriate actions (if necessary), thereby helping to limit credit risks that may arise from market risks related to derivative products.

In 2019, there were no cases in which customers trading derivative securities failed to pay their due debts due to market fluctuations that caused risks to the company.

Covered Warrants Offering

In June 2019, Covered Warrant was officially traded the first session in the market and SSI was one of the first securities companies to obtain license of offering this product. In order to minimize the risk for SSI due to the underlying stock price fluctuation, the company has fully implemented the requirements on risk prevention. In addition, SSI rested on analysis and evaluation to reduce hedging expense for each specific underlying stock. Activities to avoid probability of risks were conducted daily by Business Units and Risk Management Department, as well as were reported to Ho Chi Minh Stock Exchange.

CREDIT RISK

The Company's credit risks mainly come from margin lending activities, bank deposits and investment in bonds. The risks arise when a partner fails to pay wholly or partly its debt obligations to SSI by the due date.

Investments in Deposits

Investments in deposits and certificates of deposit are considered to have the lowest level of credit risks; However, if occurring, such risks can cause great damages. Therefore, SSI always exercise prudence before conducting transactions with financial institutions based on the evaluation of their credit rating results, together with periodic reassessment. Depending on different credit levels, different financial institutions may apply different transaction limits, along with certain conditions to increase 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 avoiding credit risks exposure as bank deposits contracts always have provisions of flexible withdrawal for overdraft. No case of irrecoverable deposits was recorded within 19 years operations of SSI. This is an achievement that testifies for our highly effective credit risk management activities.

Margin Lending

Margin lending refers to collaterals lending activities secured by clients' stock portfolio which are approved by both SSI and SSC for margin lending. Credit risk arises when SSI is unable to recover enough debts after disposing all collaterals assets of clients, or unable to handle collateral assets as stocks lack liquidity, shares price falls deeply or stocks are forced to delist, besides, the customer refuses to supplement the collaterals. To minimize this risk, SSI implements a range of coordinated measures as follows:

- Establish a prudent lending portfolio with respect to compliance with regulations of SSC; classify stocks by scoring based on their liquidity and price fluctuations; value stocks based on the report analysis of financial position and business performance of enterprises. Referencing to results of stock scoring, the company will provide loans at a specific rate and limit matching with the stock quality;
- The stock portfolio used as collateral assets is revalued monthly to mark to fluctuation of stocks. At the same time, extraordinary cases are also evaluated once bad news related to stock emerges;
- Develop a cross-cut limit system to control concentration of outstanding lending balance and define alert levels for timely recovery of debts:
  - Total volume limit for margin lending,
  - Maximum limit per client,
  - Maximum limit per stock,
  - Safety warning level,
  - Forced sell warning level, etc.
- Monitor the outstanding balance, concentration of outstanding balance by client, by stock and daily risk exposure for 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.
- Rating and evaluating clients using margin trading must comply with SSI's criteria and regulations. Increase Brokers' responsibilities to take care of customers in warning and loan recovery.
- Refrain from competing for market share and outstanding lending balance through over-extending margin lending services

In 2019, risks occurred with specific stocks which plunged to floor prices for consecutive sessions and experienced a lack of liquidity. The market liquidity in 2019 even has decreased significantly compared to the one of 2018. As an evidence, the average daily trading value at the HOSE and HNX fell off by 26% and 48% respectively. SSI maintains its strategy to diversify its portfolio of margin lending clients, increase lending to blue chip stocks with high liquidity and outstanding margin lending of the highest in the market. The average daily of SSI's margin lending amount in 2019 was VND 5,613 billion (the average in 2018 is VND 5,633 billion per day). However, the risk has been well controlled with no bad debt arising in 2019.



Investments in Bonds

Investment in bonds is exposed to the risk that the bond issuers fails to satisfy its payment obligations on the due date, or the risk of unexpected adversities leading to the lack of bond liquidity. To mitigate these risks, SSI implements an assessment procedure to examine all details and aspects of a bond investment proposal, which is similar to a credit analysis prior to investment. The due diligence process is carried out carefully to ensure that investments are made only to bonds of reliable issuers with proper 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, fails to meet the demand for payment of securities purchased by investors using margin lending, and delays or does not satisfy the requirements of payment activities of investors on accounts they maintain at SSI.

The number of SSI clients has been growing over the years, mounting to over 166 thousand accounts in 2019 across locations in different cities. The extra-large number of clients associated with hundreds of payment requests SSI to ensure the quickest, the safest, and the 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 2,824 billion in absolute safety.

The average loan balance in 2019 for margin lending remained stable and equivalent to that of 2018. However, capital investment activities have been promoted, requiring extreme flexibility in balancing daily cash flows between timely cash disbursement (in margin lending) and efficient use of cash inflows when the Investor repays margin loans. SSI also holds the largest securities investment portfolio in the market, thus the management of strategic investments with low liquidity also requires a sound balance of owners' equity so as not to affect the reinvestment of capital when capture effective investment opportunities.

In 2019, SSI continued to ensure absolute safety on liquidity management without any risk incidents. The ratio of usable capital has always remained at a reasonably high level from 301% to 343%, well above the regulatory 180% set forth by SSC.



Financial Safety Ratio 2019

Month	Financial Safety Ratio
1	318%
2	327%
3	332%
4	343%
5	323%
6	308%
7	318%
8	342%
9	342%
10	314%
11	301%
12	318%

Source: SSI

This achievement was thanks to a stringent cash flow management process which was established based on the priority given to liquidity risk management and the close collaboration fostered between SSI's units. 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	Start-of-day cash flow	Daily
	Project cash flow	Monthly/ When arising or requesting/ Daily
Securities Services	Advances to investors	Daily
	Dividends payment	When arising
	Derivative clearing	Daily
	Disbursement/ loan recovery of margin trading	Daily/ When arising
	Investors' large transfer/ withdrawal/ deposit/ credit	When arising
	Clearing	Daily
	Transactions related to purchasing rights Issue	When arising
	Margin lending sources	Daily
Risk Management	Net capital ratio report	Monthly
	Liquidity reserve report	Daily/ Monthly
	Financial liquidity report (current ratio, quick ratio, etc.)	Monthly

COMPLIANCE RISK

Compliance risks refers to the risks that any business must face, especially in the context of global development and integration, when businesses not only ensure compliance with domestic laws but also the requirements and regulations of the countries with which Vietnam has a cooperative relationship.

Compliance risk is the risk that the Company encounters when the Company or its employees violate or do not comply with the provisions of Law, the provisions of the Company's Charter, Internal Regulations, Business Processes and Regulations on professional ethics. Failure to comply may result in the Company being exposed to other legal, financial, reputational and business performance risks.

The Company has implemented a broad set of measures to prevent compliance risks, including:

- Design procedure and operational apparatus with cross-checking between individuals and departments to enhance internal inspection, supervision, reduce abuses of power and early detect possible violations;
- Establish procedure in the spirit of conformity with the provisions of law and operational practices. In addition, internal processes are also regularly checked and reviewed to ensure being updated in accordance with new provisions of law;
- Improve employee' awareness of compliance by increasing compliance training, developing compliance training software to ensure that all employees can participate in and quickly access to legal provision as well as internal policy of the Company. In addition, the Company also use various channels of communication including direct communication, bulletin boards and internal systems, so that employees understand their responsibilities and actively practice compliance. Training activities consists of internal/external training and participation in workshops. In particular, the contents for internal training are diverse from general topics such as risk management training, internal control, money laundering prevention, professional ethics, civil and criminal responsibilities related to the securities sector and the stock market, as well as training on processes, regulations, professional guidance, professional tax and accounting fields, etc;
- Sustain and develop the three-defensive level system which ensures that control activities are carried out from the input stage and functional departments with the evaluation and analysis of the risk management department in order to zoning and classifying compliance risks, and then follow the supervisors of Internal Control and Internal Audit Department;
- Develop technology systems and software to automate compliance control, warning functions and providing reports for management;
- Apply stringent discipline to violations of the Company's regulations.

Annually, in reliance to the historical data, risk assessment and targets of each department in the Company, the Internal Control will draw up an agenda to ensure the control activities are implemented comprehensively and objectively to mitigate risks. In 2019, SSI carried out 34 independent inspections to check their compliance with processes, internal regulations and relevant laws to provide appropriate assurance on compliance in all parts of the Company; at the same time, advise the departments to modify the working procedures to ensure risk prevention and timely detection of potential risks. Most notably, in 2019, SSI Internal Control focused more on exchanging with management levels to offer solutions which manage arising risks and errors in a comprehensive way. The results were reported to the CEO, Managing Directors and Legal Director to promptly handle violating cases, update and modify professional processes. In addition to raising the awareness of compliance, the contents of the internal control system are also periodically included in the training program

Internal Audit Department operates independently and objectively, performing monthly reviews of financial safety ratios and quarterly audits of the Company's financial statements, ensuring that the reports are presented fairly in conformity with the capital adequacy ratio, the accounting standards and law provisions. Besides, SSI Internal Audit also reviews the matters related to taxes, finance and money laundering prevention. Internal Audit activities are conducted by practical audits, conducting questionnaires via email and phone interviews to assure the ongoing and timely supervision. Relying on the audit results, the Internal Audit Department proposes advice and recommendations to improve operations and increase the efficiency of compliance risk management of the Company.

In 2019, the Company has identified a variety types of compliance risks and developed control measures which continue to be implemented in 2020 as follows:

Potential Risks and Control Measures

No	Potential Risks	Risk Control Measures
1	Changes of legal policies for the Company's operations, particularly Securities Law 54/2019 / QH14, Labor Code 45/2019 / QH14, Enterprise Law 2014, and Investment Law 2014 which are being drafted for replacement	Compare and contrast the changes of laws to update to the department; assess the impact of regulations on the daily operation; Review internal processes and regulations to make appropriate amendments.
2	Inconsistent or non-specific regulations	Summarize provisions of law and internal regulations which are contradictory, or are not clearly guided, specifically those arise in the operation of professional departments; Implement the regulations fully for the sake of customers and for the safety of Company's operations and Company's employees; Request guidance from the competent authorities and direction of the leadership levels.
3	Risks in managing lending activities, commitments, agreements, unfair competition arising from changes in business environment, foreign investment, epidemics and corrections of stock market	Fulfill all commitments, contracts and agreements with partners/customers to solve problems arising on the basis of cooperation and long-term mutually beneficial business relationship; Comply with policies related to fees and lending operations for customers; strictly manage lending activities.
4	Conflicts of interest between the Company - Partners / Customers - Employees	Conduct training to raise the awareness of professional ethics; Develop and apply policies to limit conflicts of interest such as anti-corruption policy and complaint settlement policy; Monitor accounts and transactions of employees and their relatives.
5	Violations of professional ethics such as misuse of client accounts, receiving customer account management proposals without investment trust.	Conduct training to raise the awareness of professional ethics; Decentralized access to customer information; Establish account management process with cross checking; Encourage customers to transact via the internet, manage and secure information of transaction accounts; Promptly notify customers of account changes via SMS or email; Professional control from the center; Strictly handle violations of professional ethics; Rotation of control and approval positions.

No	Potential Risks	Risk Control Measures
6	Breach of regulations on prevention of money laundering, especially customer identification	Issue regulations on prevention of money laundering, instruct and coordinate the implementation of money laundering prevention among relevant departments; Conduct training for employees to raise awareness about money laundering prevention; Refuse customers who do not provide identification information as prescribed by law; Proactively classify customers' risks in money laundering prevention; Conduct risk assessment for money laundering and terrorist financing of the Company to make appropriate recommendations and changes.
7	Employees violating professional working process	Conduct professional training for new employees and periodic training required for all employees; Force to establish approval control steps in workflow processes; Review and update the process regularly recognizing violations to improve the process and minimize risks; Increase the frequency of internal controls for departments which are evaluated to be exposed to risks.

The strong coordination among departments to come up with synchronous solutions, as well as increase the frequency of control has contributed to raising the awareness of compliance, limiting violations, and preventing material errors to arise in 2019.

LEGAL RISK

Legal risk is the risk that may occur due to internal causes including the attitude toward compliance of employee, their recognition of legal knowledge and their application of law; and the external causes such as changes in regulations and Force majeure events during the daily operation of the Company.

This type of risk is difficult to measure and has direct impact on business operations, financial benefits and the Company's reputation. The legal risks that each company often encounters are mainly related to the issues of law, administrative procedures, contracts and proceedings.

The Board of Directors and the Management Board of SSI attach special importance to this issue so do not accept any legal risks due to the deliberate violation of legal regulations. Therefore, the Company has established measures to identify, prevent and limit such legal risks.

The BOD and Board of Management attach great importance to this issue, and therefore do not accept any legal risks due to deliberate violations of legal regulations. The Company has implemented measures to identify, prevent and limit risks, including:

- Disseminate and update new laws and regulations to the Board of Directors, the Board of Management, executives and relevant departments. Communicate widely through mailing channels, internal systems and internal training. Updated regulations are not only related to the securities sector, but also include other areas that affect the entire operation of the Company such as general regulations on business, commerce, civil matters, as well as specialized areas of accounting, taxation, labor, etc. The Legal Department will assist others to answer their concerns or seek advice from the competent authorities, to ensure that the provisions of law are understood and implemented in the right way;
- Develop internal regulations and procedures to meet operational requirements, comply with and updated legal regulations, particularize legal tasks into specific professional processes and instructions, prepare contracts and sample documents for frequently provided services; prepare sample terms in contracts and agreements to meet the Company's standards; ensure that the Company's internal regulations, processes, products, commitments, contracts, etc are reviewed and commented by the Law Department before being issued or implemented;

- SSI attaches great importance to building specialized legal systems and departments. In order to limit the risks arising from legal changes or compliance, the Legal Department at SSI consists of certified lawyers and uses of services of professional legal consulting organizations in case of necessity;
- New securities law was passed in 2019 and will take effect from 2021. In the coming time, there will be many draft amendments and supplements to relevant laws, decrees and circulars, which provides instructions on new regulations and gradually converts current regulations to be compliant with new regulations. If these new regulations are not properly and fully understood, they could be challenging to the company. To reduce the legal risks which may arise, in addition to updating the newly issued legal documents, the Law Department gives priority and focuses on studying the impacts of draft regulatory documents to the Company's activities for proper preparation. The Law Department is also responsible for contributing comments to draft legal documents which are closely related to the Company's activities and have been widely consulted; participates in seminars and collaborates with peers as members of professional associations to give comments on the law making process and summarize problems arising from the application of current regulations to report to competent State agencies and to propose feasible solutions.

Compliance is a criterion in the Company' s professional code of ethics to which the entire BOD, Board of Management and employees have committed. In 2019, all employees of the Company strictly complied with the proposed measures, so the Company did not incur violations of legal risk limits.

SYSTEMIC RISK AND INFORMATION SAFETY

With the establishment of a good foundation based on the Enterprise Information Security Framework (EISF) in 2018, SSI expanded its control to 25 digital topics in 2019, ranging from firewall technology and traditional data encryption, to end-point detection and prevention technologies, security using artificial intelligence, threat intelligence, and security operations center (SoC), Ddos, and even down to user behaviour analysis. These control topics became the foundation for SSI to prevent, detect, and address information security-related risks, and produced good results in 2019. SSI did not record any damages on information security during the year.

In 2019, SSI continues to upgrade disaster recovery to best support business activities, respond to any scenario in Business Continuity Planning (BCP). The company has also expanded its trading portals to the right locations to minimize latency for entry orders and avoid any failure points.

SSI fully understands that increasing the protection of the system to minimize its impact on business activities is an open-ended task. The company has recruited database administrators, system and network engineers with highly technical skills and strong experience. SSI has equipped modern equipment to actively control and monitor all facilities and equipment to prevent bad situations which are likely to arise. In 2019, the Company adjusted thousands of internal parameters, hundreds of devices and applications, and the result is that no major problems occurred.

Looking ahead to 2020, Information Technology at SSI will continue to pursue a roadmap for transforming and upgrading the system into a better platform, including but not limited to repartitioning of infrastructure, adding control at end point, tightening equipment usage policies, increasing inspection on change controls, and automating system upgrades.

In summary, controlling risk and stability for the system are one of the key points for business success, so SSI will continue to spend resources focusing on risk management issues. system risk, information security of the Company as well as Customers.

REPUTATIONAL RISK

As one of the leading financial institutions, SSI understands that the definition of brand has been beyond a symbol to recognize and position business products and services, it has become a valuable intangible asset of the company. Reputation risk refers to the loss or damage that result from changing in clients' perception of the Company, creating major impacts on their demands for products and services, as well as general activities of the Company. Operating in the financial and securities industry where prestige and safety are always measures of success, SSI has a strong awareness of the importance and necessity of brand management activity.

Reputation/Brand risk is rated the second in the AON 2019 Global Risk Management Survey and ranked fifth in the result of Asia. Respondents in the Education, Investment, Finance, Pharmaceutical and Chemical Industry sectors even evaluated Reputation/Brand risk as the most serious they must face. It is essential to maintain proactive attitude, regardless in the process of risk management or when the brand crisis takes place. In this situation, the most important factors are immediate crisis management mechanism, awareness of honesty and transparency, and implementation of social responsibility

Having a brand valuation of up to USD 32.3 million and being the only securities company in the top 40 - 50 most valuable brands in Vietnam for 4 consecutive year from 2016 to 2019, SSI is always fully aware of reputational risks which are likely to occur, thereby building and implementing a strategy of brand development and management in a long term with many specific solutions over the years.

First and foremost, our branding is represented 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 "Connecting capital to opportunities" to establish SSI as a transparent financial institution.

In fact, after enterprises experience just one a bad event related to their reputation, brand awareness and image coverage will be directly affected. Furthermore, the circle of 24/7 information on social media even produce lasting negative effects on the brand, in both social and market perceptions. Therefore, SSI always considers transparency in business activities and information disclosure as the only guiding communication to minimize brand risk right from the first days of establishment.

In 2019, there were more than 77,000 discussions about SSI on social networks and media, including more than 618 news/ articles related on mainstream newspaper. These figures, to some extent, show the interest of customers, shareholders and investors in SSI's activities. Transparency is the key point to gain the trust of Customers, Shareholders and Investors. SSI processes all positive or negative information in a consistent way to give the perception of fairness. When incorrect information about SSI is made public, the company always follows transparency to handle through making direct conversations, providing authentic and trustworthy information to resolve the issue. These actions not only demonstrate the company’s responsibility but also respect for the investment value of Shareholders and Customers.

SSI establishes a standard procedure of correcting fake news in the media with specific provision that all employees are responsible for notification immediately upon receiving incorrect information. SSI also focuses on building crisis-handling scenarios in a spirit of willingness to cooperate, share information, and dialogue with the press and the community.

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.

The development of technology increases the risk of reputation, reason is that people can use technology to spread news in a faster, easier, and less expensive way. We live in an era where a brand crisis can be caused by just one article from a company employee or just a short video about a faulty product or the dissatisfaction of a patron for poor customer service experience. SSI is aware that events related to brand image often come with little or no forecasts, so the Company always needs to be proactive and consider reputational risk management as a part of risk management strategy in order to make response and plan for unanticipated events. SSI has always actively focused on building clear action plans, specific processes and regulations.

SSI annually outlines a clear communication plan so that necessary information will be transmitted promptly and comprehensively. All documents, messages and statements are carefully selected and highly consistent. Regarding the provisions and regulations, SSI issued a wide range of documents during the past year such as: Regulations on information reporting and disclosure; Regulation on speech and information provision in the press; Principles of communication incident management; Process to handle Information leak (Data leak); Code of conduct on social networks. All of these documents contribute significantly to orienting and guiding SSI employees to handle communication issues properly, avoiding and reducing the negative impacts caused by brand incidents.

In addition to establishing a reasonable process, the dissemination for all members to understand, memorize and follow the regulations has been implemented simultaneously. Through E-learning system, SSI conducted many training courses on different topics such as: Risk Management & Compliance Control (including contents of Professional Ethics, Anti-Money Laundering, Prevention of fraud risks), Orientation training that includes Company’s History, Vision, Mission, Core value and Company culture; Code of Conduct on social networks and criminal responsibility in the field of securities which will be implemented in 2020. These courses are foundation to help every SSIers to obtain necessary information, thereby they will apply the most appropriate working style and behaviours in specific situations, which contributes to minimizing risks for the Company and for themselves.



HUMAN RESOURCE MANAGEMENT RISK

SSI considers personnel as one of the most important resources and assets to create added values and shape the development of the organization. Risks related to human resources have a great influence on business results and benefits of enterprises.

SSI aims at a comprehensive human resource risk management system with the following objectives:

Risk management items	Objectives
HR strategies	Ensuring HR strategy to be aligned with the overall strategy of SSI and the action plan of each Unit and Department which create value for the organization; Be responsive and flexible to the changes of human resource industry and to the operational risks; Ensure human resources to be planned and used appropriately and effectively in each period; Ensure long-term organizational development management, risk management in transformation periods.
State polices and Vietnam’s labor laws	Comply with the Law and State regulations related to labor matter; Manage risks related to employee when new State policies are issued.
HR policies	Comply with general risk management models at SSI and keep consistency with relevant policies to achieve efficiency.
Operation	Build up tools and system to manage HR information effectively and accurately; Establish back-up models in the departments to prepare for HR risks; Optimize HR procedures; minimize risks due to operating procedures; Properly apply Labor Laws to management; Communicate governance messages in a proper, clear and transparent manner.
Finance	Improve labor cost efficiency; Have appropriate compensation and benefit package based on achievements and work performance.



HR risk management solutions

Drawing up a list of risks which may arise in human resource management activities helps to identify, evaluate, control and define appropriate scenarios of risk management and treatment.

HR management activities	Objectives of Risk Management
Recruitment	To ensure that the recruitment will select the right candidates for the job, adhere to the principles of transparency, honesty, fairness and accuracy, and strictly follow the procedures to increase the proportion of qualified personnel after the probationary period.
Training	To equip employees with necessary knowledge and skills to help them limit errors and avoid violating working standards.
HR arrangement	To ensure the proper assignments of personnel and tasks, limiting the risks arising because employees fail to meet competency and skill requirements for the position.
Salary and benefits package	To make sure that the items paid for employees are within the approved budget; Organize approval authority for payments at different levels to reduce potential risks related to the accuracy of data, personnel information, approval decentralization and policies prescribed by Law.
Employee information management	To ensure that employee information is fully managed from the time of their onboarding to termination at SSI. Comprehensive Information of employees which includes personal resume, working history, reward - discipline, achievements, etc., is used for SSI's management objectives and/or regulator's requirements.
Work safety and health care	Periodically organize health check-up and maintain a comprehensive health insurance package to monitor the health status of employees and provide them with the best medical check-up and treatment options; Comply with the Law on Social Insurance, Health Insurance to ensure the rights of employees upon sickness, maternity, etc. in accordance with the State's regulations; Work environment and conditions to be reviewed regularly to ensure the safe working environment and professional working conditions.

Establish processes, tools and Key Performance Indicators (KPIs), Service-level Agreements (SLAs) to give working instructions, measure performance, and identify risks in daily operation activities related to each business: Recruitment, Training, Transferring, Promotion.

Carry out compliance check of the Departments in the implementation of regulations and workflows to ensure conformity with the provisions of Law/States and SSI's policies.

Give warnings and solutions on a periodic or ad-hoc basis (upon request or actual situation) to minimize financial risks and operational risks based on the list of risks that may be encountered in human resource management activities of SSI.

Foster risk management culture through communication programs on professional ethics, financial regulations, information technology and training programs on risk management.

Many new policies and legal documents on human resource management at Securities Companies were amended, supplemented and issued in 2019. In particular, the amended Labor Code and Securities Law 2019 specify lots of content which has significant and direct impacts on businesses such as: expanding the regulated scope and subject of the amended Labor Code, planning to increase the retirement age to 62 for men and 60 for women, increasing overtime by the month, expanding the right to unilaterally terminate the contract, and adding more prohibited activities in the securities field, etc.

In addition to the system of risk management solutions mentioned above, in 2019, SSI proactively and promptly prepared, updated, developed and adjusted the system of policies, documents, administrative procedures, and operations fulfil the new requirements the State and the Law. At the same time, the company carried on promoting training programs and disseminate knowledge to employees through E-learning online training channel, so that policies are applied thoroughly and consistently in the entire Company, at all positions and jobs.

2020 ACTION PLAN

In 2019, the company's risk management system was fundamentally completed with the addition and updating of several risk management policies and procedures for each specific risk area, along with upgrading of the risk monitoring and warning systems.

In 2020, risk management activities will be further enhanced with the development of a risk management system in line with international standards as well as business practices of SSI.

With strong growth in teaming as well as network of branches and customers, along with new trading flatforms and supporting technology, the Company is facing more operational risk-related issues, especially those prompted from system and human.

Furthermore, many unexpected risk factors from outsides such as natural disasters and epidemics.

might also elevate market risks, possibly leading to strong corrections across the market or in specific stock groups or industries. The higher market risk will lead to a higher level of credit risk related to margin lending and derivatives trading, and also increase expense for preventing risk related to covered warrant products. Although SSI's total assets is over US $ 1 billion and allocated flexibly to various businesses to improve the efficiency of using financial resources, there is still potential for liquidity risk.

Therefore, 2020 focus is on improving the effectiveness of risk management, especially developing contingency plans in the event of incidents and disasters along with the continuation of training activities to enhance risk management culture for each employee who serves as a risk management agent in each of their operation. The further actions are strengthening market surveillance and regular assessment of market risks, concentration of outstanding loans related to margin lending activities in order to make timely adjustments are also implemented. Besides, the derivatives market is also monitored daily to promptly adjust, and handle if there are market factors that can cause strong fluctuations of derivatives index.

Risk Management Department will coordinate with Principal Investment Unit to give assessment and risks warning for investment activities of notes.

Risk Management Department will coordinate with the Department in charge of Covered Warrants to carry out risk prevention methods for Covered Warrants issuing as well as minimize risk avoidance cost.

Liquidity risk management activities are always of priority to ensure that the company does not occur liquidity risks and financial resources are coordinated and used effectively.

Challenges in the implementation of risk management activities

In 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.

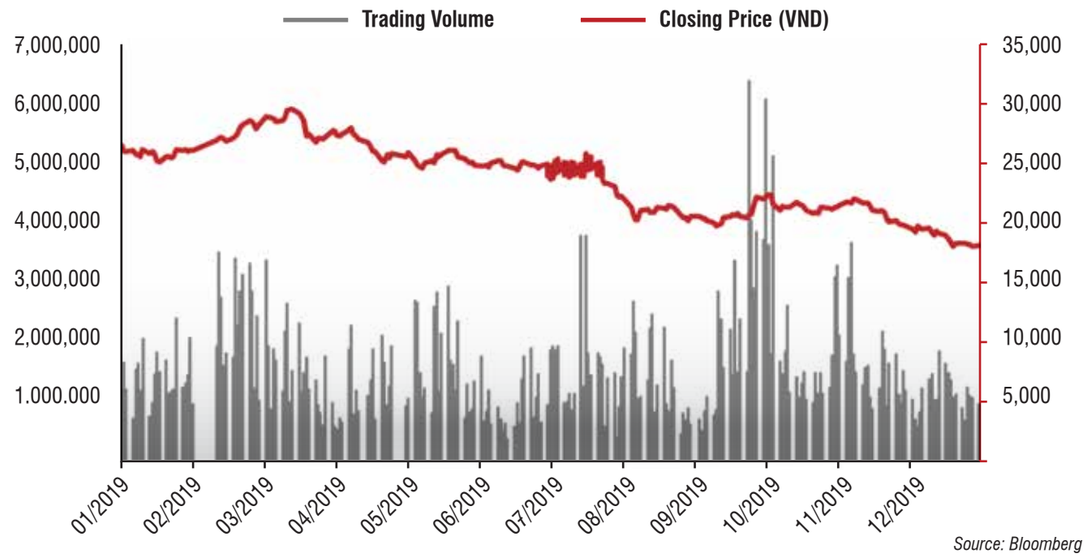
Because risk management is a new field in Vietnam as well as a growing field in the world, there remain issues with inconsistent and changing definitions, limited risk measurement models, and inadequate awareness on the importance of risk management activities across the majority of the workforce. Therefore, 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 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 of the importance of risk management activities, the effectiveness of risk management activities from all employees remains low. Risk management activities are mainly implemented by Risk Management Departments and partly from other Business units that directly incur 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.
- The market movement, as well as the world situation, always exist unexpected factors that are beyond the ability of human predictability and exert unanticipated negative impacts such as natural disasters, epidemics.

SHARE INFORMATION AND INVESTOR RELATION ACTIVITIES

SHARE INFORMATION IN 2019

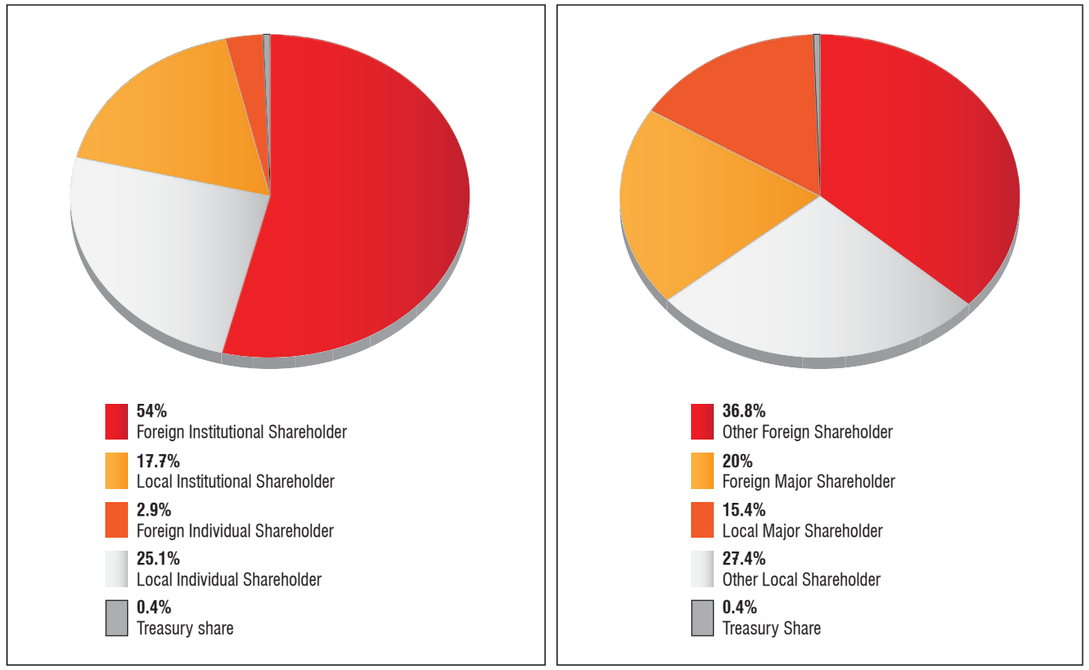
SSI stock price and trading volume in 2019



Source: Bloomberg

Ticker:	SSI
Exchange:	Ho Chi Minh Stock Exchange (HOSE)
Number of common shares (as at 31/12/2019):	510,063,684
Number of outstanding shares (as at 31/12/2019):	508,054,676
Number of treasury shares (as at 31/12/2019):	2,009,008
Market price (closing price as at 31/12/2019):	VND 18,050/share
2018 dividend payment by cash:	10%/ share (VND 1,000/share)
The ex-right date	04/10/2019
The record date for issuing shares	07/10/2019
Payment date	24/10/2019
Issuing ESOP shares to increase charter capital in 2019	VND 100,000,000,000
Issuance date	15/01/2020
The number of issued shares	10,000,000
Par value	VND 10,000/ share
Price	VND 10,000/ share
Type of share	Common share
Transfer restriction	50% are freely transferable after 02 year and the remaining are transferable after 03 years from the date of issuance.
2019 dividend advance payment	None

SHAREHOLDER STRUCTURE



Data as of 25/10/2019

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	9.45%
2	Daiwa Securities Group Incorporation	9-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	101,978,121	19.99%
3	Saigon Dan Linh Real Estate Co., Ltd.	236/43/2 Dien Bien Phu street, Ward 17, Binh Thanh, Ho Chi Minh City	30,454,063	5.97%
		TOTAL	180,626,911	35.41%

(*) Ratio is calculated against 510,063,684 shares which is equal to 100% charter capital. Data as of 25/10/ 2019.

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 RELATION 2019

With the goal of “maximizing shareholders’ values”, SSI continues to enhance transparency, protect interests and ensure equality among shareholders, proactively share information and engage with the investment community. The company has gained strong confidence from existing shareholders while attracting more potential investors, affirming a transparent SSI brand in Vietnam and in the region.

Information disclosure

To ensure investors are informed, SSI has an adequate, accurate and timely information disclosure process for all important issues and issues sensitive to stock prices or decisions of investors in accordance with Circular 155/2015/TT-BTC of the Ministry of Finance.

Investor Relations Department is the focal point to receive and respond to investors’ requests and inquiries through various channels such as telephone, email or face-to-face meetings. In 2019, the Company organized dozens of meetings (directly or via telephone) with Portfolio Managers, Analysts from many domestic and foreign funds. These meetings were attended by high-level leaders, helping investors to understand current business operations, future development orientation of the Company, and answering questions on business performance, financial situation, operational strategy, etc.

Quarterly updates and analysis of business performance are sent to each shareholder via email to help them easily access to official information, in order to form accurate judgment and make the right decisions. This information is also widely communicated to the news agencies, ensuring that potential investors or individuals have access to the most up-to-date information.

SSI Website at www.ssi.com.vn with modern interface and clear, up-to-date information display, is an extremely effective communication channel, helping investors to find all the information publicly available, financial data, documents of the General Meeting of Shareholders, reports, and other important documents such as the company’s Charter, Corporate Governance Regulations, etc. since the establishment of the Company to date, in both Vietnamese and English.

Annual Reports and Sustainable Development Reports are published on an annual basis, providing a comprehensive view of the Company’s operating strategy, financial situation, business performance, governance and sustainable development activities.

Shareholders' interest’s protection

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

To facilitate shareholders’ access to sufficient, accurate and timely information which contributes to form their investment decisions, in recent years, SSI has always strived to diversify channels of communication with the investors, such as face-to-face meetings, electronic portals, email, mass media, investment seminars, etc. The Company has consistently disclosed information both in English and Vietnamese on the websites of SSC and SSI to ensure equal access to corporate information between local and foreign shareholders/investors.

Other rights of shareholders such as the right to participate and vote at the Annual General Meeting, elect and dismiss members of the Board of Directors or absentee ballot policies are guaranteed. The company’s Charter and Management Regulation contain clear provisions on non-discrimination among shareholders with no preferential treatment towards any shareholder, the voting right corresponds to the number of shares held.

In recent years, SSI has always maintained a regular dividend payout ratio of 10% to ensure a recurrent and stable source of income for shareholders.

Active engagement with the investment community

In 2019, SSI continued to welcome many analysts, portfolio managers from a number of domestic and foreign investment funds based in Japan, USA, Hongkong, Singapore, South Korea, and China etc. to meet with the Management Board and discuss development strategies, business operations, investment activities and other in-depth economic - financial information.

Besides, Board of Management members also actively attended many workshops and shared analytical information and views on the macroeconomic situation, Vietnam stock market while promoting the Company's activities to the foreign investor community.

List of investment events attended or co-hosted by SSI in 2019:

List of investment events attended or co-hosted by SSI in 2019:

Time	Conference/ Workshop	Location
May 2019	Daiwa Investment Conference New York 2019	The United States
May 2019	Citi-SSI Vietnam C-Suite Corporate Day 2019	Vietnam
August 2019	HOSE-Daiwa Vietnam Corporate Day Tokyo 2019	Japan
August 2019	HOSE-Daiwa Vietnam Corporate Day Singapore 2019	Singapore
November 2019	Daiwa Investment Conference Hong Kong 2019	Hong Kong
November 2019	Goldman Sachs & SSI Vietnam Corporate Day in Singapore	Singapore





SSI CORPORATE GOVERNANCE EVALUATION

SSI believes that a good corporate governance represents one of the most important factors ensuring corporate sustainable development, thus winning investors' trust and maximizing shareholders' interests.

In addition to strict compliance with the provisions of the Law on corporate governance in Vietnam in general (including 2014 Enterprise Law, Decree 71/2017 / ND-CP, Circular 95/2017 / TT-BTC), and specific regulations applicable to listed companies, SSI's corporate governance is gradually improved in line with the best corporate governance practices in the region and in the world such as "ASEAN Corporate Governance Scorecard ", or " Code of Corporate Governance according to best practices" issued by the State Securities Commission and International Finance Corporation (IFC) in August 2019.

In recent years, in benchmarking against the evaluation criteria at ASEAN Corporate Governance Scorecard, SSI has made great efforts in improving its corporate governance, gradually converging good standards in the region. Specifically, SSI performs well in 4 dimensions, namely: Shareholders' rights (20/21 criteria level 1 passed), Equitable Treatment of Shareholders (14/15 criteria level 1 passed), Role of Stakeholders (11/13 criteria level 1 passed), Disclosure and Transparency (30/32 criteria level 1 passed). After Decree 71/2017/ND-CP and Circular 95/2017/TT-BTC guiding corporate governance was issued, SSI actively developed the Internal Regulation on Corporate Governance and submitted it to the GSM for approval to made it publicly available in April 2018. This regulation is referenced against international practices on corporate governance, in which there is a specific regulation of shareholders' rights, equitable treatment of shareholders in activities, and issues related to members/activities of the BOD/ BOS.

Regarding the criteria of "Responsibility of the Board of Directors", according to the ASEAN Corporate Governance Scorecard, there are some criteria which has been implemented by SSI but has not yet been comprehensive. In detail, the current management model of the Company has not established sub-committees such as Audit Sub-Committee, Remuneration Sub-Committee, Human Resources Sub-Committee; instead, independent members of the BOD are directly in charge of matters such as risk management and internal audit. Independent members of the Board of Directors are also responsible for making monthly reports on the activities of the Board of Directors and reports on monitoring the results of the General Director's operations to the Board members in accordance with the Company's Charter. In addition, SSI also appointed a member of the Board of Directors in charge of human resource development, foreign market development and brand management.

In 2019, SSI established a Strategy & Development Committee under the Board of Directors, which is responsible for planning the business strategy of the whole Company based on business environment research, business models, transformation initiatives, new products and solutions to optimize resources and increase the value of the Company. SSI also designed a specific roadmap and action plan in 2020 to better meet the standards: *establishment of subcommittees, evaluation of members of the Board of Directors, activities of independent Board members.*

In terms of corporate governance training, members of the BOD, BOS, the Board of Management, Chief Financial Officer, Chief Accountant, and the Company Secretary all completed the training course on Corporate Governance and were granted certificates by SSC. The representative in charge of Corporate Governance and Company Secretary also completed the 3rd Director Certification Program (DCP3) organized by the Vietnam Institute of Directors in August 2019.

SOLID FUTURE / CONSISTENT INTERNAL FORCES FOR SUSTAINABLE DEVELOPMENT





OTHER INFORMATION

SHAREHOLDER AND **MANAGEMENT INFORMATION OF 2019**

BOARD OF DIRECTORS/BOARD OF SUPERVISORY

Details of members and structures of the BOD and BOS are presented in section Organization Structure & Key Personnel

Members of BOD, BOS, Board of Management and other key personnel had a corporate governance certificate issued by SSC, details below:

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	Nguyen Van Khai	Head of BOS	22 QTCT 123/QĐ-TTNC	29/01/2010
5	Dang Phong Luu	Member of BOS	50 QTCT 248/QĐ-TTNC	19/9/2013
6	Nguyen Thi Thanh Ha	Chief Finance Officer	38 QTCT 21/QĐ-TTNC	12/11/2009
7	Nguyen Kim Long	Head of Legal and Internal Control cum Company Secretary	31 QTCT 96/QĐ-TTNC	30/06/2009
8	Hoang Thi Minh Thuy	Chief Accountant	61 QTCT 96/QĐ-TTNC	30/06/2009

OTHER INFORMATION/ SHAREHOLDER AND MANAGEMENT INFORMATION OF 2019

SHAREHOLDER INFORMATION

The shares of SSI Securities Corporation 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: SSI completed the issuance of 10,000,000 ESOP shares on January 15, 2020, therefore, these those shares will be recorded in Company's charter capital in 2020. As at 31/12/2019, charter capital of SSI stood at VND 5,100,636,840,000 VND, dividing into 510,063,684 common shares with the par value of VND 10,000. The Company did not issue any other but common shares

Treasury share transaction in 2019: The number of treasury shares at 31/12/2019 was 2,009,008 shares, which is higher than the one at 31/12/2018 (893.377 shares) due to buying back odd lot shares and ESOP shares from resigned employees.

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 25/10/2019.

OTHER INFORMATION/ SHAREHOLDER AND MANAGEMENT INFORMATION OF 2019

Appendix 1: Transactions of internal person & related person

SSI share trading of internal persons/ related persons as of 31/12/2019

No.	Transaction executor	Relationship with internal person	Number of shares owned at the beginning of the period		Number of shares owned at the ending of the period		Reasons for increase/decrease (purchase, sale, switch, reward...)
			Number	Proportion	Number	Proportion	
1	Nguyen Duy Hung	Chairman cum CEO	6,783,400	1.330%	6,783,400	1.330%	No change
2	Nguyen Hong Nam	Board member, Deputy CEO, Spokesman	1,400,000	0.274%	1,400,000	0.274%	No change
3	Ngo Van Diem	BOD member	200,000	0.039%	150,000	0.029%	Sold 50,000 shares on April 04, 2019
4	Bui Quang Nghiem	BOD member	263,174	0.052%	N/A	N/A	Ended his term on Apr 25th, 2019 according to 2019 GSM's resolution
5	Pham Viet Muon	BOD member	40,000	0.008%	40,000	0.008%	Elected on April 25th, 2019 according to 2019 GSM's resolution
6	Nguyen Duy Khanh	BOD member	700,000	0.137%	700,000	0.137%	No change
7	Hironori Oka	BOD member	0	0.000%	0	0.000%	No change
8	Nguyen Van Khai	Head of BOS	130,455	0.026%	130,455	0.026%	No change
9	Dang Phong Luu	BOS member	60,068	0.012%	60,068	0.012%	No change
10	Le Cam Binh	BOS member	142,500	0.028%	142,500	0.028%	No change
11	Nguyen Thi Thanh Ha	CFO	1,362,200	0.267%	1,362,200	0.267%	No change
12	Hoang Thi Minh Thuy	Chief Accountant	175,000	0.034%	145,000	0.028%	Sold 30,000 shares from February 21st to February 27th, 2019
13	Saigon Dan Linh Real Estate Co. Ltd.	Related party of BOD member cum Deputy CEO Nguyen Hong Nam	30,454,063	5.971%	30,454,063	5.971%	No change
14	Daiwa Securities Group Inc.	Related party of BOD member – Mr. Hironori Oka	101,978,121	19.993%	101,978,121	19.993%	No change

No.	Transaction executor	Relationship with internal person	Number of shares owned at the beginning of the period		Number of shares owned at the ending of the period		Reasons for increase/decrease (purchase, sale, switch, reward...)
			Number	Proportion	Number	Proportion	
15	NDH Invest Ltd.	Related party of Chairman cum CEO - Mr. Nguyen Duy Hung	48.194.727	9,449%	48.194.727	9,449%	No change
16	Nguyen Van Hien	Related person of Head of BOS - Mr. Nguyen Van Khai	56.000	0,011%	56.000	0,011%	No change
17	Hoang Thi Khanh Duyen	Related person of Chief Accountant - Ms. Hoang Thi Minh Thuy	14.000	0,003%	14.000	0,003%	No change
18	Tran Quang Viet	Related person of BOS member - Mr. Dang Phong Luu	4.006	0,001%	4.006	0,001%	No change
19	Nguyen Manh Hung	Related person of Chairman cum CEO Mr. Nguyen Duy Hung	5.000.000	0,980%	5.000.000	0,980%	No change
20	SSIAM VNX50 ETF	Related party of Chairman cum CEO Mr. Nguyen Duy Hung (Mr. Hung is Chairman of SSIAM, manager of SSIAM VNX50 ETF)	44.620	0,009%	60.720	0,012%	Purchased 970 shares from Feb 01st to Feb 18th 2019 Sold 1,940 shares on April 26th, 2019 Purchased 17,550 shares from May 28th to June 26th 2019 From June 27th to June 30th : increased 900 shares to exchange component securities with AP Sold 1,380 shares on Nov 04th 2019

Other transactions: (from and to internal and major shareholders and related person)

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.
Daiwa Securities Group Inc. and its subsidiaries	Strategic shareholder hold more than 10% of voting capital of SSI
The PAN Group JSC. and its subsidiaries	Chairman of SSI is also the Chairman of the PAN Group, associate company
Saigon Dan Linh Real Estate Co., Ltd	BOD member cum 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

OTHER INFORMATION/ SHAREHOLDER AND MANAGEMENT INFORMATION OF 2019

Significant balances and transactions with related parties as at 31 December 2019 (data from audited separate financial statements of 2019)

Parties	Transaction	Receivables/(Payables)				Revenue/ (Expenses)
		Beginning VND	Increases VND	Decrease VND	Ending VND	
SSI Investment Member Fund	Capital contribution	274,400,000,000	-	-	274,400,000,000	-
SSI Asset Management Ltd. (SSIAM)	Capital contribution	30,000,000,000	-	-	30,000,000,000	-
	Revenue from securities transaction and other securities services	85,267,793	2,521,742,576	(2,499,041,447)	107,968,922	2,427,616,843
	Balance of trusted portfolio	196,151,511,180	10,313,644,943	(5,546,201,497)	200,918,954,626	-
	Welfare benefits payables and others	(115,000,000)	(1,815,890,000)	-	(1,930,890,000)	-
	Portfolio management expense	(496,609,963)	(5,494,541,501)	5,524,781,751	(466,369,713)	(5,494,541,501)
	Consultant expense for securities investment	-	(47,750,000)	47,750,000	-	(47,750,000)
NDH Invest Company Ltd. and its subsidiaries	Revenue from securities transaction and other securities services	-	225,016,834	(225,016,834)	-	225,014,434
	Securities selling transaction	-	3,386,471,167,766	(3,386,471,167,766)	-	6,513,173,369
	Securities purchasing transaction	-	(3,168,935,526,766)	3,168,935,526,766	-	-
	Consultant services fee	-	(154,600,000)	154,600,000	-	(263,100,000)
	Consultant services revenue	1,787,635,000	5,327,513,975	(4,978,850,500)	2,136,298,475	4,843,194,523
	SSI dividends	-	(48,194,727,000)	48,194,727,000	-	-
Daiwa Securities Group Inc. and its subsidiaries	Revenue from securities transaction and other securities services	-	853,510,132	(853,510,132)	-	776,004,348
	Commission fee	(1,160,510,884)	(5,341,350,972)	6,060,276,582	(441,585,274)	(5,341,350,972)
	Revenue from consultant contracts	1,312,393,222	17,739,535,107	(16,558,135,056)	2,493,793,273	17,270,635,107
	SSI dividends	-	(101,978,121,000)	101,978,121,000	-	-

Parties	Transaction	Receivables/(Payables)				Revenue/ (Expenses)
		Beginning VND	Increases VND	Decrease VND	Ending VND	
The PAN Group JSC. and its subsidiaries	Revenue from securities transaction and other securities services	-	1,111,782,801	(1,111,782,801)	-	1,102,868,911
	Revenue from consultant contract	-	4,551,424,000	(4,551,424,000)	-	4,146,749,091
	Securities purchasing transactions	-	(4,653,975,421,313)	4,653,975,421,313	-	-
	Securities selling transactions	-	5,517,482,613,875	(5,517,482,613,875)	-	7,590,584,635
	Deposit for securities brokerage services and deposit management contracts	(1,222,675,189,617)	(7,486,192,722,905)	8,627,482,114,797	(81,385,797,725)	-
	Interest payable on deposit for securities brokerage services and deposit management contracts	(3,519,496,889)	(65,284,441,742)	68,481,707,823	(322,230,808)	(65,284,441,742)
	Expense for commodity purchase	-	(5,136,704,970)	5,124,230,970	(12,474,000)	(5,136,704,970)
	Bond interest	-	4,536,986,300	(4,536,986,300)	-	4,536,986,300
Nguyen Saigon Co., Ltd	Revenue from securities transaction and other securities services	-	156,772,985	(156,772,985)	-	156,763,385
	Securities purchasing transactions	-	(10,234,900,000)	10,234,900,000	-	-
	SSI dividends	-	(180,002,000)	180,002,000	-	-
Saigon Dan Linh Real Estate Co., Ltd	Revenue from securities transaction and other securities services	-	191,053,584	(191,053,584)	-	191,047,984
	SSI dividends	-	(30,454,063,000)	30,454,063,000	-	-
Other parties	Purchase of bonds issued by SSI	(60,000,000,000)	-	60,000,000,000	-	-
	Payables for bond interest issued by SSI	(4,934,054,428)	(270,945,572)	5,205,000,000	-	(270,945,572)

ESOP for Members of BOD and BOS

According to Article 6, Resolution number 01/2019/NQ-ĐHĐCĐ at 25/04/2019 of GSM, 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. This share issuance was completed on Jan 15th, 2020. The number ESOP shares bought by BOD and BOS members are as follow:

No.	Name	Position	Number of purchased shares
1	Nguyễn Duy Hưng	Chairman cum CEO	2,017,500
2	Nguyễn Hồng Nam	Member of BOD/Deputy CEO/Spokesman	700,000
3	Ngô Văn Điểm	Member of BOD	40,000
4	Phạm Viết Muôn	Member of BOD	40,000
5	Nguyễn Duy Khánh	Member of BOD	200,000
6	Nguyễn Văn Khải	Head of BOS	30,000
7	Đặng Phong Lưu	Member of BOS	15,000
8	Lê Cẩm Bình	Member of BOS	70,000

OTHER INFORMATION/ SHAREHOLDER AND MANAGEMENT INFORMATION OF 2019

Appendix 2: Shareholder structure and ownership of internal person (The data was updated in accordance with the shareholder list provided by the Vietnam Securities Depository as at 25/10/2019)

Shareholding structure on type of shareholder

No.	Subject	Number of shares	Ownership proportion	Number of Shareholders	Shareholder structure (*)	
					Institutional	Individual
1	The State as shareholder	-	-	-	-	-
2	Founder/ FDI Shareholder	-	-	-	-	-
	- Domestic	-	-	-	-	-
	- Foreign	-	-	-	-	-
3	Major Shareholder	**180,626,911**	**35.41%**	**3**	**3**	
	- Domestic	*78,648,790*	*15.42%*	*2*	*2*	
	- Foreign	*101,978,121*	*19.99%*	*1*	*1*	
4	Labour Union	-	-	-	-	-
	- Domestic	-	-	-	-	-
	- Foreign	-	-	-	-	-
5	Treasury shares	**2,008,984**	**0.39%**	**0**	**0**	
6	Preferred stocks (if any)	-		-	-	-
7	Other shareholders	**327,427,789**	**64.20%**	**22,738**	**238**	**22,500**
	- Domestic	*139,525,728*	*27.36%*	*20,607*	*94*	*20,513*
	- Foreign	*187,902,061*	*36.84%*	*2,131*	*144*	*1,987*
	TOTAL	**510,063,684**	**100.00%**	**22,742**	**242**	**22,500**
	In which: *- Domestic*	*218,174,518*	*42.77%*	*20,610*	*97*	*20,513*
	- Foreign	*289,880,182*	*56.83%*	*2,132*	*145*	*1,987*
	- Treasury shares	*2,008,984*	*0.39%*	*0*		-

(*) ratio is calculated against 510,063,684 shares

OTHER INFORMATION/ SHAREHOLDER AND MANAGEMENT INFORMATION OF 2019

Shareholding structure on type of share

Subject	Number of transfer restriction shares	Number of free transfer shares	Total	Proportional ownership (%) (***)
I. Internal person	**6,776,000**	**4,137,623**	**10,913,623**	**2.14%**
1. Board of Directors (*)	590,000	300,000	890,000	0.17%
2. Board of Management (**)	5,171,000	3,012,400	8,183,400	1.60%
3. Board of Supervisory	220,000	113,023	333,023	0.07%
4. CFO	650,000	712,200	1,362,200	0.27%
5. Cheif Accountant	145,000	0	145,000	0.03%
II. Treasury stocks	**1,142,000**	**866,984**	**2,008,984**	**0.39%**
III. Labour Union	**-**	**-**	**-**	**-**
IV. Shareholders own preferred stocks (If any)	**-**	**-**	**-**	**-**
V. Other shareholders	**12,082,000**	**485,079,077**	**497,141,077**	**97.47%**
1. Domestic	***11,514,000***	***195,766,895***	***207,260,895***	***40.64%***
1.1 Individual	11,514,000	105,683,131	117,177,131	22.98%
1.2 Institutional		90,083,764	90,083,764	17.66%
- In which State Shareholder	0			
2. Foreign	***568,000***	***289,312,182***	***289,880,182***	***56.83%***
2.1 Individual	568,000	14,154,654	14,722,654	2.89%
2.2 Institutional	0	275,157,528	275,157,528	53.95%
TOTAL	**20,000,000**	**490,063,684**	**510,063,684**	**100.00%**

(*) Exclude the share ownership of Mr. Nguyen Duy Hung – Chairman cum CEO, and Mr. Nguyen Hong Nam – BOD member cum Deputy CEO

(**) Include the share ownership of Mr. Nguyen Duy Hung – Chairman cum CEO, and Mr. Nguyen Hong Nam – BOD member cum Deputy CEO

(***) ratio is calculated against 510,063,684 shares

OTHER INFORMATION/ SHAREHOLDER AND MANAGEMENT INFORMATION OF 2019

List of Major Shareholders (hold from 5% and above of equity)

No	Name of organization/ individual	ID/Passport number	Date of issue	Address	Number of stocks	Proportional ownership (%)	Number of transfer restriction shares
	A. State shareholders						
					-	-	-
	TOTAL A				-	-	-
	B. Major Shareholders						
1	NDH Invest Co. Ltd.	0104285751	30/10/2014	Level 16, ICON4 Tower, 243A De La Thanh street, Lang Thuong ward, Dong Da district, Ha Noi	48,194,727	9.45%	-
	Representative: Mr. Nguyen Duy Hung	220895567	20/06/2009	No. 54, Alley 16/17, Phung Chi Kien street, Nghia Do ward, Cau Giay district, Ha Noi			-
2	Daiwa Securities Group Incorporation	CS6098	03/07/2007	9-1 Marunouchi 1-chome, Chiyo-da-ku, Tokyo, Japan	101,978,121	19.99%	-
	Representative: Hironori Oka	TH1551742	08/09/2006	Apartment 3405, Pacific Place, 88 Queensway, Hong Kong			
3	Saigon Dan Linh Real Estate Co., Ltd	0312490624	04/10/2013	236/43/2 Dien Bien Phu, Ward 17, Binh Thanh district, Ho Chi Minh City	30,454,063	5.97%	
	Representative: Mrs. Ha Thi Thanh Van	024100737	02/03/2004	House D8, No. 60 Giang Van Minh, An Phu ward, District 2, Ho Chi Minh City			
	TOTAL B				**180,626,911**	**35.41%**	
	C. Strategic Shareholder						
1	Daiwa Securities Group Incorporation Representative: Hironori Oka	CS6098	03/07/2007	9-1 Marunouchi 1-chome, Chiyo-da-ku, Tokyo, Japan	101,978,121	19.99%	-
	TOTAL C				**101,978,121**	**19.99%**	
	D. Founding partner/FDI Shareholder (in case Listed company is a FDI company)						
					-	-	-
					-	-	-
	TOTAL D				-	-	-
	TOTAL (A+B+C+D)				**180,626,911**	**34.73%**	

(*) ratio is calculated against 510,063,684 shares

OTHER INFORMATION/ SHAREHOLDER AND MANAGEMENT INFORMATION OF 2019

Detailed shareholding of internal persons and related persons

No.	Name	Position	Transfer restriction shares	Free transfer shares	Total	Ownership proportion (%)
1	Nguyen Duy Hung	Chairman cum CEO	3,771,000	3,012,400	6,783,400	1.33%
2	Nguyen Hong Nam	BOD member cum Deputy CEO/ Spokeman	1,400,000	0	1,400,000	0.27%
3	Ngo Van Diem	BOD member	150,000	0	150,000	0.03%
4	Pham Viet Muon	BOD member	40,000	0	40,000	0.01%
5	Hironori Oka Representative of share ownership of Daiwa Securities Group Incorporation	BOD member	-	101,978,121	101,978,121	19.99%
6	Nguyen Duy Khanh	BOD member	400,000	300,000	700,000	0.14%
7	Nguyen Van Khai	Head of BOS	60,000	70,455	130,455	0.03%
8	Dang Phong Luu	BOS member	30,000	30,068	60,068	0.01%
9	Le Cam Binh	BOS member	130,000	12,500	142,500	0.03%
10	Nguyen Thi Thanh Ha	CFO	650,000	712,200	1,362,200	0.27%
11	Hoang Thi Minh Thuy	Chief Accountant	145,000	0	145,000	0.03%
	TOTAL		**6,776,000**	**4,137,623**	**10,913,623**	**2.14%**

BRANCH NETWORK



THE NORTH

Hanoi Branch: 1C Ngo Quyen, Ly Thai To Ward, Hoan Kiem District, Hanoi

Tel: (+84) 24 3936 6321, (+84) 24 6288 8885, - Fax: (+84) 24 3936 6311

Tran Hung Dao Transaction Office: 10th Floor, Capital Tower, 109 Tran Hung Dao, Cua Nam Ward, Hoan Kiem District, Hanoi

Tel: (+84) 24 3941 3383 - Fax: (+84) 24 3941 3385

Nguyen Chi Thanh Transaction Office: 8th Floor, TNR Tower, 54A Nguyen Chi Thanh, Lang Thuong Ward, Dong Da District, Hanoi

Tel: (+84) 24 3773 4999 - Fax: (+84) 24 3771 4999

Le Van Luong Transaction Office: 1st Floor, Star City Tower, 23 Le Van Luong, Nhan Chinh Ward, Thanh Xuan District, Hanoi

Tel: (+84) 24 3209 1256 - Fax: (+84) 24 3568 0738

My Dinh Branch: Floor G, The Manor Building, My Dinh, Me Tri Ward, Tu Liem District, Hanoi

Tel: (+84) 24 3794 6699 - Fax: (+84) 24 3794 6677

Hai Phong Branch: 22 Ly Tu Trong, Hong Bang District, Hai Phong City

Tel: (+84) 225 3569123 - Fax: (+84) 225 3569130

SSI Asset Management Ltd: 1C Ngo Quyen, Ly Thai To Ward, Hoan Kiem District, Hanoi

Tel: (+84) 24 3936 6321 - Fax: (+84) 24 3936 6337

THE SOUTH

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

Tel: (+84) 28 3824 2897 - Fax: (+84) 28 3824 2997

Nguyen Cong Tru Branch: 7th Floor, TNR Building, 180-192 Nguyen Cong Tru, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City

Tel: (+84) 28 3821 8567 - Fax: (+84) 28 3821 3867

Pham Ngoc Thach Transaction Office: 2nd Floor, ITower Building, 49 Pham Ngoc Thach, Ward 6, District 3, Ho Chi Minh City (closed from April 08th 2020)

Tel: (+84) 28 3824 5079 - Fax: (+84) 28 3824 5077

Nguyen Van Cu Transaction Office: 8th floor, Royal Centre Building, 235 Nguyen Van Cu Street, Cu Trinh Ward, District 1, Ho Chi Minh City

Tel: (+84) 28 3622 0123 - Fax: (+84) 28 3622 6667

Nguyen Thi Minh Khai Transaction Office: 1st Floor, Golden Tower Building, 6 Nguyen Thi Minh Khai Street, Da Kao Ward, District 1, Ho Chi Minh City

Tel: (+84) 28 3622 2666 - Fax: (+84) 28 3622 2333

Nguyen Huu Canh Transaction Office: Floor 5-6, 11 Road D2, Shophouse Sai Gon Pearl, 92 Nguyen Huu Canh Street, Ward 22, Binh Thanh District, Ho Chi Minh City

Tel: (+84) 28 3622 2233 - Fax: (+84) 28 3622 2277

Cach Mang Thang Tam Transaction Office: 6th Floor, Lim II Tower, 62A Cach Mang Thang Tam Street, Ward 6, District 3, Ho Chi Minh City

Tel: (+84) 28 3622 7788 - Fax: (+84) 28 3622 5666

Le Loi Transaction Office: Unit 03, 18th Floor, Saigon Centre Building, 67 Le Loi Street, Ben Nghe Ward, District 1, Ho Chi Minh City

Tel: (+84) 28 3636 3688 - Fax: (+84) 28 3636 3668

Vung Tau Branch: Room no. 116, Ground Floor, PetroVietnam Towers, no. 8 Hoang Dieu Street, Ward 1, Vung Tau City, Ba Ria – Vung Tau Province.

Tel: (+84) 254 3521906; Fax: (+84) 254 3521907

Nha Trang Branch: 3rd Floor, Queen Tower, 50 Le Thanh Phuong, Nha Trang City

Tel: (+84) 258 3816969 - Fax: (+84) 258 3816968


CONSOLIDATED
FINANCIAL STATEMENTS

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GENERAL INFORMATION

SSI Securities Corporation ("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 2019, in accordance with the latest Amended License No. 03/GPDC-UBCK granted by the Chairman of State Securities Commission, which has been effective since 23 January 2019, the Company's total charter capital was VND 5,100,636,840,000.

The Company's primary activities are to provide brokerage service, securities trading, underwriting for securities issues, custodian service, finance and investment advisory service, margin lending service and derivatives trading. The Company's Head Office is located at 72 Nguyen Hue Boulevard, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam. As at 31 December 2019, 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 2019, the Company has two (02) directly owned subsidiaries, one (01) indirectly owned subsidiary and one (01) associate.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of the consolidated financial statements are as follows:

Name	Title	Election/Resignation
Mr. Nguyen Duy Hung	Chairman	Re-elected on 23 April 2015
Mr. Nguyen Hong Nam	Member	Re-elected on 25 April 2019
Mr. Ngo Van Diem	Member	Re-elected on 21 April 2017
Mr. Bui Quang Nghiem	Member	Resigned on 25 April 2019
Mr. Nguyen Duy Khanh	Member	Elected on 23 April 2015
Mr. Hironoki Oka	Member	Elected on 23 April 2015
Mr. Pham Viet Muon	Member	Elected on 25 April 2019

BOARD OF SUPERVISION

Members of Board of Supervision during the year and at the date of the consolidated financial statements 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. Le Cam Binh	Member	Elected on 20 April 2018

MANAGEMENT

Members of the Management during the year and at the date of the consolidated financial statements 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 during the year and at the date of the consolidated financial statements 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 SSI Securities Corporation ("the Company") is pleased to present its report and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2019.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Company and its subsidiaries and of the consolidated results of its operations, its consolidated cash flows and its 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 which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and its subsidiaries 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 and its subsidiaries as at 31 December 2019 and of the consolidated results of its operations, its consolidated cash flow statement and its consolidated statement of 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 the consolidated financial statements.

For and on behalf of Management:

Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam

24 March 2020

INDEPENDENT AUDITORS' REPORT

Reference No.: 60755007/21213723-HN

To: The Shareholders of SSI Securities Corporation

We have audited the accompanying consolidated financial statements of SSI Securities Corporation ("the Company") and its subsidiaries as prepared on 24 March 2020 and set out on pages 6 to 90 which comprise the consolidated statement of financial position as at 31 December 2019, 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 Management is responsible for the preparation and fair presentation of these 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 consolidated financial statements, and for such internal control as the Management determines is necessary to enable the preparation and presentation of the 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 these 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 Company'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 Company'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.

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 and its subsidiaries as at 31 December 2019, and of the consolidated results of their operations, their consolidated cash flows and their 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.

Ernst & Young Vietnam Limited

Trinh Hoang Anh
Deputy General Director
Audit Practising Registration
Certificate No. 2071-2018-004-1

Tran Thi Thu Hien
Auditor
Audit Practising Registration
Certificate No. 2487-2018-004-1

Ha Noi, Vietnam
24 March 2020

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2019 | B01-CTCK/HN

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
100	**A. CURRENT ASSETS**		**22,290,867,181,933**	**22,270,357,215,928**
110	***I. Financial assets***		***22,255,950,496,752***	***22,237,874,265,510***
111	1. Cash and cash equivalents	5	1,040,782,610,354	612,880,138,860
111.1	*1.1. Cash*		*260,631,829,536*	*312,863,700,842*
111.2	*1.2. Cash equivalents*		*780,150,780,818*	*300,016,438,018*
112	2. Financial assets at fair value through profit and loss (FVTPL)	7.1	4,315,244,773,067	2,039,985,819,918
113	3. Held-to-maturity (HTM) investments	7.3	10,721,931,457,865	12,326,240,312,685
114	4. Loans	7.4	5,359,342,228,084	5,966,651,185,939
115	5. Available-for-sale (AFS) financial assets	7.2	760,042,115,504	1,265,085,272,300
116	6. Provision for impairment of financial assets and mortgage assets	8	(41,167,505,065)	(29,666,132,207)
117	7. Receivables		350,542,969,287	301,712,370,797
117.1	*7.1. Receivables from disposal of financial assets*	*9*	*330,068,529,950*	*300,141,137,920*
117.2	*7.2. Receivables and accruals from dividend and interest income*	*9*	*20,474,439,337*	*1,571,232,877*
117.3	*7.2.1. Accruals for undue dividend and interest income*		*20,474,439,337*	*1,571,232,877*
118	8. Advances to suppliers	9	10,347,795,737	31,348,740,192
119	9. Receivables from services provided by the Company	9	43,254,069,829	31,161,533,678
122	10. Other receivables	9	3,903,875,134	4,513,763,962
129	11. Provision for impairment of receivables	9	(308,273,893,044)	(312,038,740,614)
130	***II. Other current assets***	**10**	***34,916,685,181***	***32,482,950,418***
131	1. Advances		8,518,495,603	3,843,488,923
132	2. Office supplies, tools and materials		1,265,969,684	2,959,982,619
133	3. Short-term prepaid expenses		20,490,357,667	21,364,723,566
134	4. Short-term deposits, collaterals and pledges		967,194,260	856,602,610
137	5. Other current assets		3,674,667,967	3,458,152,700

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
200	**B. NON-CURRENT ASSETS**		**4,753,247,842,980**	**1,555,269,509,433**
210	***I. Long-term financial assets***		***4,238,855,852,478***	***1,065,902,838,568***
212	1. Long-term investments	11	4,238,855,852,478	1,065,902,838,568
212.1	*1.1. HTM investments*		*3,444,540,512,534*	*301,622,077,596*
212.3	*1.2. Investment in associates*		*794,315,339,944*	*764,280,760,972*
220	***II. Fixed assets***		***147,012,729,467***	***118,742,648,730***
221	1. Tangible fixed assets	12	96,560,532,972	84,097,724,124
222	*1.1. Cost*		*205,908,680,507*	*175,652,952,614*
223a	*1.2. Accumulated depreciation*		*(109,348,147,535)*	*(91,555,228,490)*
227	2. Intangible fixed assets	13	50,452,196,495	34,644,924,606
228	*2.1. Cost*		*128,489,848,227*	*101,372,221,724*
229a	*2.2. Accumulated amortisation*		*(78,037,651,732)*	*(66,727,297,118)*
230	***III. Investment properties***	***14***	***205,776,532,750***	***214,561,642,609***
231	1. Cost		278,276,169,317	278,818,031,178
232a	2. Accumulated depreciation		(72,499,636,567)	(64,256,388,569)
240	***IV. Construction in progress***	***15***	***29,450,054,289***	***4,923,184,107***
250	***V. Other long-term assets***		***132,152,673,996***	***151,139,195,419***
251	1. Long-term deposits, collaterals and pledges		28,140,461,156	23,978,605,906
252	2. Long-term prepaid expenses	16	37,088,043,669	40,312,468,926
253	3. Deferred income tax assets	17	31,924,169,171	51,848,120,587
254	4. Payment for Settlement Assistance Fund	18	20,000,000,000	20,000,000,000
255	5. Other non-current assets		15,000,000,000	15,000,000,000
270	**TOTAL ASSETS**		**27,044,115,024,913**	**23,825,626,725,361**

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
300	**C. LIABILITIES**		**17,643,055,244,708**	**14,669,962,197,728**
310	***I. Current liabilities***		***16,409,540,660,284***	***13,469,410,255,114***
311	1. Short-term borrowings and financial leases	20	15,550,226,155,457	11,193,158,753,866
312	*1.1. Short-term borrowings*		*15,550,226,155,457*	*11,193,158,753,866*
316	2. Short-term bonds	21	-	255,000,000,000
318	3. Payables for securities trading activities	23	30,254,764,400	20,890,746,200
320	4. Short-term trade payables	24	30,031,870,403	9,871,570,085
321	5. Short-term advance from customers		5,121,736,077	56,096,109,184
322	6. Statutory obligation	25	59,461,134,912	69,950,280,972
323	7. Payables to employees		27,172,101,519	42,813,281,214
324	8. Employee benefits		398,826,652	60,982,952
325	9. Short-term accrued expenses	26	98,991,141,743	113,892,022,048
327	10. Short-term unrealized revenue		335,220,000	-
328	11. Short-term deposits received		1,231,190,000	1,255,230,000
329	12. Other short-term payables	27	343,356,873,373	1,490,328,981,368
331	13. Bonus and welfare fund		262,959,645,748	216,092,297,225
340	***II. Non-current liabilities***		***1,233,514,584,424***	***1,200,551,942,614***
345	1. Long term convertible bonds- Debt component	22	1,105,937,946,170	1,068,320,391,534
348	2. Long-term advance from customers		-	2,415,081,980
351	3. Long-term unrealized revenue	28	51,187,159,357	51,187,159,357
352	4. Long-term deposits received		-	255,695,000
356	5. Deferred income tax payable	17	76,389,478,897	78,373,614,743
400	**D. OWNERS' EQUITY**	**29**	**9,401,059,780,205**	**9,155,664,527,633**
410	***I. Owners' equity***		***9,401,059,780,205***	***9,155,664,527,633***
411	1. Share capital		5,224,760,213,535	5,235,152,952,935
411.1	*1.1. Capital contribution*		*5,100,636,840,000*	*5,100,636,840,000*
411.1a	*a. Ordinary shares*		*5,100,636,840,000*	*5,100,636,840,000*
411.2	*1.2. Share premium*		*29,470,756,034*	*29,470,756,034*
411.3	*1.3. Convertible bond - Equity component*		*113,779,095,785*	*113,779,095,785*
411.5	*1.4. Treasury shares*		*(19,126,478,284)*	*(8,733,738,884)*
412	2. Difference from revaluation of assets at fair value	41	259,495,169,033	277,801,019,026
413	3. Foreign exchange rate differences		40,382,194,252	41,038,039,125
414	4. Charter capital supplementary reserve		477,303,674,335	412,057,165,307
415	5. Operational risk and financial reserve		392,796,079,651	327,549,570,623
417	6. Undistributed profit	29.1	2,941,467,041,881	2,795,105,924,402
417.1	*6.1 Realised profit*		*3,194,600,794,526*	*3,056,176,268,973*
417.2	*6.2 Unrealised profit*		*(253,133,752,645)*	*(261,070,344,571)*
418	7. Non-controlling interests		64,855,407,518	66,959,856,215
440	**TOTAL LIABILITIES AND OWNERS' EQUITY**		**27,044,115,024,913**	**23,825,626,725,361**

OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	Ending balance	Opening balance
	A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
004	Bad debts written-off (VND)		3,769,847,570	-
005	Foreign currencies	30.1		
	USD		*6,838,499,50*	*6,556,662,33*
	EUR		*34,334,41*	*84,345,41*
	GBP		*37,140,64*	*37,151,64*
006	Outstanding shares (number of shares)	29.4	508,054,676	509,170,307
007	Treasury shares (number of shares)	29.4	2,009,008	893,377
008	Financial assets listed/registered for trading at Vietnam Securities Depository ("VSD") of the Company (VND)	30.2	996,565,190,000	872,947,970,000
009	Non-traded financial assets deposited at VSD of the Company (VND)	30.3	10,480,260,000	10,482,230,000
010	Awaiting financial assets of the Company (VND)	30.4	2,370,800,000	10,135,100,000
012	Financial assets which have not been deposited at VSD of the Company (VND)	30.5	4,689,910,260,000	913,425,310,000
013	Entitled financial assets of the Company (VND)		60,000	39,095,130,000
014	Covered warrants (number of covered warrants)		6,440,710	-
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS			
021	Financial assets listed/registered for trading at VSD of investors (VND)	30.6	47,970,765,433,700	42,493,662,500,000
021.1	*Unrestricted financial assets*		*40,264,432,904,400*	*34,656,128,250,000*
021.2	*Restricted financial assets*		*609,448,260,000*	*548,270,620,000*
021.3	*Mortgaged financial assets*		*6,311,732,090,000*	*6,641,685,800,000*
021.4	*Blocked financial assets*		*457,518,280,000*	*305,694,280,000*
021.5	*Financial assets awaiting for settlement*		*327,633,899,300*	*341,883,550,000*

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
022	Non-traded financial assets deposited at VSD of investors	30.7	382,623,990,000	376,706,850,000
022.1	*Unrestricted and non-traded financial assets deposited at VSD*		*330,441,990,000*	*324,305,840,000*
022.2	*Restricted and non-traded financial assets deposited at VSD*		*52,037,000,000*	*52,256,010,000*
022.4	*Awaiting financial assets of investors financial assets deposited at VSD*		*145,000,000*	*145,000,000*
023	Awaiting financial assets of investors	30.8	278,568,854,100	248,603,350,000
024b	*Financial assets unlisted/unregistered at VSD of investors*	30.9	35,217,990,000	66,834,410,000
025	Entitled financial assets of investors	30.10	97,275,710,000	161,868,940,000
026	Investors' deposits		2,531,793,630,697	3,283,456,420,063
027	Investors' deposits for securities trading activities managed by the Company	30.11	2,065,881,233,987	2,666,193,777,876
027.1	Investor's deposits at VSD	30.11	415,120,594,227	610,905,763,675
028	Investor's synthesizing deposits for securities trading activities	30.11	3,790,098,239	4,553,932,668
030	Deposits of securities issuers	30.12	47,001,704,244	1,802,945,844
031	Payables to investors - investors' deposits for securities trading activities managed by the Company	30.13	2,481,001,828,214	3,277,099,541,551
031.1	*Payables to domestic investors for securities trading activities managed by the Company*		*1,986,051,905,846*	*2,769,817,505,805*
031.2	*Payables to foreign investors for securities trading activities managed by the Company*		*494,949,922,368*	*507,282,035,746*
032	Payables to securities issuers	30.14	46,112,406,060	101,060
034	Dividend, bond principal and interest payables	30.15	889,298,184	1,802,844,784

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
24 March 2020

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December 2019 | B02-CTCK/HN

Code	ITEMS	Notes	Current year VND	Previous year VND
	Operating Income			
01	1. Gain from financial assets at fair value through profit and loss (FVTPL)		699,017,696,118	646,758,445,125
01.1	*1.1. Gain from disposal of financial assets at FVTPL*	*31.1*	*342,884,965,809*	*309,260,483,503*
01.2	*11.2. Gain from revaluation of financial assets at FVTPL*		*247,811,017,254*	*249,068,059,560*
01.3	*1.3. Dividend, interest income from financial assets at FVTPL*	*31.4*	*82,344,443,777*	*88,429,902,062*
01.4	*1.4. Gain from revaluation of outstanding covered warrants payables*	*31.3*	*25,977,269,278*	-
02	2. Gain from held-to-maturity (HTM) investments	31.4	991,168,158,800	716,061,639,277
03	3. Gain from loans and receivables	31.4	677,893,533,729	710,869,164,035
04	4. Gain from available-for-sale (AFS) financial assets	31.4	83,305,018,553	209,534,611,481
06	5. Revenue from brokerage services		582,055,105,212	1,130,951,456,889
07	6. Revenue from underwriting and issuance agency services		28,835,160,883	2,294,659,091
08	7. Revenue from securities investment advisory services		11,896,315,358	27,181,454,886
09	8. Revenue from securities custodian services		33,598,654,678	16,196,356,140
10	9. Revenue from financial advisory services		59,178,614,910	125,202,889,557
11	10. Revenue from other operating activities	33	68,029,860,956	87,787,382,263
20	**Total operating revenue**		**3,234,978,119,197**	**3,672,838,058,744**
	II. OPERATING EXPENSES			
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		382,539,570,887	622,002,974,602
21.1	*1.1 Loss from disposal of financial assets at FVTPL*	*31.1*	*133,240,447,325*	*110,639,931,937*
21.2	*1.2 Loss from revaluation of financial assets at FVTPL*		*232,329,833,598*	*510,162,874,917*
21.3	*1.3 Transaction costs of acquisition of financial assets at FVTPL*		*2,045,881,138*	*1,200,167,748*
21.4	*1.4 Loss from revaluation of outstanding covered warrants payables*	*31.3*	*14,923,408,826*	-
23	2. Loss and difference from revaluation of AFS financial assets arising from reclassification		93,932,433	974,544,960
24	3. Provision expense for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	32	11,501,372,858	39,672,379,770
26	4. Expenses for proprietary trading activities		11,147,672,149	8,175,909,551
27	5. Expenses for brokerage services	34	555,493,733,108	772,657,137,549
28	6. Expenses for underwriting and issuance agency services	34	15,040,853,528	644,244,526
29	7. Expenses for securities investment advisory services	34	21,502,445,834	20,611,871,141
30	8. Expenses for securities custodian services	34	27,540,046,739	22,252,011,562
31	9. Expenses for financial advisory services	34	17,444,386,941	52,479,927,302
32	10. Other operating expenses	34, 35	128,703,913,660	111,558,768,564
40	**Total operating expenses**		**1,171,007,928,137**	**1,651,029,769,527**

Code	ITEMS	Notes	Current year VND	Previous year VND
	III. FINANCE INCOME			
41	1. Realized and unrealized gain from changes in foreign exchange rates		435,548,098	3,303,149,879
42	2. Dividend from investment in subsidiaries, associates and interest income from demand deposits		20,355,221,628	23,823,241,348
43	3. Gain from disposal of investments in subsidiaries and associates		-	164,457,327,326
44	4. Other investment income		45,715,512,161	74,240,555,353
50	**Total finance income**	**36**	**66,506,281,887**	**265,824,273,906**
	IV. FINANCE EXPENSES			
51	1. Realized and unrealized loss from changes in foreign exchange rates		19,611,726,414	4,697,732,904
52	2. Borrowing costs		804,176,964,572	536,540,563,261
55	3. Other finance expenses		14,832,880,334	5,680,695,698
60	**Total finance expenses**	**37**	**838,621,571,320**	**546,918,991,863**
62	**V. GENERAL AND ADMINISTRATIVE EXPENSES**	**38**	**193,238,253,772**	**173,683,645,242**
70	**VI. OPERATING PROFIT**		**1,098,616,647,855**	**1,567,029,926,018**
	VII. OTHER INCOME AND EXPENSES			
71	Other income		7,067,722,985	58,417,373,996
72	Other expenses		160,809,383	2,233,836,059
80	**Total other operating profit**	**39**	**6,906,913,602**	**56,183,537,937**
90	**VIII. PROFIT BEFORE TAX**		**1,105,523,561,457**	**1,623,213,463,955**
91	Realized profit		1,096,044,544,091	1,883,886,823,081
92	Unrealized profit		9,479,017,366	(260,673,359,126)
100	**IX. CORPORATE INCOME TAX (CIT) EXPENSES**	**40**	**198,426,585,426**	**320,276,221,397**
100.1	Current CIT expense	40.1	178,677,854,956	319,845,580,653
100.2	Deferred CIT expense	40.2	19,748,730,470	430,640,744
200	**X. PROFIT AFTER TAX**		**907,096,976,031**	**1,302,937,242,558**
201	1. Profit after tax attributable to the Parent Company's owners		909,201,424,728	1,304,930,180,565
202	2. Profit after tax attributable to reserves		63,212,220,608	91,345,112,639
203	3. Profit after tax attributable to non-controlling interest		(2,104,448,697)	(1,992,938,007)
300	**XI. OTHER COMPREHENSIVE GAIN/(LOSS) AFTER TAX**			
301	1. Loss from revaluation of AFS financial assets	41,42	(18,305,849,993)	(360,095,225,041)
400	**TOTAL COMPREHENSIVE INCOME**		**(18,305,849,993)**	**(360,095,225,041)**
401	Other Comprehensive income attributable to the Parent Company's owners		(18,305,849,993)	(360,062,946,570)
402	Other Comprehensive income attributable to non-controlling interest		-	(32,278,471)
500	**XII. NET INCOME APPROPRIATED TO ORDINARY SHAREHOLDERS**		**845,989,204,120**	**1,213,585,067,924**
501	Earnings per share (VND/share)	43	1,663	2,428
502	Diluted earnings per share (VND/share)	44	1,658	2,417

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
24 March 2020

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2019 | B03 - CTCK/HN

Code	ITEMS	Notes	Current year VND	Previous year VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	**1. Net profit before tax**		**1,105,523,561,457**	**1,623,213,463,955**
02	**2. Adjustments for:**		**(678,421,272,086)**	**(988,899,808,584)**
03	Depreciation and amortization expense		42,893,121,783	30,828,467,858
04	Provisions		11,018,850,000	32,917,256,564
05	Unrealized loss/(gain) from exchange rate difference		17,056,026,742	(421,456,231)
06	Interest expenses		804,176,964,572	536,868,896,600
07	Gain from investment activities (investment in subsidiaries, associates and long-term HTM financial assets)		(774,694,168,490)	(763,332,907,195)
08	Accrued interest income		(778,607,342,006)	(829,220,813,597)
09	Other adjustments		(264,724,687)	3,460,747,417
10	**3. Increase in non-monetary expenses**		**247,834,697,715**	**517,731,974,584**
11	Loss from revaluation of financial assets at FVTPL and outstanding covered warrants payables		247,253,242,424	510,162,874,917
13	Loss from impairment of loans		487,522,858	6,594,554,707
14	Loss from revaluation to fair value of AFS financial assets when reclassification		93,932,433	974,544,960
18	**4. Decrease in non-monetary income**		**(338,723,940,585)**	**(428,680,923,541)**
19	Gain from revaluation of financial assets at FVTPL and outstanding covered warrants payables		(273,788,286,532)	(249,068,059,560)
20	Gain from revaluation to fair value of AFS financial assets when reclassification		(64,935,654,053)	(179,612,863,981)
30	**5. Operating profit before changes in working capital**		**336,213,046,501**	**723,364,706,414**
31	Increase in financial assets at FVTPL		(729,085,956,938)	(346,083,790,863)
32	Decrease/(increase) in HTM investments		4,229,718,616,954	(4,083,037,234,365)
33	Decrease/(increase) in loans		607,308,957,855	(202,578,855,841)
34	Decrease/(increase) in AFS financial assets		78,382,883,185	(445,708,310,733)
35	(Increase)/decrease in receivables from disposal of financial assets		(32,459,239,600)	15,429,702,300
37	(Increase)/decrease in receivables from services provided by the Company		(13,207,552,407)	24,323,340,163
39	Decrease in other receivables		7,289,774,317	20,336,239,684
40	(Increase)/decrease in other assets		(3,197,509,012)	80,690,619,476
41	Increase/(decrease) in payable expenses (excluding interest expenses)		4,016,053,385	(13,942,799,723)
42	Increase/(decrease) in prepaid expenses		4,098,023,681	(15,524,532,352)
43	Current income tax paid		(188,842,598,770)	(363,396,519,872)
44	Interest expenses paid		(785,493,060,119)	(469,660,001,949)
46	Increase in trade payables		13,783,587,876	1,701,043,929
47	Increase in welfare benefits		337,843,700	52,320,600
48	Decrease in statutory obligations		(381,456,456)	(18,161,381,502)
49	(Decrease)/increase in payables to employees		(15,641,179,696)	3,690,731,953
51	(Decrease)/increase in other payables		(1,174,336,966,748)	1,373,712,132,778
52	Other receipts from operating activities		759,147,775,250	829,878,907,015
	- Interest received		*758,905,743,250*	*829,611,523,015*
	- Other receipts		*242,032,000*	*267,384,000*
53	Other payments for operating activities		(48,988,451,366)	(53,255,868,974)
60	**Net cash flows from/(used in) operating activities**		**3,048,662,591,592**	**(2,938,169,551,862)**
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
61	Purchase and construction of fixed assets, investment properties and other assets		(66,733,065,297)	(57,359,665,687)
62	Proceeds from disposal and sale of fixed assets, investment properties and other assets		195,590,907	207,083,032,942
63	Cash payments for investment in subsidiaries, associates, joint ventures and other investments		(14,361,716,475,830)	(7,310,033,500,304)
64	Cash receipt from capital withdrawal from subsidiaries, associates, joint ventures and other investments		7,535,549,999,996	7,059,305,313,000
65	Interest and dividends from long-term investments received		689,687,634,935	433,034,276,448
70	**Net cash flow (used in)/from investing activities**		**(6,203,016,315,289)**	**332,029,456,399**
	III. Net cash flow (used in)/from investing activities			
71	Cash receipt from issuance of shares, capital contributed by shareholders		-	213,767,095,785
72	Repayment of capital contributed by shareholders, repurchase of issued shares		(10,392,739,400)	(53,493,124,050)
73	Drawdown of borrowings		99,271,540,327,215	85,775,993,676,758
73.2	*- Other borrowings*		*99,271,540,327,215*	*85,775,993,676,758*
74	Repayment of borrowings		(95,172,222,925,624)	(82,565,001,682,361)
74.3	*- Other repayment of borrowings*		*(95,172,222,925,624)*	*(82,565,001,682,361)*
76	Dividends, profit distributed to shareholders		(506,668,467,000)	(498,231,445,000)
80	**Net cash flow from financing activities**		**3,582,256,195,191**	**2,873,034,521,132**
90	**NET INCREASE IN CASH DURING THE YEAR**		**427,902,471,494**	**266,894,425,669**
101	**CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR**	**5**	**612,880,138,860**	**345,985,713,191**
101.1	Cash		309,402,953,426	231,375,853,648
101.2	Cash equivalents		300,016,438,018	114,481,402,776
102	Exchange rate differences		3,460,747,416	128,456,767
103	**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR**	**5**	**1,040,782,610,354**	**612,880,138,860**
103.1	Cash		260,896,554,224	309,402,953,426
103.2	Cash equivalents		780,150,780,818	300,016,438,018
104	Exchange rate differences		(264,724,688)	3,460,747,416

CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF CUSTOMERS

Code	ITEMS	Notes	Current year VND	Previous year VND
	I. Cash flows from brokerage and trust activities of customers			
01	1. Cash receipts from disposal of brokerage securities of customers		111,778,721,464,215	233,089,481,103,978
02	2. Cash payments for acquisition of brokerage securities of customers		(116,443,977,480,681)	(197,409,880,869,375)
07	3. Cash receipts for settlement of securities transactions of customers		142,304,726,898,463	194,868,357,805,337
07.1	4. Investors' deposits at VSD ((decrease)/increase)		(195,785,169,452)	465,830,714,626
08	5. Cash payment for securities transactions of customers		(136,436,782,295,947)	(231,704,962,865,131)
09	6. Cash payments for custodian fees of customers		(24,180,754,186)	(14,784,414,818)
12	7. Cash receipt from securities issuers		1,146,416,738,816	2,943,124,849,302
13	8. Cash payment to securities issuers		(2,880,802,190,594)	(2,970,388,386,490)
20	**Net decrease in cash during the year**		**(751,662,789,366)**	**(733,222,062,571)**
30	**II. Cash and cash equivalents of customers at the beginning of the year**		**3,283,456,420,063**	**4,016,678,482,634**
31	Cash at banks at the beginning of the year:		3,283,456,420,063	4,016,678,482,634
32	- Investors' deposits managed by the Company for securities trading activities		3,277,099,541,551	3,980,030,174,992
	In which: Investors' deposits at VSD		*610,905,763,675*	*145,075,049,043*
33	- Investors' synthesizing deposits for securities trading activities		4,553,932,668	17,567,220,094
35	- Deposits of securities issuers		1,802,945,844	19,081,087,548
40	**III. Cash and cash equivalents of the customers at the end of the year (40 = 20 + 30)**		**2,531,793,630,697**	**3,283,456,420,063**
41	Cash at banks at the end of the year:		2,531,793,630,697	3,283,456,420,063
42	- Investors' deposits managed by the Company for securities trading activities	30.11	2,481,001,828,214	3,277,099,541,551
	In which: Investors' deposits at VSD		*415,120,594,227*	*610,905,763,675*
43	- Investors' synthesizing deposits for securities trading activities	30.11	3,790,098,239	4,553,932,668
45	- Deposits of securities issuers	30.12	47,001,704,244	1,802,945,844



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
24 March 2020

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

for the year ended at 31 December 2019 | B04 - CTCK/HN

ITEMS	Notes	Opening balance		Previous year				Ending balance	
				Previous year		Current year			
		01 January 2018	01 January 2019	Increase	Decrease	Increase	Decrease	31 December 2018	31 December 2019
		VND	VND	VND	VND	VND	VND	VND	VND
A	B	1	2	3	4	5	6	7	8
I. CHANGES IN OWNERS' EQUITY									
1. Share capital		5,027,878,981,200	5,235,152,952,935	207,285,971,735	(12,000,000)	(10,392,739,400)	-	5,235,152,952,935	5,224,760,213,535
1.1. Ordinary share	*29.2*	*5,000,636,840,000*	*5,100,636,840,000*	*100,000,000,000*	-	-	-	*5,100,636,840,000*	*5,100,636,840,000*
1.2. Share premium		*29,482,756,034*	*29,470,756,034*	-	*(12,000,000)*	-	-	*29,470,756,034*	*29,470,756,034*
1.3. Convertible bond - Equity component		-	*113,779,095,785*	*113,779,095,785*	-	-	-	*113,779,095,785*	*113,779,095,785*
1.4. Treasury share		*(2,240,614,834)*	*(8,733,738,884)*	*(6,493,124,050)*	-	*(10,392,739,400)*	-	*(8,733,738,884)*	*(19,126,478,284)*
2. Charter capital supplementary reserve		355,412,398,796	412,057,165,307	56,644,766,511	-	65,246,509,028	-	412,057,165,307	477,303,674,335
3. Operational risk and financial reserve		270,904,804,112	327,549,570,623	56,644,766,511	-	65,246,509,028	-	327,549,570,623	392,796,079,651
4. Difference from revaluation of financial assets at fair value		637,896,244,067	277,801,019,026	36,935,488,132	(397,030,713,173)	99,860,975,189	(118,166,825,182)	277,801,019,026	259,495,169,033
5. Foreign exchange rate differences		33,179,513,213	41,038,039,125	7,858,525,912	-	-	(655,844,873)	41,038,039,125	40,382,194,252
6. Undistributed profit		2,212,624,960,292	2,795,105,924,402	1,796,597,754,474	(1,214,116,790,364)	1,177,293,799,693	(1,030,932,682,214)	2,795,105,924,402	2,941,467,041,881
6.1. Realized profit	*29.1*	*2,235,685,451,553*	*3,056,176,268,973*	*1,543,064,033,874*	*(722,573,216,454)*	*901,594,482,802*	*(763,169,957,249)*	*3,056,176,268,973*	*3,194,600,794,526*
6.2. Unrealized profit	*29.1*	*(23,060,491,261)*	*(261,070,344,571)*	*253,533,720,600*	*(491,543,573,910)*	*275,699,316,891*	*(267,762,724,965)*	*(261,070,344,571)*	*(253,133,752,645)*
7. Non-controlling interest		78,352,794,222	66,959,856,215	-	(11,392,938,007)	-	(2,104,448,697)	66,959,856,215	64,855,407,518
TOTAL		**8,616,249,695,902**	**9,155,664,527,633**	**2,161,967,273,275**	**(1,622,552,441,544)**	**1,397,255,053,538**	**(1,151,859,800,966)**	**9,155,664,527,633**	**9,401,059,780,205**
OTHER COMPREHENSIVE INCOME									
1. Gain/(loss) from revaluation of AFS financial assets	41	637,896,244,067	277,801,019,026	36,935,488,132	(397,030,713,173)	99,860,975,189	(118,166,825,182)	277,801,019,026	259,495,169,033
TOTAL		**637,896,244,067**	**277,801,019,026**	**36,935,488,132**	**(397,030,713,173)**	**99,860,975,189**	**(118,166,825,182)**	**277,801,019,026**	**259,495,169,033**

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
24 March 2020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2019 and for the year then ended | | B05 - CTCK/HN

1. CORPORATE INFORMATION

SSI Securities Corporation ("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 2019, in accordance with the latest Amended License No. 03/GPDC-UBCK granted by the Chairman of State Securities Commission, which has been effective since 23 January 2019, the Company's total charter capital was VND 5,100,636,840,000.

The Company's primary activities are to provide brokerage service, securities trading, underwriting for securities issues, custodian service, finance and investment advisory service, margin lending service and derivatives trading. The Company's Head Office is located at 72 Nguyen Hue Boulevard, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam. As at 31 December 2019, 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 2019 was 966 persons (31 December 2018: 1026 persons).

Company's operation

Capital

As at 31 December 2019, total charter capital of the Company is VND 5,100,636,840,000, owners' equity including non-controlling interests is VND 9,401,059,780,205 and total assets are VND 27,044,115,024,913.

Investment objectives

As the biggest listed securities company in Vietnam stock market, the Company's principal activities are to provide brokerage service, securities trading, underwriting for securities issues, custodian service, finance and investment advisory service, margin lending service and derivatives trading. 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:

- A 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.
- A 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.
- A 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.
- A 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, ETF fund or open-end fund certificates; Invest or contribute capital of more than ten percent (10%) in the total paid-up capital of a limited 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.
- A securities company is allowed to establish or purchase an asset management company as a subsidiary. In that case, the securities company is not required to follow the above restrictions.

Subsidiaries

As at 31 December 2019, 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 and the latest amended Operating License No.38/G-PDC-UBCK dated 26 December 2013	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 and amended license No. 4557/UBCK-QLQ dated 24 July 2018	Investments in securities and other investible assets, including real estates	VND 343 billion	80%

Besides, as at 31 December 2019, the Company had one (01) indirectly owned subsidiary by SSI IMF named SSI International Corporation.

Associates

As at 31 December 2019, the Company had one (01) associate presented on the consolidated financial statements as follows:

Name	Business establishment	Sector	Charter capital (VND)
The Pan Group (PAN)	Business Registration No. 0301472704 dated 20 December 2019 issued by Long An Department of Planning and Investment (20th 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.	1.731.011.410.000

1. CORPORATE INFORMATION (continued)

Key characteristics of the Company's operation which affect the Company's consolidated financial statements

The Company's profit after tax for the year 2019 was VND 907,096,976,031, which made a decrease of 30% (amounted to VND 395,840,266,527) in comparison to the year 2018 owing to the following reasons:

- Due to the decline of the market's transaction volume, securities brokerage revenue decreased by 49%, equivalent to VND 548,896,351,677, while securities brokerage expenses decreased corresponding to VND 217,163,404,441. Besides, revenue from financial advisory services decreased by 53%, equivalent to VND 66,024,274,647.
- Financial income decreased by 75%, corresponding to VND 199,317,992,019, mainly due to in 2018, the Company had gain from disposal of the investment in associates.

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 fund 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 on consolidation

The consolidated financial statements comprise the financial statements of SSI Securities Corporation (the parent company) and its subsidiaries as at 31 December 2019.

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 year using 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 owners' equity in the consolidated statement of financial position, separately from parent shareholders' equity.

2.3 Registered accounting documentation system

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.

2.4 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.

3. STATEMENT ON COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEMS

Management confirms that the Company has complied 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.

Accordingly, the accompanying consolidated statement of financial position, consolidated income statement, 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 consolidated financial position and consolidated results of operations, consolidated cash flows and consolidated changes in owners' equity in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 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.

4.2 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 are part of a group of financial assets which are managed and their performance is evaluated on a fair value basis, in accordance with the Company's risk management policy 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 fair value.

Increase in the difference arising from revaluation of financial assets at FVTPL in comparison with the previous year is recognized into the consolidated income statement under "Gain from revaluation of financial assets at FVTPL". Decrease in the difference arising from revaluation of financial assets at FVTPL in comparison with the previous year is recognized into the consolidated income statement under "Loss 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.

4.3 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").

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 Held-to-maturity investments (HTM)

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 year of a financial asset 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 financial 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 irrecoverable or there is uncertainty of recoverability, resulting from one or more events that have 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 debt, indications that the debtors or a group of debtors are experiencing significant financial difficultly, 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 consolidated income statement under “Provision expense for diminution in value and impairment of financial assets and doubtful receivables, and borrowing costs of loans”.

4.4 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 Company 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 Company categorized as such recognized at fair value through profit or loss;

b) The amounts categorized by the Company 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 consolidated income statement under “Provision expense for diminution in value and impairment of financial assets and doubtful receivables, and borrowing costs of loans”.

4.5 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

Available-for-sale financial assets are recognized initially at cost (acquisition cost of the assets plus (+) transaction costs which are directly attributable to the purchase of the financial assets). After initial recognition, AFS financial assets are subsequently measured at fair value.

Difference arising from the revaluation of AFS financial assets in comparison with previous year 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.

At the consolidated financial statements 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 consolidated 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 includes 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.

4.6 Fair value/market value of financial assets

Fair value/market value of the securities is determined 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 revaluation.
- For unlisted securities registered for trading on the Unlisted Public Company Market (“UPCOM”), their market prices are their closing prices on the trading day preceding the date of setting up the revaluation.
- For 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 on the Unlisted Public Company Market (“UPCOM”) used as a basis for setting up the revaluation is the trading prices of the latest transaction on over-the-counter ("OTC") market.

For securities which do not have reference price from the above sources, the revaluation is determined based on the financial performance and the book value of securities issuers as at the assessment date.

For the purpose of determining CIT taxable profit, the tax bases for financial assets are determined by cost minus (-) provision for diminution in value. Accordingly, market value of securities for provision purpose is determined in accordance with the Circular No.146/2014/TT-BTC and Circular No.48/2019/TT- BTC.

4.7 Derecognition of financial assets

A financial asset (or, where applicable a part of 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;

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.

4.8 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 “Difference from revaluation of assets at fair value” will be recognized as corresponding revenue or expenses at the date of reclassification of financial assets AFS for selling purpose.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Reclassification of financial assets (continued)

Reclassification due to change in purpose or ability to hold

Securities companies are required to reclassify financial assets to their applicable categories if their purpose or ability to hold has 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 reassessed at fair value. The difference arising from revaluation between carrying value and fair value are recognized under "Difference from revaluation of assets at fair value" in Owners' equity.

4.9 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 the case of 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 financial 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 qualified iterms 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 consistent accounting policies. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

4.10 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.

4.11 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" and "Other operating expenses" in the consolidated income statement.

The Company has made provision for doubtful receivables and handling irrecoverable receivables in accordance with Circular No. 48/2019/TT-BTC dated 8 August 2019 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%

4.12 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 consolidated 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 consolidated income statement.

4.13 Depreciation and amortisation

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 consolidated 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 consolidated income statement.

4.14 Depreciation and amortisation

Depreciation and amortisation of tangible fixed assets and intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Office machineries	3 - 5 years
Means of transportation	6 years
Office equipment	3 - 5 years
Software	3 - 5 years
Other intangible fixed assets	2 - 5 years

4.15 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.16 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 fee respective to operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

4.17 Prepaid expenses

Prepaid expenses, including short-term prepaid expenses and long-term prepaid expenses in the consolidated 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) year to three (3) years to the consolidated income statement:

- Office renovation expenses;
- Office rental expenses; and
- Office tools and consumables

4.18 Repurchase agreements

Securities sold under the agreements to be repurchased at a specified future date ("repos") are not derecognized from the consolidated statement of financial position. The corresponding cash received is recognized in the consolidated 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 consolidated income statement over the life of the agreement using the straight-line method.

4.19 Borrowings and non-convertible bonds issued

Borrowings and non-convertible bonds issued by the Company are recorded and stated at cost of the balance at the end of the accounting year.

4.20 Convertible bonds

Bonds that are convertible by the holder into a fixed number of ordinary shares of the entity are separated into financial liability and equity instrument based on the terms of the contract.

On issuance of the convertible bond, the fair value of the liability component is determined by discounting the future payment (including principal and interest) to present value at the market rate for an equivalent non-convertible bond less issuance cost.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in owners' equity. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs related to convertible bond issuance are amortised during the lifetime of the bond using the effective rate method. At initial recognition, convertible bond issuance costs are deducted from the liability component of the bond.

4.21 Payables and accrued expenses

Covered warrants payables

Covered warrants are secured securities with collaterals issued by the Company which gives its holder the right to buy an amount of an underlying security at an exercise price or to receive a sum of money equal to the difference between the price (index) of the underlying securities and the exercise price (exercise index), when the former is higher than the latter, at the strike time.

When covered warrants are issued, the Company record an increase in covered warrant payables, at the same time monitoring the number of covered warrants still allowed to be issued. At the end of the year, the Company revaluates the covered warrants at fair value. The decrease in difference arising from revaluation of outstanding covered warrants at fair value in comparison with previous is recognized in "Gain from financial assets at FVTPL" (line "Gain from revaluation of outstanding covered warrant payable"). The increase in difference arising from revaluation of outstanding covered warrants at fair value in comparison with previous is recognized in "Loss from financial assets at FVTPL" (line "Loss from revaluation of outstanding covered warrant payable").

The transaction costs relating to the purchase and issuance of covered warrants are recognized when incurred as purchase costs of financial assets in the consolidated income statement. Profit or loss resulted from covered warrants when repurchase, upon the maturity of covered warrants or when covered warrant is recalled, are recognized under "Gain from disposal of financial assets at FVTPL" or "Loss from disposal of financial assets at FVTPL" in the consolidated income statement.

The securities used as hedging for the covered warrants are monitored by the Company. At the end of the year, securities used as hedging for the covered warrants are revaluated at fair value and the differences arising from revaluation is recorded like the revaluation of financial assets at FVTPL.

Other payables and accrued expenses

Other 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.

4.22 Employee benefits

4.22.1 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 17.5% of an employee's basic salary, salary-related allowances and other supplements. Other than that, the Company has no further obligation relating to post-employment benefits.

4.22.2 Severance pay

The Company has the obligation, under Section 48 of the Vietnam Labor Code 10/2012/QH13 effective from 1 May 2013, to pay allowance arising from voluntary resignation of employees, equal to one-half month's salary for each year of employment up to 31 December 2008 plus salary allowances (if any). From 1 January 2009, the average monthly salary used in this calculation is the average monthly salary of the latest six-month period up to the resignation date.

4.22.3 Unemployment insurance

According to Circular No. 32/2010/TT-BLDTBXH providing guidance for Decree No. 127/2008/ND-CP on unemployment insurance, from 1 January 2009, the Company is required to contribute to the unemployment insurance at the rate of 1% of salary and wage fund of unemployment insurance joiners and deduct 1% of monthly salary and wage of each employee to contribute to the unemployment insurance fund.

4.23 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 year, 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 year and arisen from the revaluation of monetary accounts denominated in foreign currencies at the end of the year are taken to the consolidated income statement.

4.24 Treasury shares

Equity instruments issued by the Company which are reacquired (treasury shares) are recognised at cost and deducted from owners' equity. No gain or loss is recognised upon purchase, sale, issue or cancellation of the Company's owners' equity instruments.

4.25 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;
- In case the difference between bank purchasing and selling rate at the reporting date is not over 0.2%, the applied exchange rate will be the average of purchasing and selling 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 1% 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 statement of financial position.

4.26 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

When 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 year 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 dividends is established, except for stock dividend 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.

4.27 Borrowing costs

Borrowing costs include accrued interest and other expenses which are directly attributable to the Company's borrowings and bonds issued.

4.28 Cost of securities sold

The Company applies moving weighted average method to calculate cost of proprietary securities sold.

4.29 Corporate income tax

Current income tax

Current income tax assets and liabilities for the current and prior year 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 reporting date.

Current income tax is charged or credited to the income statement, except when it relates to items recognized directly to owners' equity, in which case the current income tax is also dealt with in owners' equity.

Current income tax assets and liabilities are offset only 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 for temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except when 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 the reporting date and reduced to a certain extent that sufficient taxable profits will be available to allow all or part of the deferred income tax assets 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 year when the asset is 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 consolidated income statement, except when it relates to items recognized directly to owners' equity, in which case the deferred tax is also dealt with in owners' 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.

4.30 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 during the year is the difference between gain and loss arisen from revaluation of financial assets at FVTPL or others through profit and loss in the consolidated income statement, and the deferred income tax related to the increase in revaluation of FVTPL financial assets and others.

Realised profit during the year is the net difference between total revenue and income, and total expenses in the consolidated income statement of the Company, except for gain or loss 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 Shareholders.

4.31 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

4.32 Nil balances

Items or balances required by Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular No. 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 consolidated financial statements indicate nil balances.

5. CASH AND CASH EQUIVALENTS

	Ending balance VND	Opening balance VND
Cash	260,631,829,536	312,863,700,842
- Cash on hand	*263,347,161*	*280,482,251*
- Cash at banks	*260,368,482,375*	*312,583,218,591*
Cash equivalents	780,150,780,818	300,016,438,018
- Cash at banks with initial maturity of less than 3 months	*780,150,780,818*	*300,016,438,018*
TOTAL	**1,040,782,610,354**	**612,880,138,860**

6. VALUE AND VOLUME OF TRADING DURING THE YEAR

	Volume of trading during the year (Unit)	Value of trading during the year (Unit)
a. The Company	**672,360,946**	**106,001,515,712,485**
- Shares	*186,201,948*	*5,203,731,234,588*
- Bonds	*474,169,006*	*98,694,274,946,338*
-Other securities	*11,989,992*	*2,103,509,531,559*
b. Investors	**10,929,862,618**	**593,617,191,211,377**
- Shares	*10,771,512,471*	*301,516,848,509,384*
- Bonds	*19,969,007*	*2,285,750,603,093*
- Other securities	*138,381,140*	*289,814,592,098,900*
TOTAL	**11,602,223,564**	**699,618,706,923,862**

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 for such financial asset at its initial recognition. The transaction costs incurred directly from the purchase of financial asset might or might not be included in the cost of the financial asset 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 using the method described in Note 4.6.

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 irrecoverability (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 consolidated statement of financial position.

Carrying amount

Carrying amount of a financial asset is the amount at which the financial asset is recognized in the consolidated statement of financial position. Carrying amount of a financial asset might be recognised at fair value (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.

7.1 Financial assets at fair value through profit and loss (FVTPL)

	Ending balance		Opening balance	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Listed shares and other listed securities (1)	**1,672,963,319,466**	**1,447,285,043,650**	**1,611,962,128,767**	**1,371,412,475,370**
HPG	179,508,676,258	183,250,791,000	117,763,041,323	102,632,180,800
GEX	132,827,558,855	104,727,985,650	276,761,361,866	217,207,440,750
DBC	253,101,130,155	233,814,891,600	253,132,982,078	227,429,176,000
ELC	191,238,144,589	52,962,725,140	191,789,331,478	68,215,027,200
FPT	159,446,563,013	178,218,144,500	190,787,384,353	169,652,186,800
OPC	163,914,646,949	157,071,600,000	163,962,651,004	169,413,760,000
MBB	72,715,536,508	69,127,156,800	77,175,940,115	73,441,566,200
PLX	370,076,019,330	341,475,456,000	70,261,715,727	67,150,258,000
Other listed shares and securities	150,135,043,809	126,636,292,960	270,327,720,823	276,270,879,620
Listed shares used as hedging for covered warrants	**147,825,259,973**	**148,166,359,500**	-	-
HPG	18,404,132,189	18,814,335,000	-	-
FPT	25,783,439,996	28,818,914,300	-	-
REE	15,912,611,872	15,723,708,000	-	-
VNM	33,601,112,644	32,003,715,000	-	-
VIC	3,829,766,027	3,798,450,000	-	-
VJC	10,515,409,420	10,788,098,000	-	-
VHM	15,560,689,439	15,196,160,000	-	-
MBB	24,218,098,386	23,022,979,200	-	-
Unlisted shares and fund certificates	**399,114,275,313**	**386,642,357,221**	**120,582,017,570**	**112,889,392,928**
SSIBF fund certificates	40,000,000,000	47,085,000,000	40,000,000,000	44,449,000,000
SSISCA fund certificates	-	-	26,500,000,000	33,915,293,454
Other unlisted shares and fund certificates	359,114,275,313	339,557,357,221	54,082,017,570	34,525,099,474
Other unlisted bonds and securities (2)	**2,333,151,012,696**	**2,333,151,012,696**	**560,731,951,620**	**555,683,951,620**
TOTAL	**4,553,053,867,448**	**4,315,244,773,067**	**2,293,276,097,957**	**2,039,985,819,918**

(1) As at 31 December 2019, among the listed shares classified as financial assets at FVTPL, there are 8,217,818 shares with par value of VND 82,178,180,000 used as collaterals for short-term borrowings of the Company.

(2) As at 31 December 2019, among unlisted bonds and other securities classified as financial assets at FVTPL, there are 13 certificates of deposit with the par value of VND billion 1,300 used as collaterals for short-term borrowings of the Company.

7.2 Available-for-sale (AFS) financial assets

	Ending balance		Opening balance	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Listed shares	**251,088,814,728**	**591,104,213,600**	**486,920,806,635**	**837,473,225,400**
SGN	172,712,731,397	447,423,470,000	186,719,487,791	514,959,000,000
DHC	52,055,700,788	131,244,668,000	52,055,585,738	86,572,890,000
Other listed shares	26,320,382,543	12,436,075,600	248,145,733,106	235,941,335,400
Unlisted shares	**178,515,646,904**	**168,937,901,904**	**388,517,146,900**	**388,517,146,900**
PAN Farm JSC.	53,408,921,300	53,408,921,300	53,408,921,300	53,408,921,300
ConCung JSC.	42,241,999,000	42,241,999,000	42,241,999,000	42,241,999,000
Other unlisted shares	82,864,726,604	73,286,981,604	292,866,226,600	292,866,226,600
Unlisted bonds	**-**	**-**	**39,094,900,000**	**39,094,900,000**
TOTAL	**429,604,461,632**	**760,042,115,504**	**914,532,853,535**	**1,265,085,272,300**

7.3 Held-to-maturity investments (HTM)

	Ending balance VND	Opening balance VND
Term deposits and certificates of deposits with emaining maturity of less than 1 year	10,721,931,457,865	12,326,240,312,685

As at 31 December 2019, among term deposits and certificates of deposits with remaining maturity of less than 1 year, there are VND 10,040 billion used as collaterals for short-term borrowings of the Company and VND 85.9 billion used as collaterals for covered warrants issued by the Company.

7.4 Loans and receivables

	Ending balance		Opening balance	
	Cost VND	Fair value (4) VND	Cost VND	Fair value (4) VND
Receivables from margin activities (1)	5,285,813,165,409	5,255,659,510,344	5,887,782,972,702	5,858,116,840,495
Advances to investors (2)	49,029,062,675	49,029,062,675	73,246,329,906	73,246,329,906
Others (3)	24,500,000,000	24,500,000,000	5,621,883,331	5,621,883,331
TOTAL	**5,359,342,228,084**	**5,329,188,573,019**	**5,966,651,185,939**	**5,936,985,053,732**

(1) Securities under margin transaction are used as collaterals for the loans granted by the Company to investors. As at 31 December 2019 and 31 December 2018, the par value of those securities that are used as collaterals for margin trading was VND 6,038,522,587,000 and VND 6,486,103,208,000 respectively, the market value of those securities that are used as collaterals for margin trading was VND 16,095,323,713,650 and VND 16,535,868,540,430 respectively.

(2) These relate to advances to investors during the period that the shares selling proceeds are awaiting to be received.

(3) These relate to brokerage/deposit contracts for selling/depositing bonds held by customers; whereby the Company advances to customers for the period that bonds are awaiting to be sold.

(4) The fair value of loans is measured at cost less provision for doubtful debts.

7. FINANCIAL ASSETS (continued)

7.5 Change in market values of financial assets

Financial assets	Ending balance				Opening balance			
		Revaluation difference				Revaluation difference		
	Cost VND	Increase VND	Decrease VND	Revaluated value VND	Cost VND	Increase VND	Decrease VND	Revaluated value VND
FVTPL	**4,553,053,867,448**	**36,744,185,844**	**(274,553,280,225)**	**4,315,244,773,067**	**2,293,276,097,957**	**40,156,043,224**	**(293,446,321,263)**	**2,039,985,819,918**
Listed shares and other securities	1,672,963,319,466	25,940,820,150	(251,619,095,966)	1,447,285,043,650	1,611,962,128,767	28,291,749,774	(268,841,403,171)	1,371,412,475,370
Listed shares used as hedging for covered warrants	147,825,259,973	3,718,365,694	(3,377,266,167)	148,166,359,500	-	-	-	-
Unlisted shares and fund certificates	399,114,275,313	7,085,000,000	(19,556,918,092)	386,642,357,221	120,582,017,570	11,864,293,450	(19,556,918,092)	112,889,392,928
Unlisted bonds and othe securities	2,333,151,012,696	-	-	2,333,151,012,696	560,731,951,620	-	(5,048,000,000)	555,683,951,620
AFS	**429,604,461,632**	**354,712,424,223**	**(24,274,770,351)**	**760,042,115,504**	**914,532,853,535**	**363,756,998,724**	**(13,204,579,959)**	**1,265,085,272,300**
Listed shares	251,088,814,728	354,712,424,223	(14,697,025,351)	591,104,213,600	486,920,806,635	363,756,998,724	(13,204,579,959)	837,473,225,400
Unlisted shares	178,515,646,904	-	(9,577,745,000)	168,937,901,904	388,517,146,900	-	-	388,517,146,900
Unlisted bonds		-	-	-	39,094,900,000	-	-	39,094,900,000
TOTAL	**4,982,658,329,080**	**391,456,610,067**	**(298,828,050,576)**	**5,075,286,888,571**	**3,207,808,951,492**	**403,913,041,948**	**(306,650,901,222)**	**3,305,071,092,218**

8. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND MORTGAGE ASSETS

	Ending balance VND	Opening balance VND
Provision for impairment of loans	(30,153,655,065)	(29,666,132,207)
Provision for impairment of AFS financial assets	(11,013,850,000)	-
TOTAL	**(41,167,505,065)**	**(29,666,132,207)**

9. OTHERS FINANCIAL ASSETS

	Ending balance VND	Opening balance VND
1. Receivables from disposal of financial assets	330,068,529,950	300,141,137,920
In which: doubtful receivable from disposal of financial assets unable to collect	*296,897,416,150*	*299,429,263,720*
2. Receivables and accruals from dividends and interest income from financial assets	20,474,439,337	1,571,232,877
3. Advances to suppliers	10,347,795,737	31,348,740,192
4. Receivables from services provided by the Company	43,254,069,829	31,161,533,678
In which: doubtful receivables from services provided by the Company	*10,992,959,417*	*12,087,959,417*
5. Other receivables	3,903,875,134	4,513,763,962
In which: other doubtful receivables	*388,517,477*	*521,517,477*
6. Provision for impairment of receivables	(308,273,893,044)	(312,038,740,614)
TOTAL	**99,774,816,943**	**56,697,668,015**

9. OTHERS FINANCIAL ASSETS (continued)

Details of provision for impairment of receivables

	Opening balance of doubtful debts VND	Opening balance of provision VND	Addition VND	Reversal/(write-off) VND	Ending balance of provision VND	Ending balance of doubtful debts VND
Provision for doubtful receivables from disposal of financial assets	299,429,263,720	299,429,263,720	-	(2,531,847,570)	296,897,416,150	296,897,416,150
- Dang Van Sy	*2,531,847,570*	*2,531,847,570*	-	*(2,531,847,570)*	-	-
- Phuc Bao Minh Commercial Construction Co., Ltd	*296,897,416,150*	*296,897,416,150*	-	-	*296,897,416,150*	*296,897,416,150*
Doubtful receivables from services provided by the Company	12,087,959,417	12,087,959,417	5,000,000	(1,105,000,000)	10,987,959,417	10,992,959,417
- Pyramid New Technology Trade Corporation	*525,000,000*	*525,000,000*	-	*(525,000,000)*	-	-
- Thai Hoa JSC.	*80,000,000*	*80,000,000*	-	*(80,000,000)*	-	-
- Eloge France Vietnam JV Pharmaceuticals Company	*80,000,000*	*80,000,000*	-	*(80,000,000)*	-	-
- Saigon Maritime JSC.	*270,000,000*	*270,000,000*	-	*(270,000,000)*	-	-
- Vietnam Electricity Construction JSC.	*150,000,000*	*150,000,000*	-	*(150,000,000)*	-	-
- Huu Nghi Nghe An General Hospital JSC.	-	-	*5,000,000*	-	*5,000,000*	*10,000,000*
- Overdue receivables from margin activities – retail investors	*10,982,959,417*	*10,982,959,417*	-	-	*10,982,959,417*	*10,982,959,417*
Other doubtful receivables	521,517,477	521,517,477	-	(133,000,000)	388,517,477	388,517,477
- Proceeds from disposal of assets	*309,521,422*	*309,521,422*	-	-	*309,521,422*	*309,521,422*
- Receivable from Pyramid New Technology Trade Corporation	*133,000,000*	*133,000,000*	-	*(133,000,000)*	-	-
- Other receivables	*78,996,055*	*78,996,055*	-	-	*78,996,055*	*78,996,055*
TOTAL	**312,038,740,614**	**312,038,740,614**	**5,000,000**	**(3,769,847,570)**	**308,273,893,044**	**308,278,893,044**

10. OTHER SHORT-TERM ASSETS

	Ending balance VND	Opening balance VND
Advances	8,518,495,603	3,843,488,923
Office supplies, tools and materials	1,265,969,684	2,959,982,619
Short-term prepaid expenses	20,490,357,667	21,364,723,566
- Prepayment for office tools	*932,251,405*	*1,137,753,651*
- Prepayment for services	*19,558,106,262*	*20,226,969,915*
Short-term deposits, collaterals and pledges	967,194,260	856,602,610
Other current assets	3,674,667,967	3,458,152,700
- Escrow deposits for derivatives trading of the Company	*2,559,929,467*	*2,446,190,000*
- Others	*1,114,738,500*	*1,011,962,700*
Total	**34,916,685,181**	**32,482,950,418**

11. LONG-TERM INVESTMENTS

	Voting right rate of the Company	Ownership rate of the Company	Ending balance VND	Opening balance VND
Held-to-maturity investments			3,444,540,512,534	301,622,077,596
- Certificates of deposits with remaining maturity of more than 1 year			-	*301,622,077,596*
- Held-to-maturity bonds (1)			*3,444,540,512,534*	-
Investments in associates(2)			794,315,339,944	764,280,760,972
- The Pan Group (PAN)	*20.07%*	*20.01%*	*794,315,339,944*	*764,280,760,972*
TOTAL			**4,238,855,852,478**	**1,065,902,838,568**

(1) As at 31 December 2019, among held-to-maturity bonds, there are 102,400 bonds with par value of VND 3,400 billion used as collaterals for short-term borrowings of the Company.

(2) As at 31 December 2019, among investments in associates, there are 18,880,120 shares with par value of VND 188,801,200,000 used as collaterals for short-term borrowings of the Company.

Movements of investments in associates of the Company were as follows:

	Current year VND	Previous year VND
Beginning balance	764,280,760,972	812,945,220,865
Purchase in the year	20,997,297,749	187,750,420,302
Disposal of investment in associates	-	(258,184,136,754)
Adjustment made due to change in ownership rate of associates in their subsidiaries	(22,288,820,220)	(24,489,167,761)
Difference arising from changes in outstanding shares of associates	(7,343,844,372)	(6,321,512,555)
Gain from associates recognized in the consolidated income statement during the year	42,258,531,653	69,602,389,875
- Share of profit during the year	*42,258,531,653*	*69,602,389,875*
Dividend received	-	(17,022,453,000)
Other adjustments	(3,588,585,838)	-
ENDING BALANCE	**794,315,339,944**	**764,280,760,972**

12. TANGIBLE FIXED ASSETS

	Office machineries VND	Means of transportation VND	Office equipment VND	Total VND
Cost				
1 January 2019	155,928,064,957	17,551,416,700	2,173,470,957	175,652,952,614
Increase	30,411,919,747	4,618,228,000	624,290,074	35,654,437,821
Purchases	*30,411,919,747*	*4,618,228,000*	*624,290,074*	*35,654,437,821*
Decrease	(4,845,722,528)	(552,987,400)	-	(5,398,709,928)
Disposals	*(4,845,722,528)*	*(552,987,400)*	-	*(5,398,709,928)*
31 December 2019	181,494,262,176	21,616,657,300	2,797,761,031	205,908,680,507
Accumulated depreciation				
1 January 2019	78,583,761,763	11,674,398,268	1,297,068,459	91,555,228,490
Increase	*21,197,390,197*	*1,587,315,565*	*405,041,595*	*23,189,747,357*
Depreciation	*21,197,390,197*	*1,587,315,565*	*405,041,595*	*23,189,747,357*
Decrease	*(4,843,840,912)*	*(552,987,400)*	-	*(5,396,828,312)*
Disposals	*(4,843,840,912)*	*(552,987,400)*	-	*(5,396,828,312)*
31 December 2019	94,937,311,048	12,708,726,433	1,702,110,054	109,348,147,535
Net book value				
1 January 2019	77,344,303,194	5,877,018,432	876,402,498	84,097,724,124
31 December 2019	86,556,951,128	8,907,930,867	1,095,650,977	96,560,532,972

Additional information on tangible fixed assets:

	Ending balance VND	Opening balance VND
Cost of tangible fixed assets which are fully depreciated but still in active use	67,368,365,334	62,386,967,415

13. INTANGIBLE FIXED ASSETS

	Software VND	Other intangible fixed assets VND	Total VND
Cost			
1 January 2019	92,139,521,382	9,232,700,342	101,372,221,724
Increase	26,453,066,503	664,560,000	27,117,626,503
Purchases	*26,453,066,503*	*664,560,000*	*27,117,626,503*
31 December 2019	118,592,587,885	9,897,260,342	128,489,848,227
Accumulated amortisation			
1 January 2019	60,504,780,816	6,222,516,302	66,727,297,118
Increase	10,066,080,146	1,244,274,468	11,310,354,614
Amortisation	*10,066,080,146*	*1,244,274,468*	*11,310,354,614*
31 December 2019	70,570,860,962	7,466,790,770	78,037,651,732
Net book value			
1 January 2019	31,634,740,566	3,010,184,040	34,644,924,606
31 December 2019	48,021,726,923	2,430,469,572	50,452,196,495

13. INTANGIBLE FIXED ASSETS (continued)

Additional information on intangible fixed assets:

	Ending balance VND	Opening balance VND
Cost of intangible fixed assets which are fully depreciated but still in active use	59,110,101,921	50,185,404,651

14. INVESTMENT PROPERTIES

	Buildings and lands VND
Cost	
1 January 2019	278,818,031,178
Decrease	(541,861,861)
- Exchange rate difference arising from conversion of subsidiary's financial statements	*(541,861,861)*
31 December 2019	278,276,169,317
Accumulated depreciation	
1 January 2019	64,256,388,569
Increase	8,393,019,812
- Depreciation	*8,393,019,812*
Decrease	(149,771,814)
- Exchange rate difference arising from conversion of subsidiary's financial statements	*(149,771,814)*
31 December 2019	72,499,636,567
Net book value	
1 January 2019	214,561,642,609
31 December 2019	205,776,532,750

Investment properties are buildings in the United States of America which were bought by SSI International Company (SSIIC) for leasing purpose. As at 31 December 2019, 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 SSI-IMF Fund maintains bank account. Difference arising from the conversion is presented in the "Foreign exchange difference" item in Owners' equity. Properties leasing revenue for the year ended 31 December 2019 was VND 8,318,257,460.

15. CONSTRUCTION IN PROGRESS

	Ending balance VND	Opening balance VND
Software development	3,275,760,471	4,923,184,107
Other construction in progress	26,174,293,818	-
TOTAL	**29,450,054,289**	**4,923,184,107**

16. LONG-TERM PREPAID EXPENSES

	Ending balance VND	Beginning balance VND
Long-term prepaid expenses	37,088,043,669	40,312,468,926

Long-term prepaid expenses mainly include cost of furniture, office equipment, repair and exterior decoration of the Company. These expenses are amortized to the consolidated income statement for the maximum period of 36 months.

17. DEFERRED CORPORATE INCOME TAX ASSETS/ PAYABLES

Deferred corporate income tax assets/ payables arise due to following temporary differences that are non-deductible/taxable in term of corporate income tax:

	Ending balance VND	Beginning balance VND
Deferred income tax asset		
Temporary non-deductible provision for impairment of unlisted shares in the year	-	1,009,600,000
Temporary non-deductible provision for overdue receivables from selling securities	17,813,844,969	29,689,741,615
Temporary non-deductible taxable provision for impairment of loans	319,221,853	6,135,183,665
Temporary taxable expense incurred	4,597,640,704	5,820,133,662
Unrealised revenue arising from financial statement consolidation	9,193,461,645	9,193,461,645
TOTAL	**31,924,169,171**	**51,848,120,587**
Deferred income tax liabilities		
Deferred income tax payable from temporary non-taxable income of subsidiaries	(4,123,557,772)	(2,405,911,387)
Deferred income tax arising from the increase in revaluation of financial assets at FVTPL	7,348,834,147	8,028,126,385
Deferred income tax arising from the increase in revaluation of AFS financial assets	70,942,484,845	72,751,399,745
Deferred income tax arising from the decrease in revaluation of outstanding covered warrants payables which are temporarily non-taxable	2,221,717,677	-
TOTAL	**76,389,478,897**	**78,373,614,743**

18. PAYMENT FOR SETTLEMENT ASSISTANCE FUND

Payment for settlement assistance fund represents the amounts deposited at Vietnam Securities Depository.

According to prevailing regulation of VSD 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. The maximum contribution of each custody to the Settlement Assistance Fund is VND 20 billion for custody members who are the Company with trading securities and brokerage activities.

Details of the payment for settlement assistance fund are as follows:

	Ending balance VND	Ending balance VND
Initial payment	6,087,814,535	6,087,814,535
Addition	7,872,720,527	7,872,720,527
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 the consolidated financial statements, the following assets have been used as collaterals for borrowings:

Assets	Ending balance VND	Beginning balance VND	Purposes
Short-term	**11,422,178,180,000**	**11,344,178,180,000**	
- Financial assets at FVTPL (par value)	1,382,178,180,000	32,178,180,000	Collaterals for short-term
- Term deposits with remaining maturity of less than 1 year	9,740,000,000,000	9,742,000,000,000	Collaterals for short-term
- Certificates of deposits with remaining maturity of less than 1 year	300,000,000,000	1,570,000,000,000	Collaterals for short-term
Long-term	**3,588,801,200,000**	**438,801,200,000**	
- Bonds with remaining maturity of more than 1 year (par value)	3,400,000,000,000	-	Collaterals for short-term
- Certificates of deposits with remaining maturity of more than 1 year	-	300,000,000,000	Collaterals for short-term
- Investments in associates (par value)	188,801,200,000	138,801,200,000	Collaterals for short-term
TOTAL	**15,010,979,380,000**	**11,782,979,380,00**	

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
Bank overdrafts	Under 7.4	3,728,454,753,866	66,583,160,327,215	64,632,518,925,624	5,679,096,155,457
Short-term borrowings from banks	Under 8.5	7,464,704,000,000	32,691,130,000,000	30,284,704,000,000	9,871,130,000,000
- Joint Stock Commercial Bank for Foreign Trade of Vietnam		*2,700,000,000,000*	*13,404,000,000,000*	*13,172,000,000,000*	*2,932,000,000,000*
- Joint Stock Commercial Bank for Investment and Development of Vietnam		-	*3,400,000,000,000*	-	*3,400,000,000,000*
- Bank Sinopac (1)		-	*1,278,750,000,000*	-	*1,278,750,000,000*
- Others		*4,764,704,000,000*	*14,608,380,000,000*	*17,112,704,000,000*	*2,260,380,000,000*
TOTAL		**11,193,158,753,866**	**99,274,290,327,215**	**94,917,222,925,624**	**15,550,226,155,457**

(1) This is the unsecured borrowing from Bank Sinopac under contract No. BFL/HK/161019/238 with a total value of USD 55,000,000. The Company has hedged against foreign exchange risk of this borrowing by entering into a foreign currency forward contract with Bank for Investment and Development of Vietnam JSC, Vietnam Technological and Commercial Joint Stock Bank and Vietnam Maritime Commercial Joint Stock Bank with a total contract value of USD 57,516,197, with term corresponding to term of loan contract with Bank Sinopac and the date of interest settlement.

21. BOND ISSUANCE

	Ending balance VND	Beginning balance VND
Short-term bond issuance	**-**	**255,000,000,000**
SSIBOND012017	-	255,000,000,000
TOTAL	**-**	**255,000,000,000**

SSIBOND012017 are ordinary bonds, which were issued in phase 1 in January 2017 under Resolution No. 01/2017/NQ/HDQT dated 16 January 2017 with quantity of 600 bonds and par value of VND 500 million per bond. These are unsecured bonds, with a 2 year-term. These bonds were matured in January 2019.

22. CONVERTIBLE BOND

	Ending balance VND	Beginning balance VND
Par value of issued convertible bonds	1,150,000,000,000	1,150,000,000,000
Equity component	113,779,095,785	113,779,095,785
Debt component - initial recorded	1,036,220,904,215	1,036,220,904,215
Accumulated accruals of discounted interest allocated to debt component		
Beginning balance	*32,099,487,319*	-
Amortised during the year	*37,617,554,636*	*32,099,487,319*
Ending balance	*69,717,041,955*	*32,099,487,319*
Debt component at the end of the year	**1,105,937,946,170**	**1,068,320,391,534**

On 9 February 2018, the Company completed the issuance of convertible bonds with par value of VND 1,150 billion, maturity of 3 years, and interest rate at 4% per annum and coupon payment period of every 6 months on the last working day of the period in accordance with Resolution No. 01/2018/NQ-DHDCD dated 12 January 2018 of the General Shareholders Meeting. These bonds can be converted into ordinary shares of the Company until maturity and the conversion right shall belong to bondholders. The number of bonds converted each time shall be not less than 30% of the total value of bonds issued and the number of conversions shall be no more than 03 times. At the time of conversion, the Company will issue new shares to convert bonds and the charter capital will then be increased accordingly.

Accounting for equity component and debt component of convertible bonds are in accordance with guidance in Circular No. 200/2014/TT-BTC. Discount rate used to determine the initial debt component and the interest expense is 7.76% per annum. The difference between the interest expense of bonds at the discount rate and nominal interest payable is periodically allocated to the convertible bonds - debt component.

23. PAYABLES FOR SECURITIES TRADING ACTIVITIES

	Ending balance VND	Beginning balance VND
Payables to the Stock Exchange	-	20,890,746,200
Outstanding covered warrant payables (*)	30,254,764,400	-
TOTAL	**30,254,764,400**	**20,890,746,200**

(*) The Company issues covered warrants under offering licenses issued by State Securities Commission. As at 31 December 2019, the number of covered warrants issued by the Company are as belows:

Unit: Number of Covered warrants

	Ending balance	Beginning balance
The number of authorized covered warrants	**13,000,000**	**-**
FPT/6.5M/SSI/C/EU/Cash-02	1,000,000	-
HPG/6.5M/SSI/C/EU/Cash-02	1,000,000	-
MBB/6.5M/SSI/C/EU/Cash-02	3,000,000	-
MBB/3.5M/SSI/C/EU/Cash-02	2,000,000	-
REE/3.5M/SSI/C/EU/Cash-01	1,000,000	-
REE/6.5M/SSI/C/EU/Cash-01	1,000,000	-
VHM/6.5M/SSI/C/EU/Cash-01	1,000,000	-
VIC/6.5M/SSI/C/EU/Cash-01	1,000,000	-
VJC/6.5M/SSI/C/EU/Cash-01	1,000,000	-
VNM/6.5M/SSI/C/EU/Cash-01	1,000,000	-
		-
The number of outstanding covered warrants	**6,559,290**	**-**
FPT/6.5M/SSI/C/EU/Cash-02	576,590	-
HPG/6.5M/SSI/C/EU/Cash-02	943,240	-
MBB/6.5M/SSI/C/EU/Cash-02	2,083,970	-
MBB/3.5M/SSI/C/EU/Cash-02	1,081,360	-
REE/3.5M/SSI/C/EU/Cash-01	457,470	-
REE/6.5M/SSI/C/EU/Cash-01	356,700	-
VHM/6.5M/SSI/C/EU/Cash-01	365,670	-
VIC/6.5M/SSI/C/EU/Cash-01	64,250	-
VJC/6.5M/SSI/C/EU/Cash-01	79,250	-
VNM/6.5M/SSI/C/EU/Cash-01	550,790	-

24. SHORT-TERM PAYABLES TO SUPPLIERS

	Ending balance VND	Beginning balance VND
High Resolution Co., Ltd.	-	2,122,697,771
TTT Trading and Construction JSC.	-	974,748,881
CMC System Integration Co., Ltd.	5,999,696,699	1,783,887,600
Hoang Long Co., Ltd	-	841,879,940
Vietnam Technology Trading Co., Ltd.	368,241,390	736,482,780
HPT Vietnam Corporation	211,400,700	-
VietGuys JSC.	225,301,060	269,948,151
KOMPA Technology Co., Ltd.	1,418,593,600	-
FPT Corporation	1,506,720,000	-
Metro Information Consultancy Co.	400,926,058	-
Expressgo Co., Ltd.	400,207,500	-
Horizon Software Asia Ltd.	1,341,670,993	-
Payables for covered warrants due upon maturity	12,004,444,390	-
Other payables	6,154,668,013	3,141,924,962
TOTAL	**30,031,870,403**	**9,871,570,085**

25. TAXATION AND STATUTORY OBLIGATION

	Ending balance VND	Beginning balance VND
Value added tax	1,186,696,099	815,853,250
Corporate income tax	30,583,472,184	40,748,215,998
Personal income tax	23,278,156,755	23,980,857,101
Foreign contractors withholding tax	4,412,809,874	4,405,354,623
TOTAL	**59,461,134,912**	**69,950,280,972**

Details of taxation and statutory obligations:

No.	Items	Beginning balance VND	Payable in the year VND	Paid in the year VND	Ending balance VND
I	**Tax**	**69,950,280,972**	**427,375,818,099**	**437,864,964,159**	**59,461,134,912**
1	Value added tax on domestic services	815,853,250	11,243,345,089	10,872,502,240	1,186,696,099
2	Corporate income tax (Note 40.1)	40,748,215,998	178,677,854,956	188,842,598,770	30,583,472,184
3	Other taxes	28,386,211,724	237,454,618,054	238,149,863,149	27,690,966,629
	Personal income tax	*6,163,608,106*	*47,748,584,174*	*47,571,700,518*	*6,340,491,762*
	Personal income tax on behalf of investors	*17,817,248,995*	*139,293,363,555*	*140,172,947,557*	*16,937,664,993*
	Business registration tax	*-*	*20,500,000*	*20,500,000*	*-*
	Others	*4,405,354,623*	*50,392,170,325*	*50,384,715,074*	*4,412,809,874*
II	**Other obligatory payables**	**-**	**142,677,141**	**142,677,141**	**-**
TOTAL		**69,950,280,972**	**427,518,495,240**	**438,007,641,300**	**59,461,134,912**

26. SHORT-TERM ACCRUED EXPENSES

	Ending balance VND	Beginning balance VND
Payables to Stock Exchange and Vietnam Securities Depository	13,427,133,997	10,258,172,942
Interest payable for bonds issued by the Company	-	20,969,732,878
Interest payable for convertible bonds	19,166,666,665	19,038,888,887
Interest payable for borrowings	52,269,483,284	50,361,178,367
Accrued interest expenses on securities brokerage contracts and deposit management contracts	918,878,038	4,130,279,305
Services fee	765,000,000	1,015,000,000
Commission payable to counter parties	6,735,623,994	5,656,129,033
Others	5,708,355,765	2,462,640,636
TOTAL	**98,991,141,743**	**113,892,022,048**

27. OTHER SHORT-TERM PAYABLES

	Ending balance VND	Beginning balance VND
Deposits from customers for purpose of purchasing securities (1)	5,000,000,000	57,500,000,000
Principal payables under deposit management contracts (2)	304,165,194,916	1,420,841,254,925
Dividend and coupon payables	8,826,384,206	7,769,771,206
- Dividend payable to shareholders of the Company	*8,136,432,750*	*7,079,819,750*
- Coupon payables for bonds holders of the Company	*689,951,456*	*689,951,456*
Other payables	25,365,294,251	4,217,955,237
TOTAL	**343,356,873,373**	**1,490,328,981,3**

(1) Deposits from customers include margin deposits of customers related to securities brokerage and securities purchase contracts. The Company receives deposits to purchase securities as requested by customers.

(2) Principal payables under deposit management contracts are investor's deposits managed by the Company in accordance with the contracts..

28. LONG-TERM UNREALIZED REVENUE

	Ending balance VND	Beginning balance VND
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 an associate (VFG)	12,890,045,591	12,890,045,591
Disposal of other shares to associates	9,277,932,564	9,277,932,564
TOTAL	**51,187,159,357**	**51,187,159,357**

These are unrealised profit 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.

29. OWNERS' EQUITY

29.1 Undistributed profit

	Ending balance VND	Beginning balance VND
Realized profit	3,194,600,794,526	3,056,176,268,973
Unrealized profit	(253,133,752,645)	(261,070,344,571)
- Unrealized profit and deferred tax on revaluation of FVTPL financial assets and outstanding covered warrant payables	*(236,325,785,752)*	*(261,318,404,420)*
- Unrealized (loss)/gain on foreign exchange rate differences	*(16,807,966,893)*	*248,059,849*
TOTAL	**2,941,467,041,881**	**2,795,105,924,402**

29.OWNERS' EQUITY (continued)

29.2 Changes in owners' equity

	Share capital VND	Share premium VND	Convertible bond-Equity component VND	Treasury shares VND	Difference from revaluation of assets at fair value VND	Foreign exchange rate differences VND	Charter capital supplementary reserve VND	Operational risk and financial reserve VND	Undistributed profit VND	Non-controlling interests VND	Total VND
Beginning balance	5,100,636,840,000	29,470,756,034	113,779,095,785	(8,733,738,884)	277,801,019,026	41,038,039,125	412,057,165,307	327,549,570,623	2,795,105,924,402	66,959,856,215	9,155,664,527,633
Profit after tax	-	-	-		-	-	-	-	907,096,976,031		907,096,976,031
Purchases of treasury shares	-	-	-	(10,392,739,400)	-	-	-	-	-	-	(10,392,739,400)
Revaluation of AFS financial assets	-	-	-	-	(18,305,849,993)	-	-	-	-	-	(18,305,849,993)
Cash dividend 2018 (10%)	-	-	-	-	-	-	-	-	(508,054,730,000)	-	(508,054,730,000)
Charter capital supplementary reserve of 5% profit after tax under the Resolution of the GMS	-	-	-	-	-	-	65,246,509,028	-	(65,246,509,028)	-	-
Operational risk and financial reserve of 5% profit after tax under the Resolution of the GMS	-	-	-	-	-	-	-	65,246,509,028	(65,246,509,028)	-	-
Bonus, welfare, and charity funds under Resolution of the GMS	-	-	-	-	-	-	-	-	(91,345,112,639)	-	(91,345,112,639)
Foreign exchange rates differences arising from conversion of SSIIC's financial statements	-	-	-	-	-	(655,844,873)	-	-	-	-	(655,844,873)
Difference arising from change of associate's number of outstanding shares	-	-	-	-	-	-	-	-	(7,343,844,372)	-	(7,343,844,372)
Difference arising from associate's changes of investment portion in their subsidiaries	-	-	-	-	-	-	-	-	(22,288,820,220)	-	(22,288,820,220)
Other increases	-	-	-	-	-	-	-	-	329,650,000	-	329,650,000
Other decrease	-	-	-	-	-	-	-	-	(3,644,431,962)	-	(3,644,431,962)
Non-controlling interests	-	-	-	-	-	-	-	-	2,104,448,697	(2,104,448,697)	-
Ending balance	**5,100,636,840,000**	**29,470,756,034**	**113,779,095,785**	**(19,126,478,284)**	**259,495,169,033**	**40,382,194,252**	**477,303,674,335**	**392,796,079,651**	**2,941,467,041,881**	**64,855,407,518**	**9,401,059,780,205**

29.OWNERS' EQUITY (continued)

29.3 Profit distribution to shareholders

	Current year VND	Previous year VND
1. Undistributed realized profit at the beginning of the year (as at 1 January 2019 and 1 January 2018)	3,056,176,268,973	2,235,685,451,553
2. Unrealized loss at the end of the year (as at 31 December 2019 and 31 December 2018)	(291,415,975,045)	(293,198,261,406)
3. Realized profit of the year	901,594,482,802	1,543,064,033,874
4.Undistributed profit belonging to shareholders at the end of the year ((4) = (1) + (2) + (3))	3,666,354,776,730	3,485,551,224,021
5, Reserve appropriated	(255,115,227,249)	(223,402,886,455)
- Charter capital supplementary reserve	*(65,246,509,028)*	*(56,644,766,511)*
- Operational risk and financial reserve	*(65,246,509,028)*	*(56,644,766,511)*
- Bonus, welfare and charity funds	*(91,345,112,639)*	*(79,302,673,115)*
- Others	*(33,277,096,554)*	*(30,810,680,318)*
6, Profit distributed to shareholders during the year under Resolution of the General Meeting of Shareholders	(508,054,730,000)	(499,170,330,000)
Maximal profit available for distribution to shareholders	**2,903,184,819,481**	**2,762,978,007,566**

29.4 Shares

	Current year	Previous year
Authorized shares	**510,063,684**	**510,063,684**
Issued shares	**510,063,684**	**510,063,684**
Shares issued and fully paid	510,063,684	510,063,684
- Ordinary shares	*510,063,684*	*510,063,684*
- Preference shares	-	-
Treasury shares	**(2,009,008)**	**(893,377)**
Treasury shares held by the Company	(2,009,008)	(893,377)
- Ordinary shares	*(2,009,008)*	*(893,377)*
- Preference shares	-	-
Outstanding shares	**508,054,676**	**509,170,307**
- Ordinary shares	*508,054,676*	*509,170,307*
- Preference shares	-	-

30. DISCLOSURE ON OFF-BALANCE SHEET ITEMS

30.1 Foreign currencies

	Current year	Previous year
USD	6,838,499.50	6,556,662.33
EUR	34,334.41	84,345.41
GBP	37,140.64	37,151.64

30.2 Financial assets listed/registered for trading at Vietnam Securities Depository ("VSD") of the Company

	Current year VND	Previous year VND
Unrestricted financial assets	720,893,810,000	665,060,300,000
Restricted financial assets	-	35,908,790,000
Mortgage financial assets	270,979,380,000	170,979,380,000
Financial assets awaiting for settlement	4,692,000,000	999,500,000
TOTAL	**996,565,190,000**	**872,947,970,000**

30.3 Non-traded financial assets deposited at VSD of the Company

	Current year VND	Previous year VND
Unrestricted and non-traded financial assets deposited at VSD	9,480,260,000	9,482,230,000
Restricted and non-traded financial assets deposited at VSD	1,000,000,000	1,000,000,000
TOTAL	**10,480,260,000**	**10,482,230,000**

30.4 Awaiting financial assets of the Company

	Current year VND	Previous year VND
Shares	2,370,800,000	10,135,100,000

30.5 Financial assets which have not been deposited at VSD of the Company

	Current year VND	Previous year VND
Fund certificates	40,000,000,000	59,459,920,000
Shares	458,255,460,000	298,965,390,000
Bonds	4,191,654,800,000	555,000,000,000
TOTAL	**4,689,910,260,000**	**913,425,310,000**

30.6. Financial assets listed/registered for trading at VSD of investors

	Current year VND	Previous year VND
Unrestricted financial assets	40,264,432,904,400	34,656,128,250,000
Restricted financial assets	609,448,260,000	548,270,620,000
Mortgage financial assets	6,311,732,090,000	6,641,685,800,000
Blocked financial assets	457,518,280,000	305,694,280,000
Financial assets awaiting for settlement	327,633,899,300	341,883,550,000
TOTAL	**47,970,765,433,700**	**42,493,662,500,000**

30. DISCLOSURE ON OFF-BALANCE SHEET ITEMS (continued)

30.7. *Non-traded financial assets deposited at VSD of investors*

	Ending balance VND	Beginning balance VND
Unrestricted and non-traded financial assets deposited at VSD	330,441,990,000	324,305,840,000
Restricted and non-traded financial assets deposited at VSD	52,037,000,000	52,256,010,000
Mortgaged, blocked and non-traded financial assets deposited at VSD	145,000,000	145,000,000
TOTAL	**382,623,990,000**	**376,706,850,000**

30.8 Awaiting financial assets of investors

	Ending balance VND	Beginning balance VND
Shares	278,568,854,100	248,603,350,000

30.9 Financial assets unregistered at VSD of investors

	Ending balance VND	Beginning balance VND
Shares	35,217,990,000	66,834,410,000

30.10 Entitled financial assets of investors

	Ending balance VND	Beginning balance VND
Shares	97,275,710,000	121,069,940,000
Bonds	-	40,799,000,000
TOTAL	**97,275,710,000**	**161,868,940,000**

30.11 Investors' deposits

	Ending balance VND	Beginning balance VND
Investors' deposits for securities trading activities managed by the Company	2,065,881,233,987	2,666,193,777,876
- Domestic investors' deposits for securities trading activities managed by the Company	*1,864,381,591,249*	*2,448,286,368,784*
- Foreign investors' deposits for securities trading activities managed by the Company	*201,499,642,738*	*217,907,409,092*
Investors' deposits at VSD	415,120,594,227	610,905,763,675
Investors' synthesizing deposits for securities trading activities	3,790,098,239	4,553,932,668
TOTAL	**2,484,791,926,453**	**3,281,653,474,219**

30.12 Deposits of securities issuers

	Ending balance VND	Beginning balance VND
Deposits for securities underwriting and issuance agency services	46,112,406,060	101,060
Deposits for dividends, bond principals and interest payments	889,298,184	1,802,844,784
TOTAL	**47,001,704,244**	**1,802,945,844**

30.13 Payables to investors

	Ending balance VND	Beginning balance VND
Payables to investors - investors' deposits for securities trading activities managed by the Company	2,481,001,828,214	3,277,099,541,551
- Domestic investors	*1,986,051,905,846*	*2,769,817,505,805*
- Foreign investors	*494,949,922,368*	*507,282,035,746*
TOTAL	**2,481,001,828,214**	**3,277,099,541,551**

30.14 Payables to securities issuers

	Ending balance VND	Beginning balance VND
Other payables to securities issuers	46,112,406,060	101,060

30.15 Dividend, bond principal and interest payables

	Ending balance VND	Beginning balance VND
Deposits for dividends, bond principals and interest payments of securities issuers	889,298,184	1,802,844,784

31. GAIN/(LOSS) FROM FINANCIAL ASSETS

31.1. 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**						
1	**Listed shares and securities**	**60,976,777**		**1,614,730,253,616**	**1,455,768,303,879**	**158,961,949,737**	**230,503,281,958**
	TMS	6,568,053	33,074	217,185,066,560	164,888,437,812	52,296,628,748	-
	FPT	4,988,150	55,021	274,452,451,000	236,290,310,346	38,162,140,654	263,765,042
	MBB	9,375,900	22,515	211,097,180,500	196,259,557,864	14,837,622,636	439,479,292
	MWG	1,124,850	117,753	132,454,177,000	122,660,001,301	9,794,175,699	234,966
	PLX	1,868,300	58,394	109,096,928,000	104,190,357,391	4,906,570,609	141,348,397,163
	FUESSV50	2,354,700	13,047	30,720,830,700	25,950,958,378	4,769,872,322	2,392,377,042
	Other listed shares and fund certificates	34,696,824		639,723,619,856	605,528,680,787	34,194,939,069	86,059,028,453
2	**Unlisted shares and fund certificates**	**17,018,592**		**180,397,250,784**	**140,552,423,682**	**39,844,827,102**	**4,020,000,000**
	SSISCA	1,945,992	18,255	35,523,564,384	26,500,000,000	9,023,564,384	-
	Other unlisted shares	15,072,600		144,873,686,400	114,052,423,682	30,821,262,718	4,020,000,000
3	**Listed bonds**	**56,306,886**		**6,271,271,962,364**	**6,249,862,532,983**	**21,409,429,381**	**30,336,827,273**
	TP_TD1828120	1,500,000	108,319	162,478,500,000	159,034,500,000	3,444,000,000	-
	TP_TD1424093	1,500,000	123,371	185,056,500,000	182,752,500,000	2,304,000,000	-
	TP_TD1929178	1,500,000	101,559	152,338,500,000	150,034,500,000	2,304,000,000	-
	TP_TD1636502	2,000,000	134,577	269,153,000,000	267,329,000,000	1,824,000,000	1,960,000,000
	Other listed bonds	49,806,886		5,502,245,462,364	5,490,712,032,983	11,533,429,381	28,376,827,273
4	**Unlisted bonds and other securities**	**24,833,650**		**40,785,930,766,904**	**40,680,836,926,315**	**105,093,840,589**	**40,653,184,272**
	TP_MB.2018.7Y.02	13,000	103,596,651	1,346,756,465,000	1,329,961,559,364	16,794,905,636	700,686,000
	TP_MB.BOND.2017.7Y.14	33,020	103,065,205	3,403,213,059,260	3,392,106,853,370	11,106,205,890	21,096,000,000
	TP_VNCMBOND14_19	500	1,000,000,000	500,000,000,000	488,284,947,175	11,715,052,825	709,493,113
	Other unlisted bonds and securities	24,787,130		35,535,961,242,644	35,470,483,566,406	65,477,676,238	18,147,005,159
5	**Gain from derivative contracts**					**17,574,919,000**	**3,747,190,000**
	TOTAL	**159,135,905**		**48,852,330,233,668**	**48,527,020,186,859**	**342,884,965,809**	**309,260,483,503**
II	**LOSS**						
1	**Listed shares and securities**	**41,784,183**		**1,221,225,211,092**	**1,318,375,673,722**	**(97,150,462,630)**	**(49,088,899,315)**
	GEX	5,472,850	22,769	124,612,735,500	143,934,156,561	(19,321,421,061)	-
	CTD	440,790	104,757	46,175,644,000	60,268,953,640	(14,093,309,640)	(11,395,509)
	HPG	7,777,810	24,437	190,067,966,500	201,667,328,317	(11,599,361,817)	(5,533,536)
	Other listed shares and securities	28,092,733		860,368,865,092	912,505,235,204	(52,136,370,112)	(49,071,970,270)
2	**Unlisted shares and others**	**-**		**-**	**-**	**-**	**(4,250,700,000)**
3	**Listed bonds**	**146,880,000**		**15,662,931,900,000**	**15,665,195,220,000**	**(2,263,320,000)**	**(5,521,927,273)**
4	**Unlisted bonds and securities**	**8,133**		**1,675,372,205,168**	**1,702,259,099,863**	**(26,886,894,695)**	**(46,859,874,349)**
	TP_BIDVBOND14.24	100	948,212,921	94,821,292,100	100,335,900,000	(5,514,607,900)	(1,916,000,000)
	TP_MB.2018.7Y.02	5,000	99,242,317	496,211,584,000	501,352,208,074	(5,140,624,074)	-
	TP_MB.BOND.2017.7Y.14	2,500	98,563,604	246,409,010,430	251,350,725,000	(4,941,714,570)	(25,389,162,000)
	Other unlisted bonds and securities	533		837,930,318,638	849,220,266,789	(11,289,948,151)	(19,554,712,349)
5	**Loss from derivative contracts**					**(6,939,770,000)**	**(4,918,531,000)**
	TOTAL	**188,672,316**		**18,559,529,316,260**	**18,685,829,993,585**	**(133,240,447,325)**	**(110,639,931,937)**

31. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)

31.2. 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 VND	Gain/(loss) recorded this year VND
I	**FVTPL**	**4,553,053,867,450**	**4,315,244,773,067**	**(237,809,094,383)**	**(253,290,278,039)**	**15,481,183,656**
1	***Listed shares and other listed securities***	***1,672,963,319,467***	***1,447,285,043,649***	***(225,678,275,818)***	***(240,549,653,397)***	***14,871,377,579***
	ELC	191,238,144,589	52,962,725,140	(138,275,419,449)	(123,574,304,278)	(14,701,115,171)
	GEX	132,827,558,855	104,727,985,650	(28,099,573,205)	(59,553,921,116)	31,454,347,911
	DBC	253,101,130,155	233,814,891,600	(19,286,238,555)	(25,703,806,078)	6,417,567,523
	FPT	159,446,563,013	178,218,144,500	18,771,581,487	(21,135,197,553)	39,906,779,040
	HPG	179,508,676,258	183,250,791,000	3,742,114,742	(15,130,860,523)	18,872,975,265
	MBB	72,715,536,508	69,127,156,800	(3,588,379,708)	(3,734,373,915)	145,994,207
	OPC	163,914,646,949	157,071,600,000	(6,843,046,949)	5,451,108,996	(12,294,155,945)
	Other listed shares and securities	520,211,063,140	468,111,748,959	(52,099,314,181)	2,831,701,070	(54,931,015,250)
2	***Listed shares used as hedging for covered warrants***	***147,825,259,973***	***148,166,359,500***	***341,099,527***	***-***	***341,099,527***
	MBB	24,218,098,386	23,022,979,200	(1,195,119,186)	-	(1,195,119,186)
	FPT	25,783,439,996	28,818,914,300	3,035,474,304	-	3,035,474,304
	HPG	18,404,132,189	18,814,335,000	410,202,811	-	410,202,811
	REE	15,912,611,872	15,723,708,000	(188,903,872)	-	(188,903,872)
	VNM	33,601,112,644	32,003,715,000	(1,597,397,644)	-	(1,597,397,644)
	VIC	3,829,766,027	3,798,450,000	(31,316,027)	-	(31,316,027)
	VJC	10,515,409,420	10,788,098,000	272,688,580	-	272,688,580
	VHM	15,560,689,439	15,196,160,000	(364,529,439)	-	(364,529,439)
3	***Unlisted shares and fund certificates***	***399,114,275,313***	***386,642,357,221***	***(12,471,918,092)***	***(7,692,624,642)***	***(4,779,293,450)***
4	***Unlisted bonds and other securities***	***2,333,151,012,697***	***2,333,151,012,697***	***-***	***(5,048,000,000)***	***5,048,000,000***
II	**AFS**	**429,604,461,632**	**760,042,115,504**	**330,437,653,872**	**350,552,418,765**	**(20,114,764,893)**
1	**Listed shares**	**251,088,814,728**	**591,104,213,600**	**340,015,398,872**	**350,552,418,765**	**(10,537,019,893)**
	SGN	172,712,731,397	447,423,470,000	274,710,738,603	328,239,512,209	(53,528,773,606)
	DHC					
	Other listed shares					
2	***Unlisted shares***	***178,515,646,904***	***168,937,901,904***	***(9,577,745,000)***	***-***	***(9,577,745,000)***
	TOTAL	**4,982,658,329,082**	**5,075,286,888,571**	**92,628,559,489**	**97,262,140,726**	**(4,633,581,237)**

31.3. Differences from revaluation of covered warrant payables

No.	Issued covered warrants	Cost VND	Market value VND	Revaluation difference at the end of the year VND	Revaluation difference at the beginning of the year VND	Gain/(loss) recorded this year
1	VNM/6.5M/SSI/C/EU/Cash-01	12,325,069,601	7,716,567,900	4,608,501,701	-	4,608,501,701
2	FPT/6.5M/SSI/C/EU/Cash-02	4,477,770,138	4,508,933,800	(31,163,662)	-	(31,163,662)
3	HPG/6.5M/SSI/C/EU/Cash-02	4,144,079,307	4,112,526,400	31,552,907	-	31,552,907
4	MBB/3.5M/SSI/C/EU/Cash-02	2,462,895,631	778,579,200	1,684,316,431	-	1,684,316,431
5	MBB/6.5M/SSI/C/EU/Cash-02	6,350,549,539	3,709,466,600	2,641,082,939	-	2,641,082,939
6	REE/3.5M/SSI/C/EU/Cash-01	1,953,893,394	942,388,200	1,011,505,194	-	1,011,505,194
7	REE/6.5M/SSI/C/EU/Cash-01	2,052,589,477	1,733,562,000	319,027,477	-	319,027,477
8	VHM/6.5M/SSI/C/EU/Cash-01	4,439,430,132	3,689,610,300	749,819,832	-	749,819,832
9	VIC/6.5M/SSI/C/EU/Cash-01	982,199,402	919,417,500	62,781,902	-	62,781,902
10	VJC/6.5M/SSI/C/EU/Cash-01	2,120,148,231	2,143,712,500	(23,564,269)	-	(23,564,269)
	TOTAL	**41,308,624,852**	**30,254,764,400**	**11,053,860,452**	**-**	**11,053,860,452**

31. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)

31.4 Dividend, interest income from financial assets at FVTPL, HTM investments, AFS financial assets, loans and receivables

	Current year VND	Previous year VND
From financial assets at FVTPL	82,344,443,777	88,429,902,062
From HTM financial assets	991,168,158,800	716,061,639,277
From loans and receivables	677,893,533,729	710,869,164,035
From AFS financial assets	83,305,018,553	209,534,611,481
Dividends, interests arising from AFS financial assets	*18,369,364,500*	*29,921,747,500*
Difference arising from revaluation of AFS financial assets at fair value when reclassification for selling purpose	*64,935,654,053*	*179,612,863,981*
- OPC	*-*	*79,762,779,371*
- TMS	*-*	*54,767,077,941*
- TDM	*12,905,000,000*	*-*
- SGN	*51,809,222,037*	*6,780,080,390*
- Others	*221,432,016*	*38,302,926,279*
TOTAL	**1,834,711,154,859**	**1,724,895,316,855**

32. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND DOUBTFUL DEBTS

	Current year VND	Previous year VND
Provision expense for impairment of loans	487,522,858	6,594,554,707
Provision expense for doubtful receivables from selling securities	-	33,077,825,063
Provision expense for impairment of AFS financial assets	11,013,850,000	-
TOTAL	**11,501,372,858**	**39,672,379,770**

33. OTHER OPERATING REVENUE

	Current year VND	Previous year VND
Revenue from leasing assets	8,383,712,004	4,628,613,317
Revenue from other financial services	4,606,607,925	1,017,308,438
Revenue from fund management	23,061,556,213	28,648,065,374
Revenue from trusted portfolio management	10,584,008,522	35,861,122,917
Other revenues (include fee from supporting trading securities services)	21,393,976,292	17,632,272,217
TOTAL	**68,029,860,956**	**87,787,382,263**

34. EXPENSES FOR OPERATING ACTIVITIES

	Current year VND	Previous year VND
Expenses for securities brokerage activities (payables to Stock Exchanges, payroll, employee expenses and others)	555,493,733,108	772,657,137,549
Expenses for securities underwriting activities and securities issuance agent services	15,040,853,528	644,244,526
Expenses for financial advisory activities	17,444,386,941	52,479,927,302
Expenses for securities investment advisory activities	21,502,445,834	20,611,871,141
Expenses for securities custodian activities	27,540,046,739	22,252,011,562
Other operating expenses (Note 35)	128,703,913,660	111,558,768,564
TOTAL	**765,725,379,810**	**980,203,960,644**

TOTAL EXPENSES FOR OPERATING ACTIVITIES BY TYPES EXPENSES

	Current year VND	Previous year VND
Expenses for securities brokerage activities	142,308,930,113	308,664,023,273
Expenses for custodian services	27,540,046,739	22,252,011,562
Expenses on payroll and other employees' benefits	253,733,279,209	354,350,264,575
Expenses for social security, health insurance, union fee and unemployment insurance	19,400,612,506	17,405,674,150
Expenses for office supplies	1,413,938,351	1,293,981,717
Expenses for tools	3,084,138,780	8,302,585,973
Depreciation expenses	32,030,259,414	22,419,812,539
Provision/(reversal of provision) expenses	5,000,000	(160,568,499)
Expenses for external services	162,354,319,704	133,243,256,210
Capital expenditures	86,949,168,790	83,203,018,717
Expenses from shared income of fund management activities	7,450,772,590	9,944,940,287
Other expenses	29,454,913,614	19,284,960,140
TOTAL	**765,725,379,810**	**980,203,960,644**

35. OTHER OPERATING EXPENSES

	Current year VND	Previous year VND
Expenses for funds management activities	18,414,593,655	19,321,897,459
Expense for trusted portfolios management activities	1,073,519,394	1,069,414,297
Expense for other activities of Fund Management Company	4,104,373,596	3,734,348,894
Interest expenses on deposit management contracts	69,948,815,774	52,084,533,013
Interest expenses on investors' deposits for securities brokerage activities	2,971,506,848	14,076,185,961
Provision/(reversal of provision) for doubtful debts	5,000,000	(160,568,499)
- Provision/(reversal of provision) for receivables from services provided by the Company	*5,000,000*	*(160,568,499)*
Expense for leasing investment properties	18,576,262,108	15,508,354,597
Other expenses	13,609,842,285	5,924,602,842
TOTAL	**128,703,913,660**	**111,558,768,564**

36. FINANCE INCOME

	Current year VND	Previous year VND
Differences in foreign exchange rate	435,548,098	3,303,149,879
Interest income from demand deposits	20,355,221,628	23,823,241,348
Share of profit in associates *(Note 11)*	42,258,531,653	69,602,389,875
Gain from disposal of investments in associates	-	164,457,327,326
Other investment income	3,456,980,508	4,638,165,478
TOTAL	**66,506,281,887**	**265,824,273,906**

37. FINANCE EXPENSES

	Current year VND	Previous year VND
Loss from foreign exchange rate differences	19,611,726,414	4,697,732,904
Borrowing costs	804,176,964,572	536,540,563,261
- Interest for bond issuance	*84,890,283,968*	*107,876,630,503*
- Interest for short-term borrowings	*719,286,680,604*	*428,663,932,758*
Other finance expenses	14,832,880,334	5,680,695,698
TOTAL	**838,621,571,320**	**546,918,991,863**

38. GENERAL AND ADMINISTRATIVE EXPENSES

	Current year VND	Previous year VND
Payroll and other employees' benefits	76,729,652,344	78,886,505,333
Social security, health insurance, union fee and unemployment insurance	5,311,515,200	5,397,225,250
Office supplies	1,283,880,742	1,771,998,713
Tools	3,189,011,065	2,314,721,959
Depreciation expenses	9,650,426,378	7,510,923,915
External service expenses	84,253,347,664	66,725,632,630
Other expenses	12,820,420,379	11,076,637,442
TOTAL	**193,238,253,772**	**173,683,645,242**

39. OTHER INCOME AND EXPENSES

	Current year VND	Previous year VND
Other incomes	7,067,722,985	58,417,373,996
- Gain from disposal of fixed assets	*292,051,076*	*54,144,381,818*
- Other incomes	*6,775,671,909*	*4,272,992,178*
Other expenses	(160,809,383)	(2,233,836,059)
TOTAL	**6,906,913,602**	**56,183,537,937**

40. CORPORATE INCOME TAX

40.1 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 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 years 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% on the total taxable profit according to Circular No. 78/2014/TT-BTC dated 02 August 2014.

The estimated current corporate income tax is represented in the table below:

	Current year VND	Previous year VND
Profit before tax	**1,105,523,561,457**	**1,623,213,463,955**
Adjustments to accounting profit	***(272,210,616,028)***	***(68,767,656,448)***
Increases:	339,363,886,958	844,358,383,189
- Provision for impairment of unlisted shares at the end of the year	*-*	*5,048,000,000*
- Provision for non-deductible overdue receivables from selling securities at the end of the year	*89,069,224,845*	*148,448,708,075*
- Decrease in revaluation of financial assets at FVTPL	*232,329,833,598*	*510,162,874,917*
- Increase in revaluation of outstanding covered warrant payables	*14,923,408,826*	*-*
- Provision for impairment of loans at the end of the year	*1,596,109,265*	*30,675,918,324*
- Carry forward of taxable temporary difference	*-*	*23,945,868,756*
- Increase due to the adjustment of cost allocation method in 2016, 2017 and 2018	*-*	*5,785,972,347*
- Difference in associates' shares disposal between separate and consolidated financial statements	*-*	*98,657,309,322*
- Unrealized revenue arising from consolidated financial statements	*-*	*17,676,050,390*
- Non-deductibles expenses during the year	*1,445,310,424*	*3,957,681,058*
Decreases:	(611,574,502,986)	(913,126,039,637)
- Income from tax exempted activities – dividends	*(49,332,814,426)*	*(49,504,822,356)*
- Reversal of provision for impairment of unlisted shares at the beginning of the year	*(5,048,000,000)*	*(19,850,000,000)*
- Reversal of provision for impairment of investment awaiting for payback at the beginning of the year	*-*	*(153,208,011,211)*
- Provision expenses for securities in the year	*(3,591,426,522)*	*(150,951,518,874)*
- Reversal of provision for non-deductible overdue receivables from selling securities at the beginning of the year	*(148,448,708,075)*	*-*
- Reversal of provision for impairment of loans at the beginning of the year	*(30,675,918,324)*	*(32,070,269,995)*
- Increase in revaluation of financial assets at FVTPL	*(247,811,017,254)*	*(249,068,059,560)*
- Decrease in revaluation of outstanding covered warrant payables	*(25,977,269,278)*	*-*
- Taxable income of 2015 of the investment awaiting for payback	*-*	*(128,873,845,237)*
- Decrease adjustments in accordance with 2018 tax finalization	*(7,078,359,289)*	*-*
- Profit before tax from subsidiaries	*(45,297,869,229)*	*(36,746,737,600)*
- Gain from investments in associates	*(42,258,531,653)*	*(69,602,389,877)*
- Temporary taxable difference of the previous year	*(6,054,588,936)*	*(23,250,384,927)*

40. CORPORATE INCOME TAX (continued)

Corporate income tax ("CIT") *(continued)*

The estimated current corporate income tax is represented in the table below (continued):

	Current year VND	Previous year VND
Estimated current taxable income	**833,312,945,429**	**1,554,445,807,508**
Corporate income tax rate	20%	20%
Estimated CIT expenses	**166,662,589,086**	**310,889,161,501**
Estimated CIT expenses in subsidiaries	**10,962,040,405**	**8,516,740,990**
CIT payable at the beginning of the year	40,748,215,998	84,299,155,217
CIT adjustment in accordance with tax finalization	1,053,225,465	1,596,872,630
CIT adjustment of 2016 and 2017 in accordance with tax finalization	-	(1,157,194,468)
CIT paid in the year	(188,842,598,770)	(363,396,519,872)
CIT payable at the end of the year	**30,583,472,184**	**40,748,215,998**

40.2 Deferred corporate income tax

Movement of deferred CIT during the year is as follows:

	Current year VND	Previous year VND
Deferred income tax assets		
Opening balance	51,848,120,587	76,547,370,505
Deferred CIT due to decrease of non-deductible provision for diminution in value of unlisted shares in the year	(1,009,600,000)	(2,960,400,000)
Non-deductible (reversal of provision)/ provision for overdue receivables from selling securities	(11,875,896,646)	29,689,741,615
Deferred CIT due to reversal of provision for impairment of collateral assets of investment awaiting for payback in the year	-	(30,641,602,242)
Deferred CIT due to temporary taxable income in 2015	-	(25,774,769,047)
Deferred CIT due to reversal of provision for impairment of loans in the year	(5,815,961,812)	(278,870,334)
Deferred CIT due to unrealized revenue from financial statement consolidation	-	3,535,210,077
Deferred CIT due to temporary taxable expenses	(1,222,492,958)	1,731,440,013
Ending balance	**31,924,169,171**	**51,848,120,587**
Deferred income tax liabilities		
Opening balance	78,373,614,743	191,039,934,153
Temporary non-taxable income from subsidiaries	(1,717,646,385)	(1,605,103,358)
Deferred CIT arising from the increase in revaluation of financial assets at FVTPL	(679,292,238)	(22,663,505,816)
Deferred CIT arising from the increase in revaluation of AFS financial assets	(1,808,914,900)	(88,397,710,236)
Deferred CIT arising from the decrease in revaluation of outstanding covered warrants payables	2,221,717,677	-
Ending balance	**76,389,478,897**	**78,373,614,743**

The Company recognized the deferred income tax expense in the consolidated income statement for the year ended 31 December 2019 and 31 December 2018 are as follows:

	Current year VND	Previous year VND
Deferred CIT arising from non-deductible reversal of provision for diminution in value of unlisted shares	1,009,600,000	2,960,400,000
Deferred CIT arising from reversal of provision for impairment of collateral assets of investment awaiting for payback	-	30,641,602,242
Deferred CIT arising from the revenue of which pay-back receipt is in progress in 2015	-	25,774,769,047
Deferred CIT arising from non-deductible reversal of provision/(provision) for overdue receivables from selling securities	11,875,896,646	(29,689,741,615)
Deferred CIT arising from reversal of provision for impairment of loans	5,815,961,812	278,870,334
Deferred CIT arising from temporary taxable expense	1,222,492,958	(1,731,440,013)
Deferred CIT arising from unrealized revenue from consolidated financial statement	-	(3,535,210,077)
Temporary non-taxable income from subsidiaries	(1,717,646,385)	(1,605,103,358)
Deferred CIT relating to difference arising from the increase in revaluation of financial assets at FVTPL and the decrease in revaluation of covered warrant payables	1,542,425,439	(22,663,505,816)
Deferred tax expenses	**19,748,730,470**	**430,640,744**

41. ACCUMULATED OTHER COMPREHENSIVE INCOME

Item	Beginning balance VND	Movement during the year VND	Changes in owners' equity recorded in income statement VND	Ending balance VND
Gain/(loss) from revaluation of AFS financial assets	277,801,019,026	46,535,871,627	(64,841,721,620)	259,495,169,033

42. ADDITIONAL INFORMATION FOR STATEMENT OF CHANGES IN OWNERS' EQUITY

Incomes and expenses, gains or losses which are recorded directly to owners' equity:

	Current year VND	Previous year VND
Income recorded directly to owners' equity	329,650,000	124,000,000
- Other income recorded directly to owners' equity	*329,650,000*	*124,000,000*
Expense recorded directly to owners' equity	(51,582,946,547)	(390,917,905,359)
- Loss from revaluation and reclassification for selling purpose of AFS financial assets	*(18,305,849,993)*	*(360,095,225,041)*
- Loss arising from associates change the number of outstanding shares	*(7,343,844,372)*	*(6,321,512,555)*
- Loss arising from change in ownership rate associate in subsidiary	*(22,288,820,220)*	*(24,489,167,763)*
- Other expenses recorded directly to owners' equity	*(3,644,431,962)*	*(12,000,000)*
TOTAL	**(51,253,296,547)**	**(390,793,905,359)**

43. EARNINGS PER SHARE

Earnings per share ("EPS") is calculated by dividing the net profit after tax attributable to ordinary shareholders of the Company by the weighted average number of outstanding ordinary shares in issue during the year. After tax profit attributable to ordinary shareholders of the Company for the year ended 31 December 2019 is calculated as after-tax profit after deduction for setting up non-shareholders' reserves according to the actual appropriation ratio of 2018. For the purpose of preparing consolidated financial statements, other comprehensive incomes have not yet been included in the net profit after tax to calculate the earnings per share indicator since there is no detailed guidance detail.

	Current year VND	Previous year VND
Net profit attributable to ordinary shareholders (VND)	845,989,204,120	1,213,585,067,924
Weighted average number of ordinary shares for calculation of earnings per share	508,772,958	499,834,406
Earnings per share (VND)	1,663	2,428

44. DILUTED EARNINGS PER SHARE

Diluted earnings per share is calculated by dividing the net profit after tax attributable to ordinary shareholders of the Company by the number of ordinary shares used in the calculation of diluted EPS.

Profit after tax attributable to ordinary shareholders of the Company is calculated as profit after tax after deduction for setting up non-shareholders' reserves according to the actual appropriation ratio of 2018, with the following adjustments:

- Dividends or other items related to the potential dilutive ordinary shares are deducted to profit attributable to shareholders of the parent company;

- Any accrued interest during the year related to the potential dilutive ordinary shares; and

- Other changes in income or expenses resulting from the conversion of potential dilutive ordinary shares.

For the purpose of preparing consolidated financial statements, other comprehensive incomes have not yet been included in the net profit after tax to calculate the EPS indicator since there is no detailed guidance.

The number of ordinary shares used in the calculation of diluted EPS is determined as the total of the weighted average number of outstanding ordinary shares during the year and the weighted average number of potential ordinary shares in case all potential dilutive ordinary shares are converted into ordinary shares. Potential dilutive ordinary shares are assumed to be converted into ordinary shares at the beginning of the reporting year; or at the date of issuance, if the issuance date is later than the beginning of the reporting date; or at the incurred date of potential ordinary shares which are share options, warrants or other equivalent instruments.

	Current year VND	Previous year VND
Net profit after tax after deduction for setting up non-shareholder reserves – VND	845,989,204,120	1,213,585,067,924
Adjustment to profit for diluted EPS – VND	83,617,554,636	74,266,153,984
- Interest expenses of convertible bonds during in the year	*83,617,554,636*	*74,266,153,984*
Profit after adjustment – VND	929,606,758,756	1,287,851,221,908
Number of ordinary shares for calculation of diluted EPS (*)	560,667,283	532,865,780
Diluted EPS – VND	1,658	2,417

(*) Number of ordinary shares for calculation of diluted EPS is determined as the total of:

- weighted average number of outstanding shares;

- weighted average number of potential ordinary shares to be issued with the assumption that all convertible bonds are converted into ordinary shares at the date SSI issued bonds in 2018;

- weighted average number of potential ordinary shares to be issued under the ESOP with the assumption that these shares are considered to be issued at the approval time for issuing ESOP by the General Meeting of Shareholders under the Resolution No. 01/2019/NQ-DHDCD on 25 April 2019, with 10,000,000 shares at par value of VND 10,000 per share; and

- weighted average number of potential ordinary shares to be issued for dividend payment with the assumption that these shares are considered to be issued at the approval time for issuance plan of dividend payment by Resolution No. 02/2019/NQ-DHDCD on 26 November 2019, the dividend ratio will be 16%.

45. OTHER INFORMATION

45.1 Transactions with related parties

List of related parties and relationships with the Company is as follows:

Related parties	Relationships
NDH Investment Co., Ltd. and its subsidiaries	SSI's Chairman cum CEO is the owner and chairman of NDH Investment Co., Ltd. Member of the Board of Directors of SSI, Nguyen Duy Khanh, is the CEO of NDH Investment Co., Ltd.
Daiwa Securities Group Inc. and its subsidiaries	Strategic shareholder holding over 10% voting capital of SSI
The PAN Group JSC. and its subsidiaries	Chairman of SSI is also the Chairman of the PAN Group, associate company
Saigon Dan Linh Real Estate Co., Ltd.	Member of the Board of Directors cum 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

45. OTHER INFORMATION (continued)

45.1 Transactions with related parties (continued)

Significant balances and transactions with related parties as at 31 December 2019 and for the year then ended are as follows:

Parties	Transaction	Receivables/(Payables)				Revenue/ (Expenses) VND
		Beginning balance VND	Increase VND	Decrease VND	Ending balance VND	
The PAN Group JSC. and its subsidiaries	Revenue from securities transaction and other securities services	-	1,111,782,801	(1,111,782,801)	-	1,102,868,911
	Revenue from consultant contract	-	4,551,424,000	(4,551,424,000)	-	4,146,749,091
	Securities purchasing transactions	-	(4,653,975,421,313)	4,653,975,421,313	-	-
	Securities selling transactions	-	5,517,482,613,875	(5,517,482,613,875)	-	7,590,584,635
	Deposit for securities brokerage services and deposit management contracts	(1,222,675,189,617)	(7,486,192,722,905)	8,627,482,114,797	(81,385,797,725)	-
	Interest payable on deposit for securities brokerage services and deposit management contracts	(3,519,496,889)	(65,284,441,742)	68,481,707,823	(322,230,808)	(65,284,441,742)
	Expense for commodity purchase	-	(5,136,704,970)	5,124,230,970	(12,474,000)	(5,136,704,970)
	Bond interest	-	4,536,986,300	(4,536,986,300)	-	4,536,986,300
	Capital contribution under the equity method	734,668,285,301	63,255,829,402	(38,080,891,928)	759,843,222,775	42,258,531,653
NDH investment Co., Ltd. and its subsidiaries	Revenue from securities transaction and other securities services	-	225,016,834	(225,016,834)	-	225,014,434
	Portfolio management fee	116,808,959	199,840,074	(299,995,697)	16,653,336	199,840,074
	Consultant services fee	1,787,635,000	5,327,513,975	(4,978,850,500)	2,136,298,475	4,843,194,523
	Securities selling transaction	-	3,386,471,167,766	(3,386,471,167,766)	-	6,513,173,369
	Securities purchasing transaction	-	(3,168,935,526,766)	3,168,935,526,766	-	-
	Consultant contract and other services expenses	-	(154,600,000)	154,600,000	-	(263,100,000)
	SSI dividends	-	(48,194,727,000)	48,194,727,000	-	-
Daiwa Securities Group Inc. and its subsidiaries	Revenue from securities transaction and other securities services	-	853,510,132	(853,510,132)	-	776,004,348
	Commission fee	(1,160,510,884)	(5,341,350,972)	6,060,276,582	(441,585,274)	(5,341,350,972)
	Revenue from investment consultant contracts	1,312,393,222	17,739,535,107	(16,558,135,056)	2,493,793,273	17,270,635,107
	Revenue from investment advisory	5,090,718,677	3,591,522,060	(5,098,608,164)	3,583,632,573	3,588,456,545
	SSI dividends	-	(101,978,121,000)	101,978,121,000	-	-
Nguyen Saigon Co., Ltd.	Revenue from securities transaction and other securities services	-	156,772,985	(156,772,985)	-	156,763,385
	Securities purchasing transaction	-	(10,234,900,000)	10,234,900,000	-	-
	SSI dividends	-	(180,002,000)	180,002,000	-	-
Saigon Dan Linh Real Estate Co., Ltd.	Revenue from securities transaction and other securities services	-	191,053,584	(191,053,584)	-	191,047,984
	SSI dividends	-	(30,454,063,000)	30,454,063,000	-	-
Members of Board of Directors and the Management and other related persons	Revenue from securities transaction and other securities services	-	2,668,460,400	(2,668,460,400)	-	624,102,309
	Bonds selling transaction	-	20,228,399,300	(20,228,399,300)	-	228,399,300
	Other services revenue	-	2,207,534,770	(2,207,534,770)	-	2,207,534,770
	SSI dividends	-	(14,073,400,000)	14,073,400,000	-	-
Other parties	Purchase of SSI bonds	(60,000,000,000)	-	60,000,000,000	-	-
	Payables for SSI bond interest	(4,934,054,428)	(270,945,572)	5,205,000,000	-	(270,945,572)

Transactions with other related parties

Total remuneration of members of Board of Directors and the Management:

	Current year VND	Previous year VND
Salary and bonus	15,747,711,049	13,126,800,000

45. OTHER INFORMATION (continued)

45.2 Segment information

Segment information by business lines

	Brokerage and customer services (1) VND	Proprietary trading VND	Treasury VND	Portfolio Management VND	Investment banking and others VND	Total VND
2019						
1. Direct income (1)	1,317,173,493,995	826,923,548,800	1,030,775,564,521	33,835,686,808	99,843,829,945	3,308,552,124,069
2. Direct expenses	790,452,757,653	445,549,377,105	702,516,927,748	20,094,454,051	51,176,792,284	2,009,790,308,841
3. Depreciation and allocated expenses	119,807,717,339	25,577,113,132	15,459,060,301	7,729,530,151	24,664,832,848	193,238,253,771
Profit before tax	**406,913,019,003**	**355,797,058,563**	**312,799,576,472**	**6,011,702,606**	**24,002,204,813**	**1,105,523,561,457**
As at 31 December 2019						
1. Direct segment assets	5,365,175,232,762	6,122,949,379,716	14,906,970,252,591	68,636,216,870	26,391,132,359	26,490,122,214,298
2. Allocated segment assets	168,988,848,584	38,158,772,261	21,805,012,721	10,902,506,360	32,707,519,081	272,562,659,007
3. Unallocated assets	-	-	-	-	-	281,430,151,608
Total assets	**5,534,164,081,346**	**6,161,108,151,977**	**14,928,775,265,312**	**79,538,723,230**	**59,098,651,440**	**27,044,115,024,913**
1. Direct segment liabilities	1,997,469,537,515	691,799,021,437	14,484,195,452,339	6,790,837,095	11,318,800,163	17,191,573,648,549
2. Allocated segment liabilities	180,128,955,830	40,674,280,349	23,242,445,914	11,621,222,957	34,863,668,870	290,530,573,920
3. Unallocated liabilities	-	-	-	-	-	160,951,022,239
Total assets	**2,177,598,493,345**	**732,473,301,786**	**14,507,437,898,253**	**18,412,060,052**	**46,182,469,033**	**17,643,055,244,708**
2018						
1. Direct income (1)	1,893,605,019,876	1,092,899,742,557	759,144,046,466	65,515,558,197	185,915,339,550	3,997,079,706,646
2. Direct expenses	1,022,741,177,595	708,573,024,444	378,074,479,321	20,506,811,552	70,287,104,536	2,200,182,597,448
3. Depreciation and allocated expenses	109,420,696,503	22,578,873,881	13,894,691,620	6,947,345,809	20,842,037,430	173,683,645,243
Profit before tax	**761,443,145,778**	**361,747,844,232**	**367,174,875,525**	**38,061,400,836**	**94,786,197,584**	**1,623,213,463,955**
As at 31 December 2018						
1. Direct segment assets	5,972,332,012,656	4,291,466,758,057	12,914,276,614,602	39,891,225,087	10,749,982,228	23,228,716,592,630
2. Allocated segment assets	135,271,921,447	27,913,253,632	17,177,386,850	8,588,693,425	25,766,080,276	214,717,335,630
3. Unallocated assets	-	-	-	-	-	382,192,797,101
Total assets	**6,107,603,934,103**	**4,319,380,011,689**	**12,931,454,001,452**	**48,479,918,512**	**36,516,062,504**	**23,825,626,725,361**
4. Direct segment liabilities	2,255,715,036,430	683,544,626,967	11,291,790,838,923	3,295,227,159	10,079,545,261	14,244,425,274,740
5. Allocated segment liabilities	163,148,933,676	33,665,652,981	20,717,324,911	10,358,662,456	31,075,987,367	258,966,561,391
6. Unallocated liabilities	-	-	-	-	-	**166,570,361,597**
Total liabilities	**2,418,863,970,106**	**717,210,279,948**	**11,312,508,163,834**	**13,653,889,615**	**41,155,532,628**	**14,669,962,197,728**

(1) Income mainly from brokerage, margin lending services, investment advisory services and custodian services.

Segment 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, expenses 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.

45. OTHER INFORMATION (continued)

45.3 Operating lease commitments

The Company leases office under operating lease arrangements. As at 31 December 2019, the committed future rental payments under the operating lease agreements are as follows:

	Ending balance VND	Beginning balance VND
1 year or less	85,837,981,908	62,862,490,807
More than 1 - 5 years	211,181,283,215	86,001,002,221
More than 5 years	237,301,561,200	69,222,045,000
TOTAL	**534,320,826,323**	**218,085,538,028**

45.4 Commitments relating to margin lending service

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 at 31 December 2019 and 31 December 2018 are as follows:

	Ending balance VND	Beginning balance VND
Head Office (in Ho Chi Minh City)	1,471,953,895,995	1,037,497,641,064
Hanoi	693,070,387,246	655,963,469,645
Hai Phong	34,099,825,325	27,915,623,565
Nguyen Cong Tru	164,726,833,452	97,025,923,901
Nha Trang	19,612,142,664	19,030,554,032
Vung Tau	27,434,217,823	23,287,102,244
My Dinh	92,306,572,669	40,513,753,430
TOTAL	**2,503,203,875,174**	**1,901,234,067,881**

45.5 Purposes and policies of financial risk management

The Company's financial liabilities comprise mostly liabilities 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, financial assets at FVTPL, covered warrants and available-for-sale investments.

The Company manages market risk by analysing financial sensitivity of the Company as at 31 December 2019 and 31 December 2018. 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 2019 and 31 December 2018.

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 of the Company and its subsidiaries. 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 purposes of the Company and its subsidiaries 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 overseas subsidiaries.

The Company manages foreign exchange risk by hedging against transactions that are expected to take place in the future.

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 2,186,555,616,750. The 10% increase (or decrease) in market index would possibly result in a corresponding increase (or decrease) in revenue from investment 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, 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 Capital and Financial Business Division 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 with respect to bank deposits 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 only provides margin lending with securities eligible to perform margin trading under the Regulation on Margin Lending and is rated in accordance with SSI's principle of share quality assessment. The credit limits are measured based on value of collateral assets, customer's credit rating and other indicators.

The following loans are considered as overdue as at 31 December 2019 (excluding 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.

45. OTHER INFORMATION (continued)

45.5 Purposes and policies of financial risk management (continued)

Credit risk (continued)

	Total VND	Balance provisioned VND	Neither past due nor impaired VND	Past due but not impaired			
				< 80 days VND	81–180 days VND	>180 days VND	>210 days VND
Beginning balance	5,966,651,185,939	33,732,119,327	5,931,945,546,892	961,795,139	5,001,214	1,371,439	5,351,928
Ending balance	5,359,342,228,084	30,286,750,665	5,329,024,126,928	6,574,982	6,316,274	1,973,476	16,485,759

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting financial obligations. The Company's exposure to liquidity risk arises when the Company is unable to meet its financial obligations as they fall due, primarily due to mismatches in the maturity terms of financial assets and liabilities. The maturity terms of financial assets and liabilities reflect the remaining period of financial assets and liabilities from the reporting date to the date of settlement set out in the contracts or terms of issuance. For FVTPL and AFS financial assets, the maturity terms are determined based on the liquidity of the assets (the ability to sell and purchase the assets in short term) on the market.

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 assets and liabilities based on contractual undiscounted payments:

	Overdue VND	On demand VND	Less than 1 year VND	1 – 5 years VND	Over 5 years VND	Total VND
31 December 2019						
ASSETS						
Cash and cash equivalents	***-***	***260,631,829,536***	***780,150,780,818***	***-***	***-***	***1,040,782,610,354***
Financial assets	***31,350,491***	***5,124,315,951,246***	***16,032,213,272,783***	***3,444,540,512,534***	***794,315,339,944***	***25,395,416,426,998***
FVTPL financial assets	-	4,315,244,773,067	-	-	-	4,315,244,773,067
HTM investments	-	-	10,721,931,457,865	3,444,540,512,534	-	14,166,471,970,399
Loans (excluding provisions)	31,350,491	49,029,062,675	5,310,281,814,918	-	-	5,359,342,228,084
Available-for-sale financial assets	-	760,042,115,504	-	-	-	760,042,115,504
Long-term investments	-	-	-	-	794,315,339,944	794,315,339,944
Other assets	***308,278,893,044***	***164,752,511,401***	***2,236,298,475***	***176,462,783,756***	***205,776,532,750***	***857,507,019,426***
Deposits collaterals and pledges	-	29,107,655,416	-	-	-	29,107,655,416
Other receivables (excluding provisions)	308,278,893,044	87,185,722,731	2,236,298,475	-	-	397,700,914,250
Other assets	-	48,459,133,254	-	-	-	48,459,133,254
Fixed assets (including construction in progress)	-	-	-	176,462,783,756	205,776,532,750	382,239,316,506
TOTAL	**308,310,243,535**	**5,549,700,292,183**	**16,814,600,352,076**	**3,621,003,296,290**	**1,000,091,872,694**	**27,293,706,056,778**
LIABILITIES						
Short-term borrowings	-	5,679,096,155,457	9,871,130,000,000	-	-	15,550,226,155,457
Convertible bond	-	-	-	1,105,937,946,170	-	1,105,937,946,170
Payables for securities transaction activities	-	-	30,254,764,400	-	-	30,254,764,400
Accrued expenses	-	26,636,113,756	72,355,027,987	-	-	98,991,141,743
Statutory obligation	-	59,461,134,912	-	-	-	59,461,134,912
Other liabilities	-	354,754,122,779	309,165,194,916	-	-	663,919,317,695
TOTAL	**-**	**6,119,947,526,904**	**10,282,904,987,303**	**1,105,937,946,170**	**-**	**17,508,790,460,377**
Net liquidity difference	**308,310,243,535**	**(570,247,234,721)**	**6,531,695,364,773**	**2,515,065,350,120**	**1,000,091,872,694**	**9,784,915,596,401**

45. OTHER INFORMATION (continued)

45.5 Purposes and policies of financial risk management (continued)

Liquidity risk (continued)

The Company assessed the concentration of risk with respect to its debt payments as low. The Company is able to access to different sources 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 its term deposits and certificates of deposits as collaterals for short-term borrowings from commercial banks and covered warrants issued by the Company. As at 31 December 2019, the total carrying value of term deposits and certificates of deposits used as collaterals for short-term borrowings were VND 10,040 billion, and the total carrying value of term deposits used as collaterals for covered warrants issued by the Company were VND 85.9 billion.

Among listed shares of financial assets at fair value through profit and loss and investment in associates as at 31 December 2019, there are 27,097,938 shares with the par value of VND 270,979,380,000 used as collaterals for short-term borrowings.

Among unlisted bonds and other securities classified as financial assets at FVTPL as at 31 December 2019, there are 13 certificates of deposits with par value of VND 1,300 billion used as collaterals for short-term borrowings of the Company.

Among held-to-maturity bonds of long-term investment as at 31 December 2019, there are 102,400 bonds with the par value of VND 3,400 billion used as collaterals for short-term borrowings of the Company.

The Company held securities as collateral for margin loans to customers as at 31 December 2019.

Other than that, the Company did not hold any other party's collateral at 31 December 2019 and 31 December 2018.

45.6 Off-balance sheet item of subsidiary

SSIAM, a subsidiary of the Company, conducts portfolio management activities. As at 31 December 2019 and 31 December 2018, SSIAM off-balance sheet items related to portfolio management activities of entrusted investors include: deposits, portfolios, receivables and payables are as follows:

	Ending balance VND	Beginning balance VND
Entrusted investors' deposits	36,663,687,306	130,461,339,967
Portfolio of entrusted investors	318,688,461,592	424,220,130,537
Receivables of entrusted investors	1,673,104,377	23,469,414,816
Payables of entrusted investor	507,291,281	581,058,983

In particular, the list of securities in the portfolio of entrusted investors is reduced in value as follows:

	Ending balance			Beginning balance		
	Amount	Cost VND	Decrease in value VND	Amount	Cost VND	Decrease in value VND
HPG	-	-	-	613,760	24,673,914,626	(5,678,042,626)
TCB	-	-	-	408,200	14,715,008,704	(4,163,038,704)
GEX	-	-	-	549,480	15,436,140,698	(3,265,158,698)
VIT	-	-	-	349,770	6,259,812,146	(2,272,434,146)
MBB	527,986	11,494,144,356	(512,035,556)	360,848	8,047,930,035	(1,029,436,435)
VHM	65,550	5,895,328,425	(336,688,425)	200,728	18,446,441,744	(3,713,006,544)
ACB	50,000	1,171,573,600	(31,573,600)	233,445	9,025,054,205	(2,115,082,205)
HLM	55,625	11,013,850,000	(11,013,850,000)	-	-	-
RICONS	188,716	19,799,162,000	(8,476,202,000)	188,716	20,193,012,000	(849,622,000)
TDM	901,100	25,437,435,642	(2,279,165,642)	-	-	-
Other	1,652,473	65,797,427,014	(5,980,310,314)	3,217,973	181,428,015,648	(9,578,934,055)
TOTAL	**3,441,450**	**140,608,921,037**	**(28,629,825,537)**	**6,122,920**	**298,225,329,806**	**(32,664,755,413)**

45.7 Accounting ratios

	Ratios in 2019	Ratios in 2018
Assets ratios		
Current assets/ Total Assets	82.42%	93.47%
Non-current assets/ Total Assets	17.58%	6.53%
Owners' equity ratios		
Liabilities/ Total Assets	65.24%	61.57%
Owners' equity/ Total Assets	34.76%	38.43%
Profitability		
Return on assets (Profit after tax/ Total assets)	3.35%	5.47%
Return on equity (Profit after tax/ Owners' equity)	9.72%	14.34%
Profit after tax/ Charter capital	17.78%	25.54%
Profit after tax/ Income	27.48%	33.08%
Liquidity		
Current ratio (Current assets/ Current liabilities)	1.36	1.65
Quick ratio ([Cash and cash equivalents + Short-term investment]/ Current liabilities)	1.35	1.64

46. EVENT AFTER THE REPORTING DATE

There is no matter or circumstance that has arisen since the reporting date that requires adjustment or disclosure in the consolidated financial statements of the Company.

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
24 March 2020

REPORT OF INTERNAL AUDIT

SSI Internal Audit was developed and reported directly to the Board of Directors. Accordingly, Internal Audit's duties are to assess compliance of business operations with applicable regulations on financial norms and information of the Company, supervise the Company's compliance with norms of financial safety ratio report. Operating principles of Internal Audit are independence, objectivity, honesty, coordination and security.

Activities of SSI Internal Audit in 2019 are as follows:

Supervision of Financial Report

SSI Internal Audit has supervised the quarterly and 2019 annual financial statements before being issued and published. Results shows that all Separate and Consolidated quarterly and annual financial statements were prepared, published timely and in accordance with regulations. The recommendations and exchanges of Internal Audit are timely reviewed, feedback, revised and remedied by relevant departments.

Supervision of Financial Safety Ratio Report

SSI Internal Audit has supervised the Financial Safety Ratio Report through auditing monthly reports. All report was published timely. All requirements for determining the criteria in the report are ensured in accordance with Circular 87/2017/TT – BTC.

Reviewing internal control system related to anti-money laundering regulations.

The Company's Internal Audit System effectively operates, ensures full implementation and supervision of anti-money laundering processes and regulations.

Action plan for 2020

- Update and revise internal processes to meet the legal requirements related to internal audit activities;
- Improve operation efficiency of Internal Audit through the auditing by subjects and expansion of auditing scope;
- Continue to internal auditing on finance – accounting activities, reports before publishing ensure the appropriateness and transparency of financial information, and compliance with financial safety ratio.



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