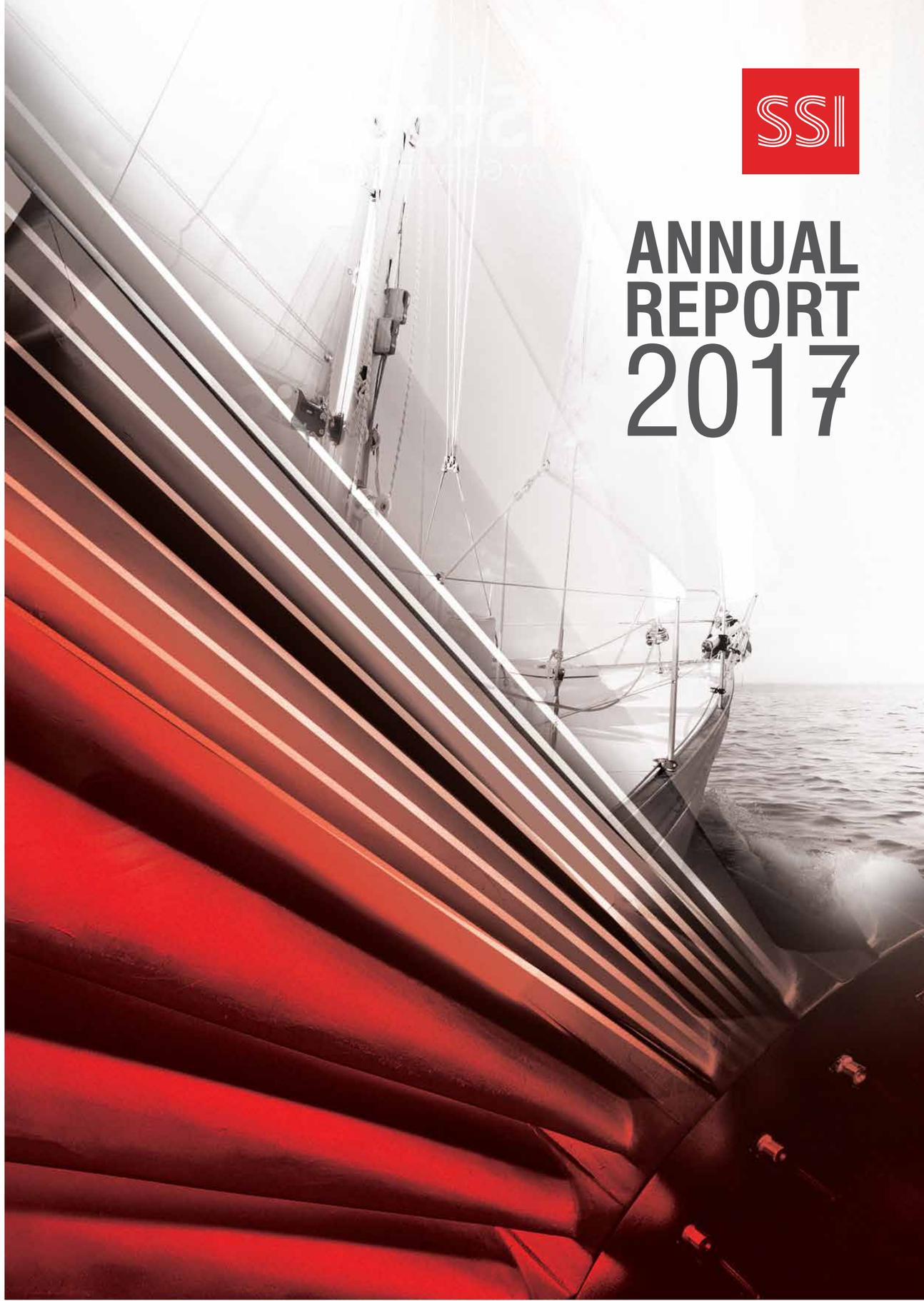
Headquarter: 72 Nguyen Hue, District 1, Hochiminh City
Tel: +84 28 38242897 - Fax: +84 28 38242997
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ANNUAL REPORT 2017

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MESSAGE FROM CHAIRMAN OF THE BOARD

Dear Valued Shareholders,

We have ended the year 2017 in the context where the economy reached all the targets set forth by the National Assembly, GDP increased by 6.81%, topping every forecast, the highest in 6 years. This increase exceeded all previous forecasts made by organizations such as the World Bank or the Asian Development Bank. The size of the economy in 2017 at current price level reached VND 5,007.9 trillion. Average GDP per capita is estimated at VND 53.5 million, equivalent to USD 2,385, up USD 170 compared to 2016.

In terms of economic structure this year, agriculture, forestry and fisheries accounted for 15.34% of total GDP; industrial and construction sector accounted for 33.34%; service sector accounted for 41.32%; taxes on products less subsidies on products accounted for 10.00% (corresponding 2016 structure was: 16.32%; 32.72%; 40.92%; 10.04%).

Inflation this year was lower than the target set by the National Assembly. Consumer Price Index (CPI) in December only increased 0.21% over the previous month. Average CPI increased 3.53% compared to 2016 average. Average CPI in December 2017 only increased 2.6% compared with December 2016, an average monthly increase of 0.21%. Average inflation in 2017 was 1.41% higher than 2016 average. Trade balance in 2017 experienced a trade surplus of USD 2.7 billion, of which the domestic economic sector imposed a trade deficit of USD 26.1 billion; FDI sector a trade surplus of 28.8 billion USD.

Not only was the economy growing well, the quality of growth has improved significantly, helping the stock market to develop spectacularly. VnIndex closed on Dec 31 at 984.2 points - up 48% from the end of 2016. In terms of scale, market capitalization reached USD 153.4 billion, up 80.5% over the same period and equivalent to 70% of GDP. Average trading value reached VND 5 trillion, up about 63% compared to 2016. Liquidity increased sharply, with multi-billion dollar successful capital raisings. The securities market has indeed become an effective channel of medium and long term capital for the economy.

With the vision of a leading financial institution and the efforts of our entire staff, our Company has achieved remarkable achievements. The Company reported a revenue of VND 3,043.2 billion, up 19.8% YoY, coming in at 44.35% over FY2017 revenue target. 2017 consolidated profit before tax reached VND1,405 billion, increased 23% compared to 2016, exceeding the target by 32.8%. Total consolidated assets reached VND 18,764.4 billion - up 34% over the same period last year, of which owner's equity reached VND 8,616.2 billion.

Securities Services continued to affirm the number 1 position, market share of securities and fund certificates brokerage reached 15.26% on both Exchanges; leading the market share on derivatives trading, accounting for 28.28% of the market. SSI has also successfully carried out divestments and securities distribution transactions worth hundreds of millions of USD such as for Vietnam National Petroleum Group (PLX - HOSE), Vietnam Dairy Products Joint Stock Company (VNM) - HOSE), Vietjet Aviation Joint Stock Company (VJC - HOSE), Vincom Retail Joint Stock Company (VRE - HOSE), etc.

Investment Banking affirmed the leading position in the Vietnamese market, successfully carrying out many large-scale deals such as: Offering advisory for 48.33 million shares of Vietnam Dairy Products Joint Stock Company (VNM - HOSE) valuing at USD 396 million; Advising on the sale of 415 million shares of Vincom Retail Joint Stock Company (VRE - HOSE) at USD 742 million; Secondary sale of Ho Chi Minh City Development Commercial Joint Stock Bank (HDB - HOSE) with total value of USD 300 million; Advising on the sale of Vietnam National Petroleum Group (PLX - HOSE) at USD 50 million; Raising USD 230 million for Hoa Phat Group Joint Stock Company (HPG - HOSE), etc. SSI received the Best Private Equity Deal across the Asia Pacific 2017 for the share offering deal of Vincom Retail (VRE - HOSE) by Finance Asia.

Treasury always presents impressive highlights in the business of the Company: Revenue reached VND 487.4 billion, accounting for 16% of the Company's total revenue; Liquidity was assured in the face of pressure on capital demand from other Business Units as well as financial support required from the securities market; Actively developed and traded structured products within the Unit as well as cross-selling with other Business Units.

SSI Asset Management Company Limited (SSIAM) increased the total assets under management (AUM) for external customers to VND 6.112 billion, up 60.3% from 2016, continuing to diversify portfolio of products for investors. SSIAM also completed the conversion of the reference index SSIAM HNX30 ETF to the VNX50 index, renaming the fund to SSIAM VNX50 ETF and listing on the Ho Chi Minh Stock Exchange (HOSE) under the code FUESSV50 from October 2017.

Revenue from Principal Investment reached VND 1,060.8 billion, contributing 34.7% to the total revenue of SSI, with total investment value in 2017 reached VND 3,829 billion.

The achievements in business activities cannot be highlighted without mentioning contributions of the strong back office support. The Governance Unit is always the front line to ensure the Company's high transparency and compliance, providing timely management information, updating changes to support the Board of Management to have a close grasp of the Company and make right decisions. The risk management activities have also been strengthened, building a risk-management culture aligned throughout the Company. Not only does it play a role in supervisory, the Unit has also proved its role as a trusted consultant to provide business operation solutions, maintaining compliance while simultaneously harmonizing the goals of the divisions.

Support Unit continuously provided support and team effort to contribute to the overall achievement of the Company. The recruitment and training of the staff were promoted along with the development of policies to ensure the benefits and motivation for nearly 900 members. Corporate Communication continued to serve well as a bridge between the Company and the media as well as with investors so that all activities of the Company are reflected honestly to the public. We have also successfully organized a series of events in various scales such as the Gateway to Vietnam 2017, "Capital Market – A New Driver for Vietnam's Economic Growth" or the serial Seminars on Derivatives Investment opportunities that have been perceived to be remarkable and valuable to the overall securities market. As a leading securities company with the highest market share, highest trading volume and the highest number of customers using the trading system, SSI Information Technology has faced and overcome many challenges to ensure daily operation with high automation requirements, complete the new trading system to be launched in 2018, while in parallel timely launching the derivatives trading system, being the first organization to pilot run derivatives trading trading before the official market went live.

In 2018 the Company continues to set ambitious plans to continue to reinforce the leading position in the market, targeting VND 3,410 billion in revenues and VND 1,615 billion in profit.

Securities Services always places customers at the focus to serve and as the foundation for success; Designs new products and improves product quality to suit each customer group, invests in modern technology systems and pioneers leading the supply of new products; Improves staff efficiency through effective implementation of recruitment, training, performance monitoring and career advancement, develops a disciplined, professional, aspirational and motivated working environment; Closely monitor the observance of standards on professional ethics.

Treasury, always identified as a critical unit in the business system of the Company, continues to maintain total capital growth and diversification; Expands trading activities in corporate bonds, derivatives and structured products to appeal to a wide range of customers; Always maintains a high level of trust with partners.

SSIAM restructures the specialization in each section in order to increase in the size of collateral assets as well as investment efficiency; Develops distribution channels and distribution partners, and continues to diversify products to meet the diverse needs of customers.

Investment Banking focuses on expanding its customer network; Continues building partnerships with leading financial institutions in the world; Focuses on the training of personnel with professional capacity and deep industry understanding.

Principal Investment defines a value-for-money investment strategy that is flexible and close to the market, regularly evaluates macroeconomic factors, follows the operation fundamentals of businesses, determines intrinsic value of businesses without being dominated by the current market prices; Exercises portfolio allocation to leverage market's growth momentum while ensuring that volatility risks are mitigated at home and abroad; Balances long-term strategic investments and passive investments.

Governance Unit aims to improve the automation of operations, ensuring accuracy, timeliness and absolute compliance. Support Unit meets the diverse needs of the Company, especially focusing on IT activities to boost the Company's business operations and create competitive advantages in the securities industry.

I would like to sincerely thank our valued customers and business partners who have been with us. We always recognize you as benefactors of SSI. I would like to thank our shareholders for trusting the Board of Directors and Board of Management and approving the plans made at the General Shareholders' Meeting, thank the members of the Board who have together developed the prudent development strategy and business plans. I would like to thank all Staff members for their hard work and commitment to bring our Company to a new level every year. With your cooperation, in 2018 we will continue to achieve outstanding successes.

We wish You good health and success!



Chairman cum Chief Executive Officer

Nguyen Duy Hung

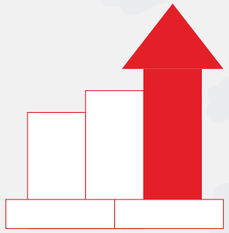
YEAR IN REVIEW 2017

Revenue

VND **3,043.2** billion

Increase (*)

19.8%



Profit before tax

VND **1,405** billion

Increase (*)

23%

Manage

127,000 clients' accounts

Increase (*)

26%

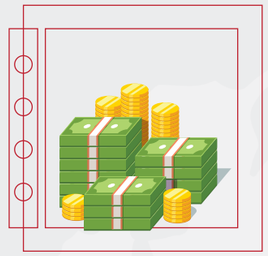


Owners' equity as of 31/12/2017

VND **18,764.4** billion

Increase (*)

34%

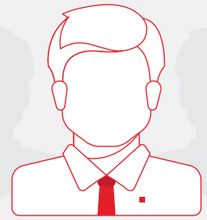


Number of Employees

887 employees

Increase (*)

23.2%



Major Awards

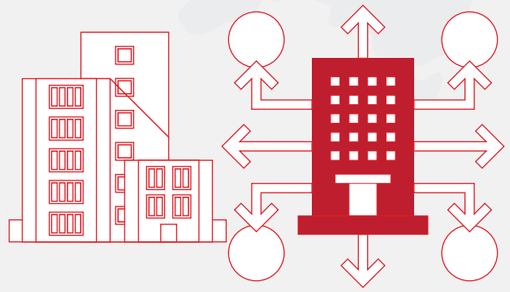
ASIAMONEY

Asia Asset Management
THE JOURNAL OF INVESTMENTS & PENSIONS

ASSET ASIA AWARDS
TRIPLE A

COUNTRY AWARDS FOR ACHIEVEMENT
FinanceAsia

Network **12** branches/ Transaction Offcies



(*) Compared to 2016

GENERAL INFORMATION



VISION – MISSION CORE VALUES

VISION: THE BUSINESS OF SUCCESS

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

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

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

MISSION: CONNECTING CAPITAL TO OPPORTUNITIES

SSI’s mission is to connect capital to opportunities.

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

CORE VALUES

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

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

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



CORPORATE INFORMATION



Saigon Securities Inc. (SSI – HOSE) was found in December 1999 as the first privately licensed securities firm and the smallest one in the market at that time. With more than 18 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 with 12 Branches/ Transaction Offices in big cities in Vietnam, such as Hanoi, Ho Chi Minh City, Hai Phong, Nha Trang, Vung Tau.

Company name:	Saigon Securities Inc. (SSI)
Legal Representative:	Mr. Nguyen Duy Hung (Chairman cum CEO)
Date of incorporation:	30/12/1999
Charter Capital (as at 31/12/2017):	VND 5,000,636,840,000
Owner's equity (as at 31/12/2017):	VND 8,616,249,695,902
Head Office:	72 Nguyen Hue, Ben Nghe Ward, Dictrict 1, Ho Chi Minh City
Website:	http://www.ssi.com.vn/
Telephone:	+84 28 38242897
Fax:	+84 28 38242997
Number of employees (as at 31/12/2018):	887 including 466 employees who are fully certified for securities license.





HISTORY

2018

- 01/2018: Charter capital was raised to VND 5,000.6 billion
- 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

2017

- 01/2017: Charter capital was raised to VND 4,900.6 billion
- 04/2017: SSI carried out successfully two private placements of corporate bonds with a total of VND 300 billion for each issue, in January and April 2017
- 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 (HNX) issued its decision to approve SSI as a trading member of derivatives market
- 07/2017: The conference “Derivatives and overview of stock market for the second half of 2017” was held to provide investors with in-depth analyses on the market, economy prospects together with investment recommendations on some certain groups of sectors; especially stories of derivatives with detailed guides to equip investors with the best “tools” before the derivatives market to be open
- 09/2017: Continue to pursue the network expanding strategy, SSI established two more transaction offices in Ho Chi Minh city: Nguyen Van Cu Transaction Office and Nguyen Thi Minh Khai Transaction Office
- 10/2017: SSI successfully hosted the conference “Gateway to Vietnam 2017”, themed “Capital market - A new driver for Vietnam’s economic growth” with participation of various high-profile guest speakers from prestigious institutions such as International Finance Corporation (IFC), McKinsey & Company, MSCI, Ernst & Young…; and nearly 200 representatives from domestic and international investment funds and more than 20 potential leading companies

2016

- 04/2016: Tran Binh Trong Transaction Office was changed its name to Tran Hung Dao Transaction Office and moved to the new location at Level 10, Capital Tower, 109 Tran Hung Dao, Cua Nam ward, Hoan Kiem district, Ha Noi

  Nguyen Chi Thanh Transaction Office was also established under the strategy of expanding SSI’s network
- 07/2016: SSI online trading system, including Web Trading, Mobile Trading, Pro Trading, has been upgraded to allow investors to buy and sell the same stock at continuous trading session, and updated new feature: online stock transferring

2016

- 08/2016: SSI successfully issued secured and non-transferable bonds (SSIBOND012016) via private placement with total issuance value of VND 200 billion
- 09/2016: Capital mobilizing period for Daiwa – SSIAM Vietnam Growth Fund II LP was officially ended with committed capital of approximately USD 40 million
- 11/2016: SSIAM UCITS – Vietnam Value Income and Growth Fund (VVIGF) has been launched. This is open-ended fund registered in Luxembourg with funds raised from institutional and individual investors from Europe
- 12/2016: SSI launched new feature in Web Trading - online order confirmation, which helps clients to easily confirm broker's order, actively monitor and manage their orders without the need of signing the paper order

2015

WEB TRADING - PRO TRADING - MOBILE TRADING

- 03/2015: SSI launched new features that allow UPCOM order placement on all 3 channels: Web Trading, Pro Trading and Mobile Trading to support customer in placing and searching for orders, viewing order history, and tracking UPCOM INDEX information timely and conveniently
- 04/2015: SSI successfully issued secured and non-transferable bonds via private placement: SSIBOND012015 bonds with total issuance value of VND 500 billion at Jan 2015 and SSIBOND022015 bonds with total issuance value of VND 300 billion at April 2015
- 07/2015: SSI successfully raised DAIWA – SSIAM Growth Investment Fund II LP, with the fund size at first closing was USD 32 million
- 09/2015: SSI became the first company that completed all required procedures to officially lift its limit of foreign ownership up to 100%
- 10/2015: SSI successfully liquidated DSCAP - SSIAM Vietnam Growth Investment Fund, with internal rate of return (IRR) at 38%
- 12/2015: Charter capital was raised to VND 4,800.6 billion

  SSI launched Andbank Investment SIF – Vietnam Value and Income Portfolio, registered in Luxembourg, from EU investors, with the fund size was USD 13.9 million as at 12/2015

2014

SSI-SCA

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

  Successfully organizing Gateway to Vietnam Conference: Search for new investment opportunities in Vietnam with the participation of 400 investment funds, 30 companies and 18 speakers. The conference introduced to investors the new investment trend such as state enterprises equitization, swap portfolio funds ...
- 10/2014: SSI Sustainability Competitive Advantage Fund (SSI – SCA) officially came into operation and soon became the most capital raising fund on the market
- 12/2014: ETF SSIAM-HNX30 was officially licensed and came into operation. This is the first domestic ETF simulating HNX30 index

2013

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

2012

- 01/2012: Charter capital was raised to VND 3,526 billion
- 11/2012: SSI Vision Fund (SSIVF) closed after 5 year in operation

2011

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

2010

- 05/2010: Charter capital was raised to VND 3,511 billion
- 11/2010: "Gateway to Vietnam" Conference was organized 2nd time, which attracted more than 600 institutional investors

2009

- 01/2009: Charter capital was raised to VND 1,533 billion
- 07/2009: SSIAM became the first company to have a license to invest outside of Vietnam
- 09/2009: SSI officially changed its branding with new look and vision
- 11/2009: "Gateway to Vietnam" Conference, co-hosted by SSI and Euromoney, successfully introduced to hundreds of local, and foreign investors, investment opportunities in Vietnam
- 11/2009: SSIAM and Daiwa SMBC Capital established DSCAP-SSIAM Vietnam Growth Investment Fund LLC - the first foreign fund in Vietnam

2008

SSI DAIWA

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

2007

- 07/2007: ANZ became Strategic Shareholder of SSI

  Charter capital was raised to VND 799 billion
- 08/2007: SSI Asset Management (SSIAM), a subsidiary of SSI, was founded
- 10/2007: SSI was officially listed on the Ho Chi Minh City Trading Center (now known as Ho Chi Minh Stock Exchange)
- 11/2007: Established SSI Vision Fund - a closed-end member fund with a total initial investment capital of VND 1,700 billion – it was also the largest local fund and among the top 10 biggest value investment funds on the market

2006

- 09/2006: Charter capital was raised to VND 500 billion
- 11/2006: Successfully advised the issuance of the first convertible bond in the Vietnamese Stock Market of SSI, introducing a new funding vehicle for public companies other than issuing common shares
- 12/2006: SSI's stock was listed on the Hanoi Securities Trading Center (now known as Hanoi Stock Exchange)

2005

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

2004

- 04/2004: Charter capital was raised to VND 23 billion

2002

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

2001

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

1999 2000

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



BUSINESS UNITS

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 issuance and underwriting, bond and derivatives issuance via public offering or private placement.

SSI ASSET MANAGEMENT

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.

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;

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

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

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

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

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

TREASURY

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

Bond services including brokerage, auctions and underwriting services;

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



AWARDS

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

Certificate of Merit from The Prime Minister

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

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

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

ASIAMONEY

A number of awards from Asiamoney Brokers Poll. In 2017, there are 29 awards including 9 awards for the company and 20 ones for 26 individuals, in 4 main categories:

Award for SSI:

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

Award for SSI Research and Investment Advisory:

- "Best for Overall Country Research in Vietnam"
- "Best Independent Research Brokerage in Vietnam"
- "Best research coverage" for several SSI analysts covering different sectors (18 out of 19 categories)

Award for SSI Institutional Sales:

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

Award for SSI Institutional Brokerage:

- "Best Execution in Vietnam"
- "Best in Sales Trading"
- "Best Salesperson in Vietnam" in 2017: Mr. Banh Chan Oai (Deputy Manager) - 1st position, Mr. Duong Quoc Thinh (Deputy Manager) – 2nd position, Ms. Ngo Thu Nga (Senior Manager) – 3rd position

Asia Asset Management
THE JOURNAL OF INVESTMENTS & PENSIONS

Awards from Asia Asset Management

- Best Fund House" in 2016
- "CEO of the Year" to Ms. Le Thi Le Hang – CEO of SSI Asset Management in 5 consecutive years 2012 - 2013 - 2014 - 2015 - 2016

Award from The Asset

- "Best Asset Management Company of the Year in Vietnam" in 2012 - 2014 - 2015 - 2016 - 2017
- "Best Equity Adviser" in 2017
- "Best Regional Private Equity Deal" in 2017

COUNTRY AWARDS FOR ACHIEVEMENT
FinanceAsia

Award from FinanceAsia

- "Best Broker in Vietnam" in 2008 - 2009 - 2010 - 2011 - 2014 - 2015 - 2016
- "Best Equity House in Vietnam" in 2008 - 2009 - 2010 - 2012 - 2014 - 2015 - 2016
- "Best Investment Banking in Vietnam" in 2016
- "Best Private Equity Deal in Asia Pacific" in 2017

AsianInvestor

Award from Asian Investor

- "Best local asset management company in Vietnam" in 2017

Alpha Southeast Asia

Award from Alpha Southeast Asia

- "Best institutional brokerage in Vietnam 2017"
- "Best retail brokerage in Vietnam 2017"

Forbes®

Award from Forbes:

- Top 50 Best Listed Companies in Vietnam in 2014 - 2015 - 2016 - 2017
- Top 40 Most Valuable Brands Vietnam

NHIP CAU ĐẦU TƯ

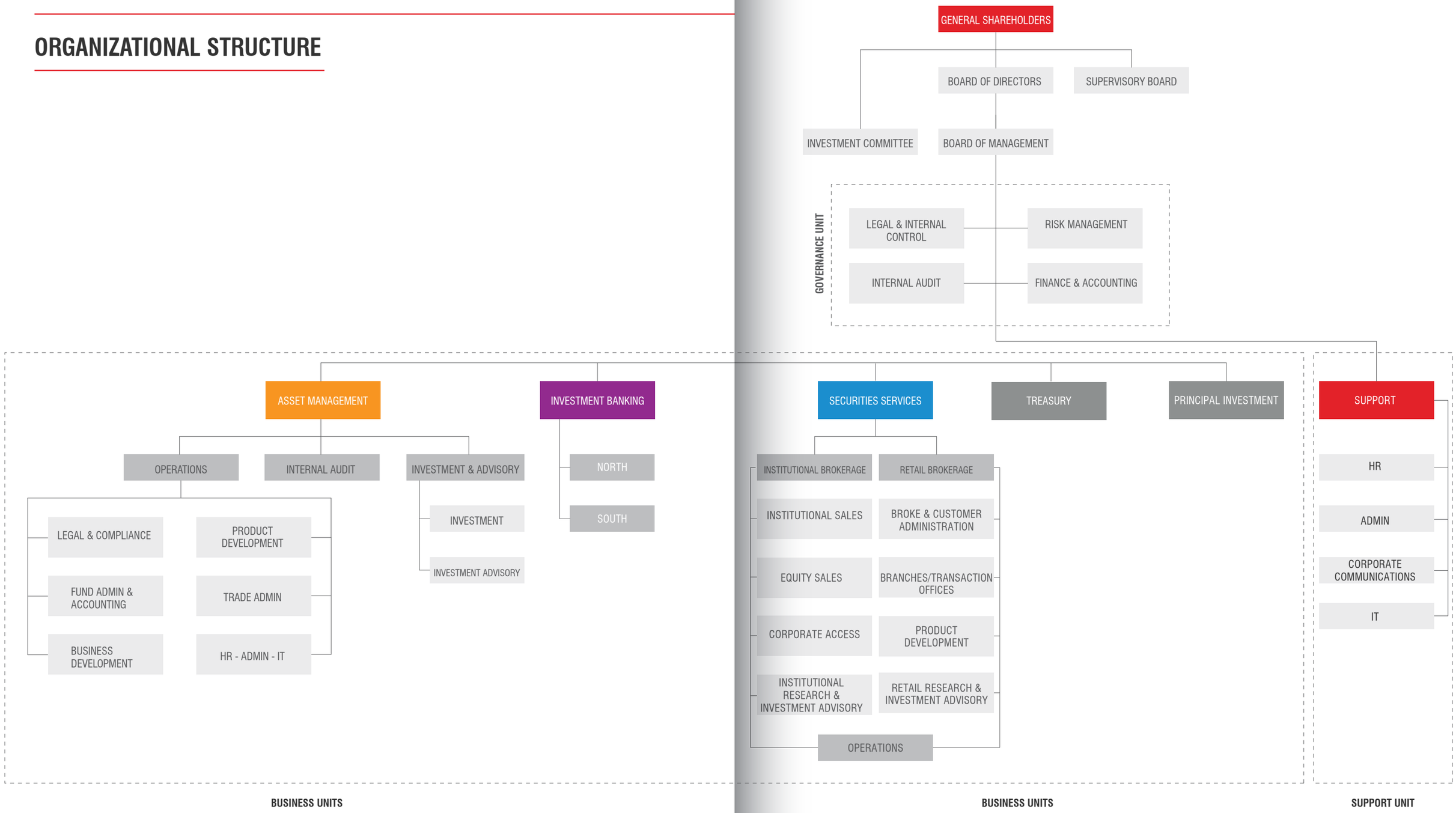
Award from Nhip Cau Dau Tu Magazine

- Top 50 Vietnamese Company in 2017

- **Award from Vietnam Report**
  - Top 10 prestigious listed companies in 2017
- **Annual Report Award from SSC and Ministry of Finance**
- **"Top 15 securities companies of HNX"**
- **Commendation cup from HNX**
  - The first member of Derivative Market
- **Awards from Vietnam Securities Depository**
  - Outstanding member in securities depository activities in 2017
  - Outstanding member in stock/ cash transaction in 2017
  - The first member doing derivative clearin
- **Award from Corporate Competence Assessment Program** (organized by Vietnam Institute for Enterprise Development and Research, Vietnam Association of Accountants and Auditors and the Vietnam Business Forum)
- **Top 500 Vietnamese Largest Private Enterprises (VNR500)** for 7 consecutive years
- **Top 500 Fastest Growing Firms in Vietnam (FAST500)** in 2015 - 2016
- **Top 1000 Enterprises with Largest Tax Contribution in Vietnam** (V1000) for 6 consecutive years

ORGANIZATIONAL STRUCTURE & KEY PERSONNEL

ORGANIZATIONAL STRUCTURE



KEY PERSONNEL

BOARD OF MANAGEMENT



Mr. Nguyen Duy Hung
Chairman cum CEO



Mr. Nguyen Hong Nam
Deputy CEO

GOVERNANCE UNIT



Mr. Nguyen Kim Long
Director - Legal & Internal Control



Ms. Le Cam Binh
Director - Internal Audit



Ms. Nguyen Thi Thanh Hà
Chief Finance Officer



Ms. Hoang Thi Minh Thuy
Chief Accountant



Mr. Dang Manh Cuong
Director - Risk Management

BUSINESS UNITS

ASSET MANAGEMENT



Ms. Le Le Hang
CEO



Ms. To Thuy Linh
Deputy CEO



Mr. Nguyen Phan Dung
Deputy CEO

INVESTMENT BANKING



Mr. Nguyen Thi Huong Giang
Director - Southern Region



Ms. Nguyen Ngoc Anh
Director - Northern Region

SECURITIES SERVICES



Mr. Bui The Tan
Managing Director



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



Mr. Nguyen Duy Linh
Deputy Managing Director - Retail Brokerage



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



Ms. Cao Thi Ngoc Quynh
Deputy Managing Director
Directors - Institutional Sales/ Corporate Access



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



Ms. Huynh Thi Thanh Thao
Director - Operations

TREASURY



Ms. Nguyen Vu Thuy Huong
Managing Director

SUPPORT UNIT



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



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



Ms. Luong Lan My
Director
Corporate Communications



MS. Vu Thi Thu Trang
Manager
Administration

BUSINESS ENVIRONMENT

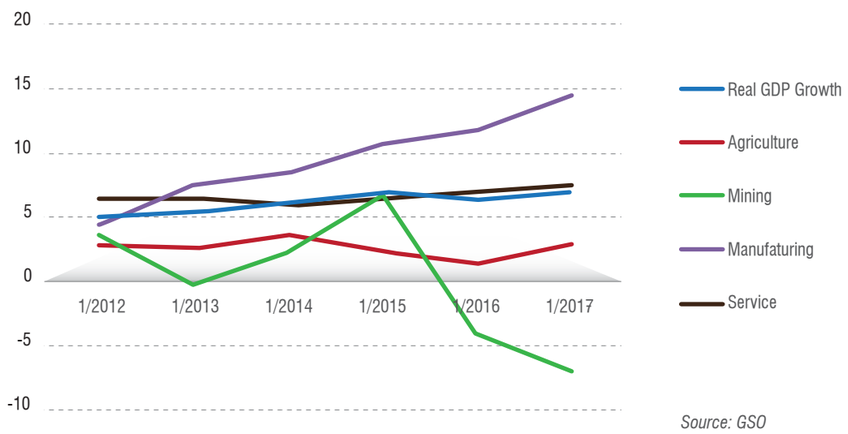


VIETNAM ECONOMY IN 2017

GDP in 2017 realized an impressive growth of 6.81% YoY. The growth rate this year exceeded the original target of 6.7% and forecasts of international and domestic experts, and was the highest annual growth posts during 2011-2017. High growth accompanied low inflation (3.53% YoY on average – and basic inflation remained below 2%, at 1.7% in 2017 specifically) and a stable currency,

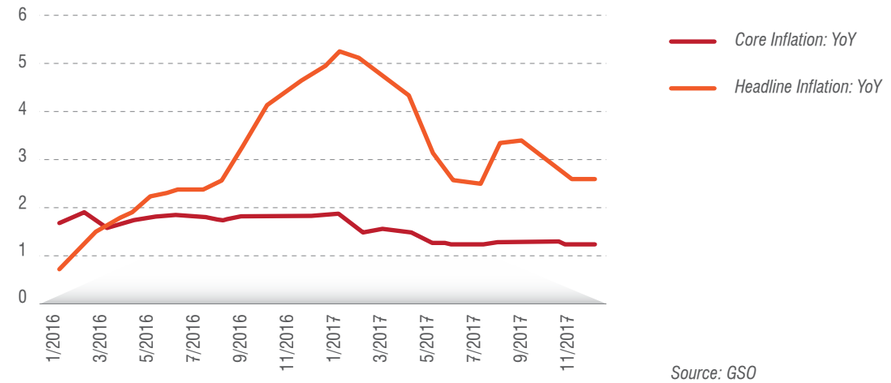
with foreign reserves soaring to the record height of $52 bn USD, thanks to strong growth in exports, remittances, foreign investment inflows, especially foreign portfolio capital into state divestment deal like Saigon Beer Alcohol Beverage Corporation (SAB – HOSE).

GDP Growth 2012 – 2017 (%)



Source: GSO

CPI 2016-2017



Source: GSO

The scale of the economy in 2017 at current prices reached VND 5,007.9 quadrillion; GDP per capita is estimated at VND 53.5 million, equivalent to $2,385 USD, up $170 over 2016. For GDP by expenditure, final consumption increased by 7.35% YoY (real growth for retail sales at 9.46% YoY, much higher than last year level of 8.33% YoY). Growth in capital formation even posted higher, at 9.8% YoY. Trade balance achieved a surplus of $ 2.67 billion, with import-export turnover increasing sharply by 21.5% against 2016.

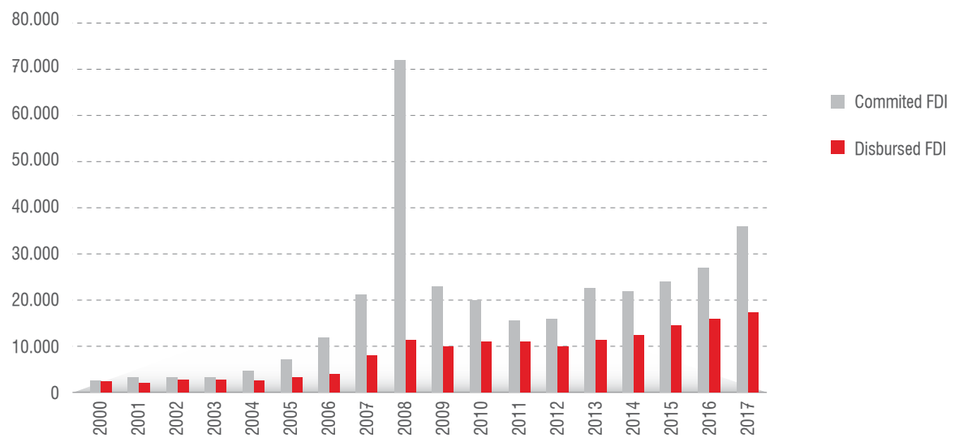
Most economic sectors play was key to this year's GDP growth. Among sectors, one the more notable achievements is the strong growth of the industrial sector, up 7.85% YoY,

and higher than the 7.06% YoY achieved during 2016. The manufacturing industry is another bright spot, with an increase of 14.4% YoY, the highest in seven years, with Samsung and Formosa being the major drivers. Agriculture, forestry and fisheries also recovered 2.9 percent from a record low last year. Service sector, which is the largest economic sector, grew at 7.44% with the two leading wholesale and retail and financial and banking sectors. The tourism industry also emerged strongly with 2017 international visitors to Vietnam increased 30% YoY, reaching 13 million visitors and aircraft tourists reached 8.9 million, increasing 31% compared to the same period last year.

The state budget is improving with the rate of public debt tending to decrease and the ratio of public debt over GDP decreasing. The budget deficit to GDP ratio is decreasing, with the recurrent expenditure decreasing. The growth of public investment has been the slowest since 2015 as a result of the government's ongoing public investment reforms and prudent investment policies.

Foreign direct investment (FDI) and foreign direct investment (FII) are on the rise, respectively 44.4% and 45.1% over the same period. Disbursed FDI increased at a record level in the past 10 years, showing the attractiveness of the Vietnamese market to international investors.

Foreign Direct Investment 2000 – 2017 (USD million)



Source: Ministry of Planning and Investment, CEIC

In 2017, there was also a record increase in the number of newly established enterprises and a sharp increase in the proportion of profitable enterprises in comparison with previous years. The government actively equitized state-owned enterprises (SOEs) and divested capital from joint ventures, with the outstanding deals where the State Capital Investment Corporation (SCIC) withdrew capital from Vinamilk and the Ministry of Industry and Trade divested at Saigon Beer Alcohol Beverage Corporation (SAB – HOSE). The value of state capital being withdrawn in 2017 is 6.34 times that of 2016.

Strong economic growth is attributable to the strong growth in credit from the beginning of the year, offsetting the delay in disbursement of public investment. Credit growth is estimated at 18.17% YoY in 2017, with credit focusing more on business than before, supporting the improvement of sectors of real economy. Consumer credit continued to increase and the trend of people moving from cash payments to bank payments continued to increase.

The banking system actively handles bad debt in 2017 in various forms including debt sale, secured asset auction, using provision for debt write-offs, etc. The support of policies such as Resolution 42/2017/QH14 and Decision 1058/QD-TTg helped speed up the process of bad debt resoultion. A number of banks have completed the provisioning for the bonds issued by the Asset Management Corporation (VAMC) and reduced their NPLs to the lowest level in many years. Despite the high cost of provisioning, the banking sector recorded an increase of over 40% in net profit over the previous year, contributing significantly to overall GDP growth.

Vietnam's business environment has improved markedly. The World Economic Forum ranked Vietnam's competitiveness up 5 levels to 55/137 while the World Bank ranked Vietnam's business environment up 14 levels, to 68/90 of countries and territories. Vietnam's sustainable development index in 2017 also increased 20 levels to 68/157 of countries and territories.

THE STOCK MARKET IN 2017

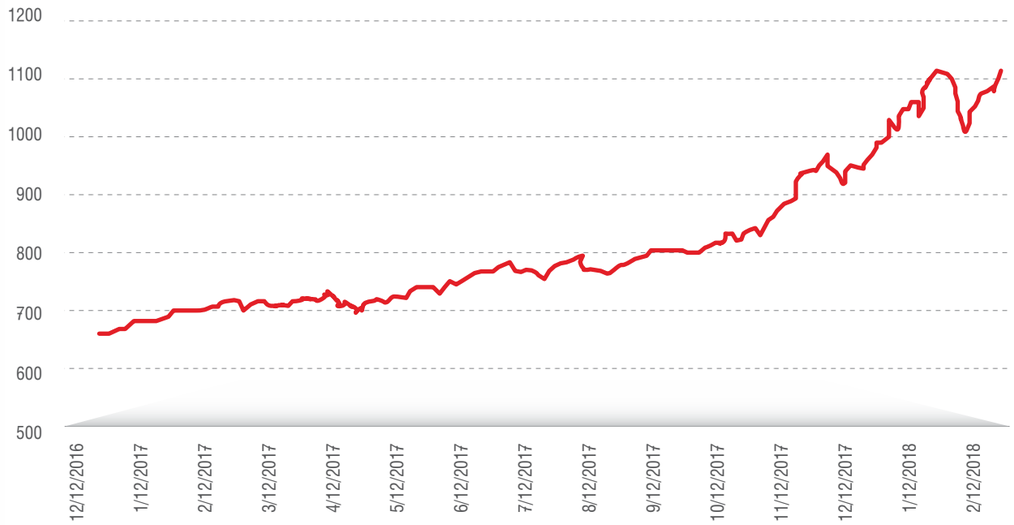
Vietnam stock market continues to have an impressive growth rate in 2017. VnIndex increased steadily throughout the year to close at 984.2 points - up 48% from the end of 2016. Psychology of the investors had been quite active, in the context of successful divestments in Vietnam Dairy Products Joint Stock Company (VNM – HOSE) and Saigon Beer Alcohol Beverage Corporation (SAB – HOSE) blowing away the impacts of negative information and rumors on the market.

In terms of market size, the market cap hit USD 153.4 billion, increasing by 80.5% YoY and reaching equivalency to 70% of GDP. Average daily transaction value reached VND 5,000 billion, up 63% compared to 2016. The upward trend continued in early months of 2018. The number of trading accounts at the end of 2017 also increased by 12% YoY up to 1.92 million, of which the numbers of institutional accounts and foreign customers' accounts increased by 14% YoY both.

2017 witnessed a strong net buying of foreign investors with a total value of VND28 trillion (foreigners net sold VND7 trillion in 2016). Portfolio value of foreign investors also increased 90% over the same period, up to USD 32.9 billion.

The derivatives market was officially launched in August 2017 after more than 17 years since the stock market was inaugurated. Up to now, 16,300 derivative accounts were opened and the average daily trading volume in December reached VND 1.6 trillion.

VNIndex



Source: Bloomberg



2018 MACRO OUTLOOK

Projected growth in 2018 reflects even stronger fundamentals than previous economic cycle, characterized by robust foreign inflows, low interest rates, a stable VND, strong demand growth, and an ongoing improvement in productivity derived from restructuring the economy. Vietnam's macro performance improvements are due to no small effort from reform in the SOE sector.

Growth projection evident across all sectors of the economy

We expect 2018 GDP growth to be 6.7% YoY (considered the upper range of the government target of 6.5-6.7% YoY), retaining impressive growth from last year in relation to regional peers. Please note that growth should be high in 1H 2018 due to a low base effect; this anomaly is expected to normalize in the second half.

Private investment will likely maintain its strong momentum exhibited so far, thanks to better demand recovery and a stable interest rate. Vietnam FDI continued to display an encouraging barometer of future growth, continuing the strong momentum from 2017.

For public investment, our chips are stacked towards the current cycle giving way towards a new beginning in 2018, as USD inflows become more abundant.

In addition beyond the torrential pace of the manufacturing sector, tourism has emerged to be the second star of growth. We are very bullish on Vietnamese tourism prospects and execution in the next 2-3 years for the following reasons:

(i) a burgeoning middle class in Vietnam increasingly with penchant to spend far more on travel, and

(ii) Vietnam experiencing solid recurring double-digit growth figures for tourists to Vietnam from 2016 to the present.

The positive aura of sustained tourist arrival growth forecasts is based on:

(1) the recent implementation of simplified "e-visa" policy procedures, as well as an extension upon visa exemptions for tourists from the UK, France, Spain, Germany, and Italy until June 2018 to further boost tourism; and

(2) increasing tourism interest from neighboring countries such as China, South Korea, and Japan.

WE EXPECT 2018 GDP GROWTH TO BE **6.7%** YoY



SOE IPO and divestment at its peak (in terms of deal size)

Although the amount of total firms up for divestment and/or IPO for the 2018-2020 period might not be as large as in previous years, the aggregate deal size for these offerings during this period is expected to be far more significant. The proceeds from 2018-2020 IPOs and divestment of SOE firms are estimated to be 2.75 times higher than the proceeds from the whole period 2011-2017 (i.e USD 26.3 bn vs USD 9.5 bn). Vietnam may very well end up being the only country in the world that embarks on a new wave of SOE reform in 2018, placing a lot of large and profitable SOEs on public offer.

The reform of SOEs will be further supported with the issuance of Resolution 09/NQ-CP by the government on Febuary 5th, 2018, on the establishment of the State Capital Management Committee. It is expected that 30 enterprises and economic groups will be transferred to the Committee, including 9 out of 10 economic groups (except for Military Telecom Corporation (Viettel) – which is a defense enterprise) and 21 corporations which are currently under the management of the ministries. Under the plan devised by the Ministry of Planning and Investment, the Committee will manage and supervise state capital and assets at enterprises; at the same time implement the restructuring, divestment, arrangement, renovation and improving the efficiency of SOEs, etc.

	2011	2012	2013	2014	2015	2016	2017
Number of completed SOE equitization	14	26	73	175	220	56	45
Total market value of equitized SOEs (VND trillion)	60.35	5.75	25.96	45.52	158.02	39.12	213.7

	2011-2015	2016	2017
Proceeds from SOE divestment (VND trillion)	17.74	18.83	134.6
Proceeds from SOE equitization (VND trillion)	36.52	7.11	2.58
Number of completed SOE equitization	499	56	45

Source: MoF, HSX, HNX

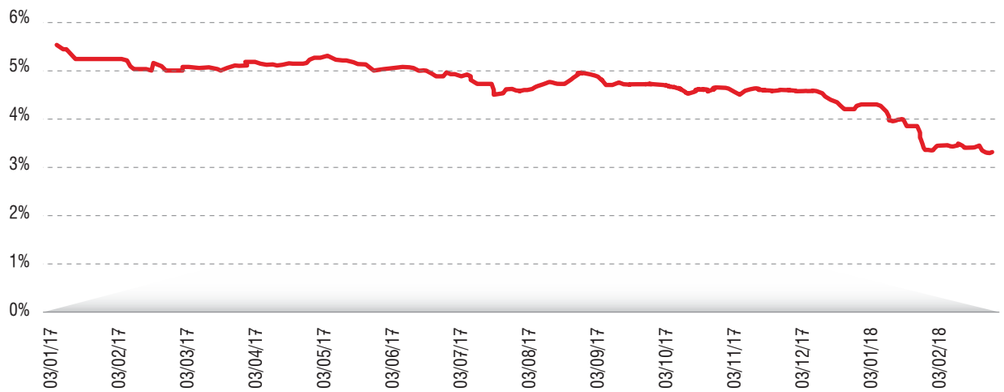
Strong USD inflow is expected

Given the plethora of IPOs and divestment opportunities, including flagship market leader firms by sector offering a high proportion of divestment, we hold the belief that this wave of IPOs will be greatly welcomed by investors. In our estimates, total IPO value during 2018-2020 could reach $9.7 bn, while the total value of divestment could reach $16.6 bn USD. To be successful, a clear ownership structure with active participation of the private sector will help the SOEs to improve their profitability, which is a good reason for investors to make buy decisions. We might even see portfolio investment to come back to the heyday of the 2005-2007 period. We believe that the State Bank of Vietnam is now more experienced in handling new capital inflows in a prudent approach to avoid any macro disturbance.

Capital inflows will tamp down interest rates, while fueling credit growth

As the government is keen on lowering the lending rate further from its current benchmark rates, a strong foreign inflow would be more than enough to lower short-term interest rates and keep medium and long-term interest rates stable at this low level. Such a low interest rate environment is likely to be quite conducive to further credit growth. Indeed, we see credit playing a major role in creating 2018 growth; not only being supplemented by way of a more dovish monetary policy stance, but also in allowing banks to transition their loan structuring by expanding their retail loan books, which in turn pushes domestic consumption to grow even more. As individual credit cycle is still in early stage, we see that the overall risk profile might be more manageable and diversified in the next one or two years.

Vietnam 5-year sovereign bond yields



Source: Vietnam Bond Market Association

IPOs and divestments expected to free up resources for fiscal expansion

Given the wave of IPOs and divestments which started in 2017, the government's fiscal balance is expected to be on ease in the next 3 years, freeing its hands for more flexibility in fiscal policy and project implementation. The proceeds from the Saigon Beer Alcohol Beverage Corporation (SAB – HOSE) deal that came in during the last days of 2017 is an example of a significant burden lifted from the fiscal budget, as it is equal to 44% of the total expected proceeds from SOE divestment as detailed in the 2016-2020 plan for medium term public investment. This frees up resources for the government to act in regards to public investment, which has been comparatively lacking vs. expectations in the last 2 years.

Banking system clean-up process on a realistic path, helping capital-raising activities to accelerate

The banking reform roadmap for 2016-2020 stipulates 2017-2018 to be the deadline for the sector's legal framework, kick off of Basel II across 10 commercial banks, SOE divestment from banks, and VAMC chartered capital rising to $5 trillion ($ 220 mn). For 2019-2020, Basel II compliance is to be implemented across 12-15 banks (standardized approach compliance), with all bank CAR ratios over Basel II prescribed levels. By then the VAMC will have a chartered capital of VND 10 trillion, and will need to complete the full resolution of its purchased bad debt. Banking system NPLs (including bad debt sold to the VAMC and restructured debt) need to be lower than 3%. (Please note that the IMF estimated that this NPL was 8.4% at the end of 2016).

For 2018 specifically, we see 10 banks who have to comply with the Basel II deadline will start preparing for raising capital, including: Bank for Investment and Development of Vietnam JSC. (BID – HOSE), Vietnam Joint Stock Commercial Bank for Industry and Trade (CTG – HOSE), JSC Bank for Foreign Trade of Vietnam (VCB – HOSE), Vietnam Technological and Commercial Joint- stock Bank (TCB – OTC), Asia Commercial Joint Stock Bank (ACB – HNX), Vietnam Prosperity Joint-Stock Commercial Bank (VPB – HOSE), Military Commercial Joint Stock Bank (MBB – HOSE), Maritime Bank, Sai Gon Thuong Tin Commercial Joint Stock Bank (STB – HOSE), and Vietnam International Commercial Joint Stock Bank (VIB – OTC). Our estimate for 14 State-owned Commercial Banks and Joint Stock Commercial Banks to raise further capital in 2018 is set at $3.8 bn USD.

We believe that Resolution 42 and the revised Banking Law will be the key tools to effect real change in order to clean up bank balance sheets in 2018-2020, which in turn will be useful for those banks who need to raise more capital.

2018 STOCK MARKET OUTLOOK

Significant amount of money to be raised via Stock Market

Given the heavy calendar of new IPOs, a large amount of money will be raised via the Stock Market. Our rough estimate is $9.7 bn USD via SOE IPOs and USD 16.6 bn from SOE divestments for 2018-2020. Furthermore, banks are in need of raising capital to finance strong credit growth expectations, and 10 banks will need to kick-off Basel II compliance. Our capital raise estimate compiled from our banking industry sample set in 2018 comes to $3.8 bn. In total, the total amount of capital to be raised via the Stock Market in the next 3 years might add up to roughly $30 bn USD, which is equal to 19.6% of the total market cap of HOSE, HNX, and UPCOM by the end of 2017.

15 stocks could be added into the Top market cap in 2018

Listing after the IPOs has become not only a requirement, but is encouraging industry best practices to attract investor participation. The new Decree 126/2017, effective from 1 Jan 2018, requires that IPO documentation should be accompanied with depository and listing documents, plus a listing at the UPCOM 90 days after completing the IPO process. In case the IPO is executed and the listing occurs at the same time, a minimum bidding volume must be set in advance to meet the listing requirement.

We anticipate that in 2018, 15 new stocks will be added into the Top market cap list with market cap of each stock being higher than USD 1bn as noted in the below table. In total, the aggregate market cap might increase by a factor of 20% with these new listings.



15 STOCKS COULD BE ADDED INTO THE TOP MARKET CAP IN 2018



We believe private companies that display a strong execution capability will become dominant

Along with the IPOs and divestment, the market will accordingly classify the attractiveness of the companies. Those without competitive edges, or those that operate at weak efficiency will lose market share to their private-ly-own competitors. Those with a new, clear ownership structure will result in improved efficiency. We believe that the whole process will help improve the productivity of the overall economy.

This has us more inclined to back the batch of top-notch private companies in the public market such as HPG, VIC, VJC, or FPT. Monopoly SOEs that might improve their efficiency are worth watching, including GAS and ACV.

Market valuation is still low thanks to high growth, with an anticipated re-rating of the big cap towards regional level is anticipated

Our estimate for 2018 net earnings growth of 64 companies under our coverage list is 17.8%, driven by Consumer Discretionary, Financial, and the Energy sector. The 2018 PER level is at 16.25x by as at the end of 2017. We don't see the market valuation to be a particularly demanding factor given the background of high growth prospects. We also expect that valuation of large cap stocks with a sizable market share will be re-rated to that of regional level. This is the reason why we believe that large-cap, growth stocks will take the lead in 2018. Among top growth sectors, we see the banking industry as outstanding in 2018, and is expected to be the sector to garner the most attention for the coming year ahead. Among the large market cap stocks, the most noteworthy include HPG, VIC, FPT, GAS, PLX, VJC, MWG, ACB and MBB. Among the newly listed stocks with clear timeline we like HDB and keep watching the IPOs/listing of PV Power, Resco, TCB, Mobifone, Satra and Saigon Tourist among others.

Net profit growth	2016A	2017E	2018E
	27.80%	10.60%	17.80%

Source: SSI Research estimates

Top Market cap stocks with potential new listing (in red) in 2018

New Rank	Company	Sector	Market cap (USD mn)	Free float (%)	Floating market cap (USD mn)	1Y Target price
1	VNM	Consumer	13,325	35.00%	4,664	222,000
2	ACV (UPCOM)	Industrials	10,398	4.60%	478	115,000
3	VIC	Real Estate	8,975	25.12%	2,254	94,400
4	VCB	Financials	8,599	10.00%	860	58,000
5	GAS	Energy	8,203	5.00%	410	115,000
6	SAB	Consumer	7,037	5.00%	352	N.a
7	Mobifone	Telecom	4,581	N.a	N.a	N.a
8	CTG	Financials	3,966	10.00%	396.61	N.a
9	VRE	Real Estate	3,945	49.10%	1,937.20	N.a
10	BID	Financials	3,837	4.72%	181.12	N.a
11	PLX	Energy	3,825	5.10%	195.10	89,200
12	ROS	Industrials	3,783	30.00%	1,135	N.a
13	MSN	Consumer	3,536	20.00%	707.26	80,000
14	HPG	Materials	3,128	47.44%	1,483.97	60,000
15	VJC	Industrials	2,916	51.53%	1,502.81	168,100
16	VPB	Financials	2,702	N.a	N.a	N.a
17	TCB (OTC)	Financials	2,619	30.00%	416.4	N.a
18	HVN (UPCOM)	Industrials	2,334	5.06%	118	39,400
19	Vietnam Rubber Group	Materials	2,289	11.88%	271.93	N.a
20	Genco 3	Utilities	2,220	13.00%	288.6	N.a
21	MBB	Financials	2,030	55.00%	1,116	29,500
22	Binh Son Refinery	Energy	2,002	8.00%	160.16	N.a
23	SATRA	Consumer	1,982	N.a	N.a	N.a
24	BVH	Financials	1,956	10.00%	196	N.a
25	MWG	Consumer	1,826	55.00%	1,005	162,500
26	GENCO 2	Utilities	1,804	N.a	N.a	N.a
27	Becamex (OTC)	Industrials	1,799	N.a	N.a	N.a
28	NVL	Real Estate	1,785	26.40%	471	67,000
29	ACB	Financials	1,601	75.00%	1,201	42,200
30	MCH (UPCOM)	Consumer	1,588	2.00%	31.76	N.a
31	PV Power	Utilities	1,500	20.00%	300	N.a
32	FPT	Information Technology	1,334	16.12%	215.08	70,000
33	HDB (HOSE)	Financials	1,296	85.00%	1,102	N.a
34	GENCO 1	Utilities	1,263	N.a	N.a	N.a
35	RESCO	Real Estate	1,123	N.a	N.a	N.a
36	VEAM (OTC)	Industrials	1,112	13.00%	144.56	N.a
37	Saigon Tourist	Consumer	1,013	N.a	N.a	N.a
38	Vicem	Materials	1,000	N.a	N.a	N.a

Source: SSI Research estimates

NOTABLE IPO PLAN 2018-2019

Company Name	Sector	Market cap (USD Million)	IPO ratio	IPO size (USD Million)	Timeline
Mobifone	Telecom	4,581	30.00%	1,374	2018
Agribank	Bank	3,436	30.00%	1,031	2019
VNPT	Telecom	3,084	30.00%	925	2019
Vietnam Rubber Group	Commodities	2,291	25.00%	573	2018
GENCO 3	Utilities	2,255	13.00%	293	2018
Binh Son Refinery	Oil and gas	2,021	7.79%	157	2018
SATRA	Retail	1,982	30.00%	595	2018
GENCO 2	Utilities	1,804	13.00%	235	2018
Becamex	Real Estate	1,799	24.00%	432	2018
Vinacomin	Mining	1,648	30.00%	494	2019
PV Power	Utilities	1,486	20.00%	297	2018
GENCO 1	Utilities	1,263	13.00%	164	2018
RESCO	Real Estate	1,123	30.00%	337	2018
Saigon Tourist	Hospitality	1,013	30.00%	304	2018
VICEM	Construction Material	1,000	40.00%	400	2018
Vinataba	Consumer	881	49.00%	432	2018
PV Oil	Oil retail	610	20.00%	122	2018
Ben Thanh Group	Real Estate	458	49.00%	224	2018
Sawaco	Utilities	344	49.00%	168	2018
HUD	Real Estate	330	49.00%	162	2018
Khatoco	Conglomerate	264	30.00%	79	2018
Vinafood 2	Agriculture	222	49.00%	109	2018
Song Da Corporation	Construction	218	49.00%	107	2018

Source: SSI Research estimates

DIVESTMENT PLAN 2018-2020

USD mil (price as of Dec 31st, 2017)	Market cap (USD Million)	Divestment ratio	Divestment size (USD Million)	Timeline
VNM	13,325	36%	4,797	2018-2019
ACV	10,398	30.40%	3,161	2018-2019
SAB	7,037	36%	2,533	2018-2019
VEAM	1,282	88.50%	1,135	2018-2019
GAS	8,203	30%	2,461	2018-2019
BHN	1,302	82%	1,068	2018-2019
PLX	3,825	24.90%	953	2018-2019
HVN	2,334	35.20%	822	2018-2019
DHG	662	43%	285	2018-2019
VGC	496	56.70%	281	2018-2019
VCG	424	58%	245	2018-2019
TVN	239	93.90%	224	2018-2019
MBB	2,030	10%	203	2018-2019
DVN	216	65%	140	2018-2019
VGT	227	53.50%	121	2018-2019
NTP	275	37%	102	2018
BMP	308	30%	93	2018
FPT	1,334	6%	80	2018
TRA	213	36%	77	2018
BMI	143	51%	73	2018-2019
VNR	132	48%	63	2018-2019
DMC	177	35%	62	2018
BVH	1,956	3%	59	2018-2019
VOC	107	36%	38	2018-2019

Source: SSI Research estimates

2017 OPERATIONAL REPORT

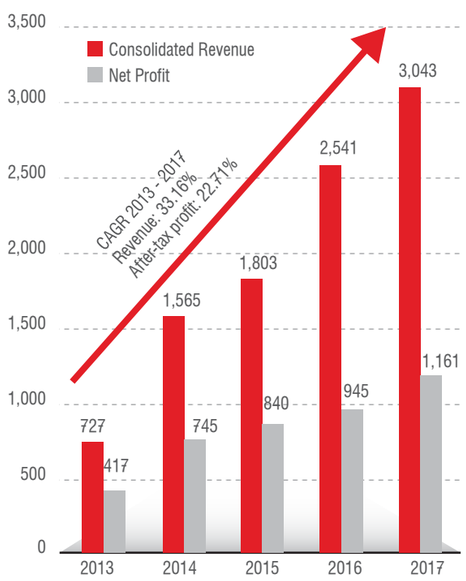


2017 BUSINESS PERFORMANCE

The Vietnam Securities Market hit an impressive growth in 2017. VnIndex closed at 984.2 points - up 48% compared to the rate at the end of 2016. The market capitalization increased by 80.5% compared to 2016, equivalent to 70% GDP. By the end of 2017, the number of trading accounts also increased by 12%, reaching 1.92 million accounts, in which the number of accounts of both institutional clients and foreign clients increased by 14%. In August 2017, the derivatives market opened after 17-year operations of the underlying stock market, attracting investors' interest with 16,300 accounts opened and the average trading volume of VND 1,600 billion per session in December 2017.

Given this context, SSI has had a successful year, setting many new records with the highest consolidated profit before tax in the company's history. Specifically, the company recorded consolidated revenue of VND3,043.2 billion for 2017, up 19.8% YoY and surpassing 44.35% of the revenue target. Consolidated profit before tax reached VND1,405 billion, up 23% yoy and surpassing 32.8% of the profit target.

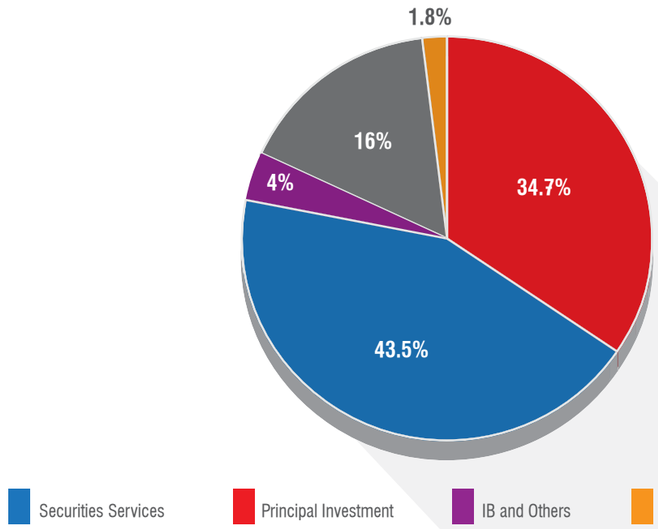
Business Performance from 2013 to 2017 (VND billion)



Source: SSI's Consolidated Financial Statements

Strong performance was achieved in all business areas in 2017.

2017 Revenue Structure



Source: SSI's Consolidated Financial Statements

Revenue from the Securities Services reached VND 1,328.2 billion, up 53% compared to 2016, accounting for 43.5% of the total revenue of the Company. SSI continued to widen the gap from the runner-ups at the number one spot on both exchanges of HOSE and HNX, with the market share of 15.26% - a significant increase compared to the share of 13.04% for 2016. Accordingly, the revenue from Brokerage Services reached VND 779.7 billion for 2017, up 105% YoY. Margin loan and advances to customer balances reached more than VND 5,700 billion at the end of 2017. Revenue from lending activities and receivables (margin lending and advances to investors) made a major contribution to the total revenue of the Securities Services, with a share of 39%, reaching VND 519.65 billion, up 21% YoY. This result shows SSI's serious investment effort in improving product and service quality and diversifying and offering investment analysis and recommendation reports, as well as the development of human resources with high quality, relevant qualifications and good professional ethics.

Principal Investment recorded a revenue of VND 1,060.8 billion, a contribution accounting for 34.7% of SSI's total revenue. With total 2017 investment value up to VND 3,829 billion (subject to market value as at 31 December 2017), SSI continued its effective maintenance of value investment strategy, accompanying companies in their endeavors. At the year-end, SSI had 3 associates, namely The PAN Group JSC. (PAN-HOSE), Dong Nai Port JSC. (PDN-HOSE), and Vietnam Fumigation JSC. (VFG-HOSE), all of which achieved positive business performance for the last year.

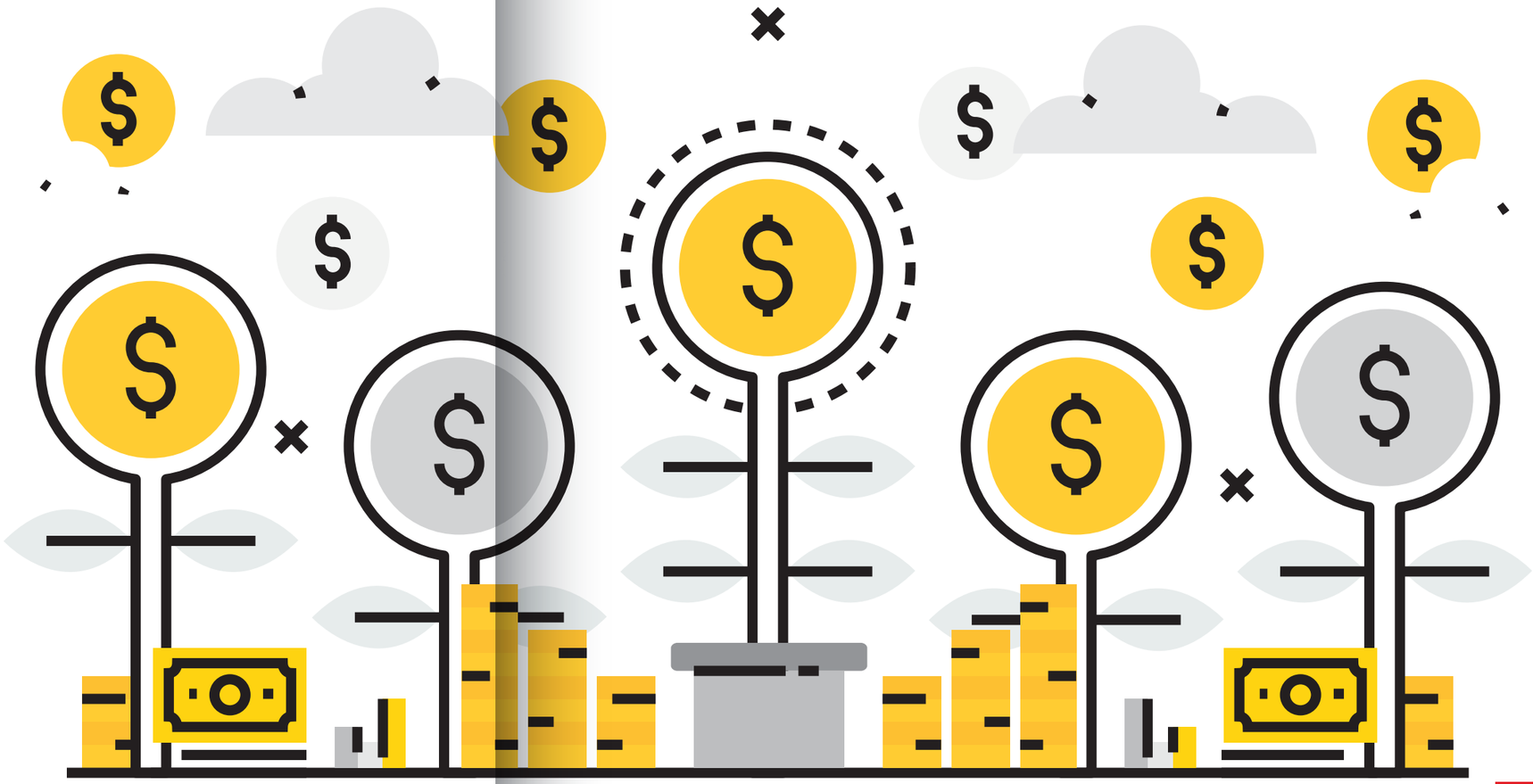
Treasury successfully completed its assigned tasks, increasing the total assets to VND 18,764 billion by the end of 2017 - a record high of 34% YoY; ensuring the highest level of liquidity for the Company and Customers; effectively supporting the capital needs of other Business Units as well as achieving remarkable success in equity trading activities. Treasury recorded its revenue of VND 487.4 billion, accounting for 16% of the total revenue of SSI, up 33.2% YoY.

2017 also witnessed the success of Investment Banking with a variety of successful advisory large-scale deals such as: primary offerings of Vietnam Dairy Products Joint Stock Company (VNM - HOSE) worth USD396 million; secondary share offerings of Vincom Retail Joint Stock Company (VRE - HOSE) worth USD742 million; secondary share offerings of Ho Chi Minh City Development Joint Stock Commercial Bank (HDB - HOSE) worth USD300 million and capital mobilization of USD230 million for Hoa Phat Group JSC (HPG - HOSE), etc... Revenue from the Investment Banking has been at its highest level in recent years, reaching over VND 111 billion.

SSIAM continued to increase the total asset of external clients under management up to 60.3% compared to last year, reaching VND 6,112 billion. The 2017 revenue of SSIAM rose by 67.9% compared to 2016, reaching VND 54.6 billion.

In 2017, the total operating expense of the Company, including financial expense, was more than VND 1,650 billion, in which, the financial expense accounted for nearly 21%. The increase in financial expense occurred because SSI Treasury promoted its equity trading activities, actively entered into loan/deposit transactions with the commercial banks, and optimized both the liquidity management products and the division's profit. The operating expense of the Securities Services occupied most of the Company's operating expense due to expansion of brokerage network. Moreover, the robust growth in trading activities of customers resulted in the increase in trading fee (based on trading volume) paid to HOSE and HNX. Other operating expenses were within the target.

THE COMPANY RECORDED CONSOLIDATED REVENUE OF VND **3,043.2 BILLION** FOR 2017, UP **19.8%** YOY AND SURPASSING **44.35%** OF THE REVENUE TARGET.





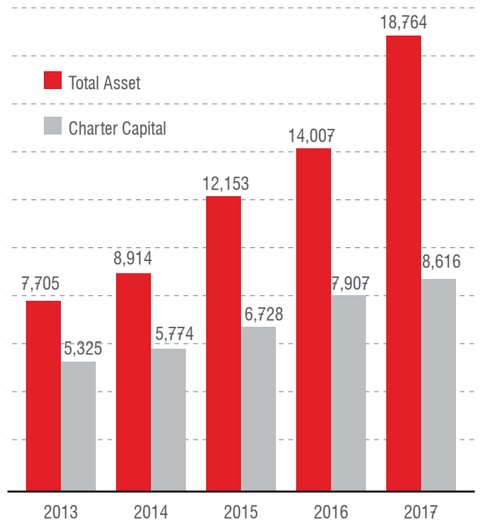


2017 FINANCIAL POSITION

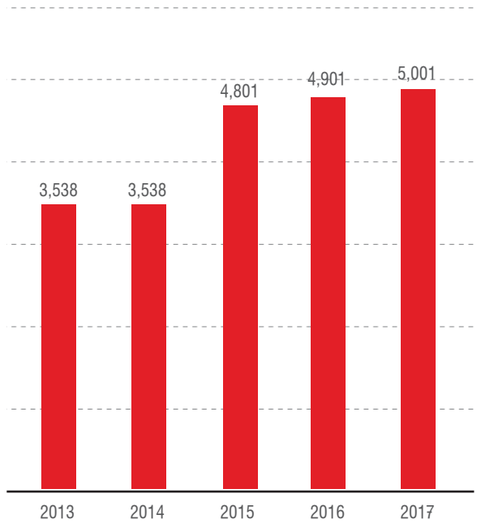
In 2017, SSI's total consolidated assets saw a 34% increase to closely VND 18,764.4 billion compared to 2016 and its owners' equity reached VND 8,616.2 billion. The total asset grew at the record rate, mainly from the increase in banks accounts balances and margin loan balance. In 2017, in addition to SSI's increasing affirmation as a prestigious financial institution operating professionally and effectively, the relationship between SSI and the commercial banks also appears increasingly positive with high credit rating. Many banks have raised their credit lines for SSI at a significantly higher rate compared to 2016, in which the huge increase was in unsecured credit line. Besides that, the policies on interest rates and products applied to SSI by the banks always offer some certain incentives. As a result, the Company's treasury trading activities in 2017 achieved a robust growth, resulting in a considerable increase in loan balances and term deposit balances at banks.

Moreover, Securities Services, maintaining its No.1 position by brokerage market share, actively expanded its customer relationship, stimulate growth in transaction volume in parallel with growth in margin loan balances. Balances of margin loans and advances to investors as of December 31, 2017 reached more than VND 5,700 billion, up 50% compared to 2016. Despite significant growth, margin lending policy and credit risk management are always kept under safe and prudent threshold. In 2017, the Company did not incur non-performing loans. The increase in outstanding balances within prudent thresholds not only brings about effective use of funds for SSI but also is highly appreciated by customers thanks to appropriate risk management policies which help the customers reduce risks in using margin lending for investment.

Consolidated assets and owners' equity growth from 2013 to 2017 (VND billion)



Charter capital growth from 2013 to 2017 (VND billion)



Source: SSI's Consolidated Financial Statements

2017 Financial Highlights

Income Statement	2013	2014	2015*	2016*	2017
Net revenue (VND)	726,943,829,636	1,564,510,137,885	1,802,941,289,604	2,540,929,472,830	3,043,190,092,436
Net profit from operating activities (VND)	328,444,936,244	859,922,881,979	1,048,759,561,596	1,141,560,999,946	1,392,314,526,118
Profit before tax (VND)	505,834,184,178	927,840,400,057	1,053,797,641,057	1,144,062,998,942	1,405,021,409,034
Profit after tax of parent company's shareholder (VND)	418,044,800,068	744,830,193,840	841,566,556,381	946,703,413,703	1,161,852,985,811

Balance Sheet	2013	2014	2015*	2016*	2017
Total asset (VND)	7,705,073,514,740	8,914,435,465,737	12,153,431,597,528	14,006,830,388,635	18,764,375,171,848
Charter capital (VND)	3,537,949,420,000	3,537,949,420,000	4,800,636,840,000	4,900,636,840,000	5,000,636,840,000
Weighted average outstanding shares	350,654,030	464,358,318	471,713,404	480,436,945	490,089,282
Owner's equity (VND)	5,325,172,426,892	5,773,805,744,525	6,727,609,014,290	7,906,811,867,993	8,616,249,695,902

Asset structure	2013	2014	2015*	2016*	2017
Current assets/ Total Assets	58.0%	71.9%	90.30%	90.41%	91.81%
Non-current assets/ Total Assets	42.0%	28.1%	9.70%	9.59%	8.19%

Capital Structure	2013	2014	2015*	2016*	2017
Total liabilities/ Total Assets	30.9%	35.2%	44.64%	43.55%	54.08%
Owner's equity/ Total Assets	69.1%	64.8%	55.36%	56.45%	45.92%

Profitability ratios	2013	2014	2015*	2016*	2017
Net profit/ total assets (ROA)	5.4%	8.4%	6.91%	6.74%	6.19%
Net profit/ owner's equity (ROE)	8.0%	13.1%	12.6%	12.1%	13.6%
Net profit/ charter capital	11.8%	21.1%	17.49%	19.28%	23.22%
Net profit/ net revenue	57.5%	47.6%	46.58%	37.18%	38.15%
Earnings per share (VND)	1.192	1.492	1.658	1.843	2.208

Solvency	2013	2014	2015*	2016*	2017
Current Ratio (Current Asset/ Current Liabilities)	1.90	2.06	2.33	2.17	1.84
Quick Ratio (Cash and short-term financial investment / Current Liabilities)	1.44	1.33	2.28	2.13	1.81

(*) Data was restated and amended in accordance with the new accounting guidance for securities companies.





SECURITIES SERVICES

2017 HIGHLIGHTS

SSI continued to reaffirm the No. 1 position



SSI continued to reaffirm the No. 1 brokerage position in both shares and fund certificates on both HOSE & HNX. Combining both exchanges, the market share of SSI came out on top with a 15.26% penetration rate, up 2.22% compared to 2016.

Transaction values for the segment of domestic individual customers saw a dramatic growth at rate of 105% compared to 2016, and average margin loan balance increased to VND 4,150 billion from VND 3,294 billion. Revenue from Securities Services, accordingly, reached a striking growth to VND 1,328.2 billion in 2017 from VND 868 billion in 2016, leading to the increase in profit from VND 389.6 billion in 2016 to VND 655.5 billion in 2017.

REVENUE INCREASED
53%
COMPARED TO 2016



In coordination with Investment Banking, Securities Services made some successful divestment deals and distributed stocks of Vietnam National Petroleum Group (PLX - HOSE), Vietnam Dairy Products Joint Stock Company (VNM - HOSE), VietJet Aviation Joint Stock Company(VJC – HOSE), Vincom Retail Joint Stock Company (VRE – HOSE), Ho Chi Minh City Development Joint Stock Commercial Bank (HDB – HOSE) with transferable asset valued up to hundreds of millions of US dollars.

SSI represents the pioneer as continuing its leading position by the derivative brokerage market share, accounting for 28.28% of the whole market, with the number of new accounts opened on the first day of nearly 1,000. Up to date, the number of SSI accounts has surpassed SSI's expectation with 6,000 new accounts, including over 1,200 active accounts and 625,000 securities trading contracts at SSI.

A variety of new products on investment consultancy and advisory services have been developed for individual customers such as: Stock Ratings, Stock Quick View and investment recommendations based on fundamental and technical analysis that bring about short-term and long-term investment ideas to customers. SSI is the first company to draw up derivatives reports on the market, providing a wide range of trading information and strategies for clients. Investment advisory products, investment strategy reports, macro reports for institutional clients are always appreciated in terms of quality, credibility and professional ethics by customers and prestigious institutions in the region.

SSI Securities Services continued to win most of the prestigious awards in the individual and team categories presented by Asiamoney - a leading and prestigious finance magazine in the region. Besides the international awards, the Division was also given many awards by local authorities for excellent performance on underlying securities trading, derivatives trading and clearing and was named being one of top 10 leading securities companies in Vietnam.

DERIVATIVE BROKERAGE
MARKET SHARE: **28.28%**



2017 PERFORMANCE

The Vietnam stock market experienced a year of spectacular growth at the highest rate in Asia. After 10 years, VN-Index returned to its peak of 970 points at the last month of 2017, up nearly 46% compared to the beginning of 2017, the market capitalization reaching VND 3,360 billion, which exceeded the targeted cap set out for the year of 2020. 2017 also witnessed many records of state divestment deals, namely, state divestment from Saigon Beer Alcohol Beverage Joint Stock Corporation (SAB - HOSE) - gaining USD 5 billion in proceeds, Vietnam Dairy Products Joint Stock Company (VNM - HOSE) - gaining over VND 20,000 billion, Development Investment Construction Joint Stock Corporation (DIG - HOSE) - gaining approximately VND 2,500 billion. In addition, secondary offerings of giant companies such as Vincom Retail Joint Stock Company (VRE - HOSE), VietJet Aviation Joint Stock Company (VJC – HOSE) or Vietnam Prosperity Joint-Stock Commercial Bank (VPB – HOSE) also created a boom for domestic and foreign investors. Besides the growth in the underlying securities market, the derivatives market was introduced to investors in August 2017. Only within 5 months, the size of the derivatives market grew exponentially, over 16,300 derivatives trading accounts opened with an average trading size of more than VND 1,600 billion/ session in December, 2017.

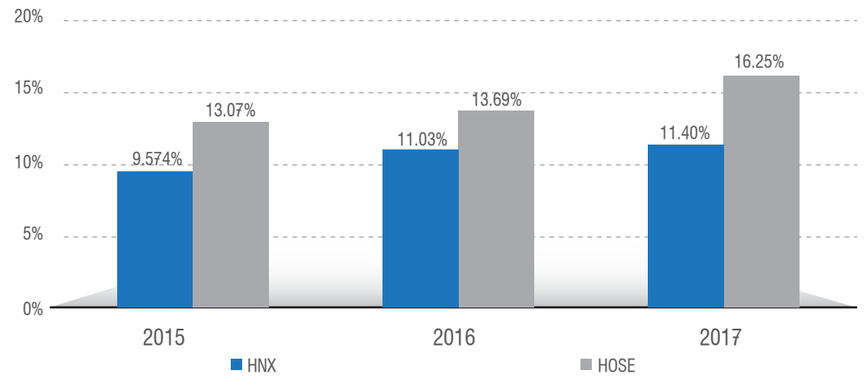
In addition to such advantages, the Vietnam's stock market has still faced a variety of tangible and intangible barriers that create a major impact on the influx of foreign investment. In particular, the level of investment and disbursement of institutional investors in the market is limited due to investment size, small number of outstanding shares, low liquidity and limited foreign ownership of many blue-chip stocks. Besides, investors' confidence has also been challenged by the delays of many important events during the past year, such as delays in divestment in state-owned enterprises; the introduction of derivatives products; day trading, etc.

2017 also marked a strong development of the Securities Services Division with tremendous growth in revenue, the continuously leading position by the market share, and the Division's success in expanding the number of customers, building highly qualified brokers as well as developing new products.



Leading the whole market by market share

Market shares in Shares/Fund certificates brokerage over the years

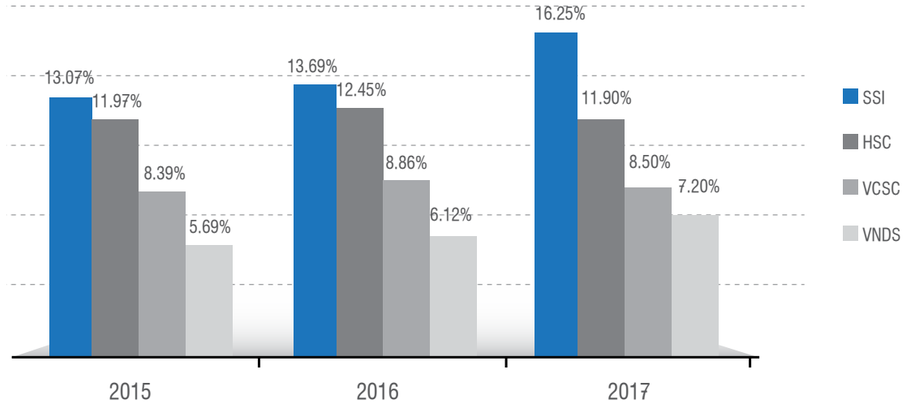


Source: HNX, HOSE, collected by SSI

The market share in shares and fund certificates brokerage continued to reaffirm its highest position on both stock exchanges, reaching 15.26% - up 2.22% compared to 2016.

In which, the market share on HOSE reached 16.25%, up 2.56% compared to 2016.

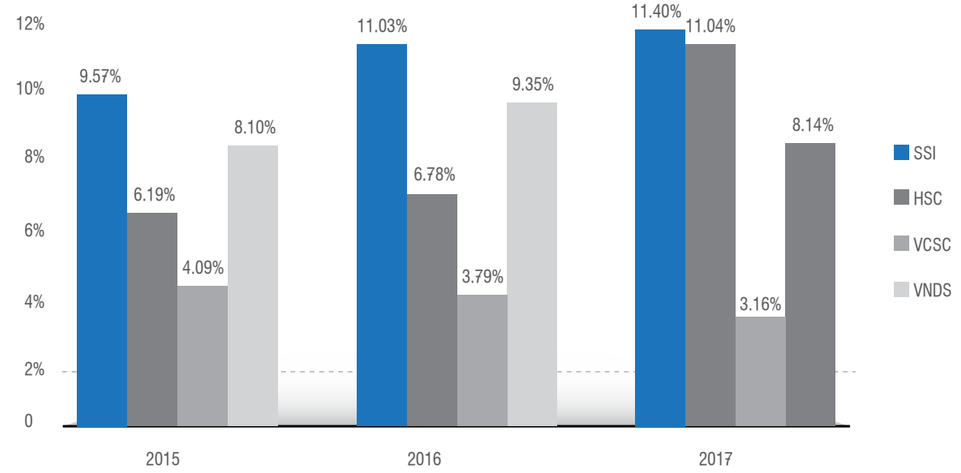
Top 4 Stock/Fund certificate market share/CCQ on HOSE



Source: HOSE, collected by SSI

While that on HNX reached 11.4%, up 0.37% compared to 2016.

Top 4 Stock/Fund certificate market share on HNX

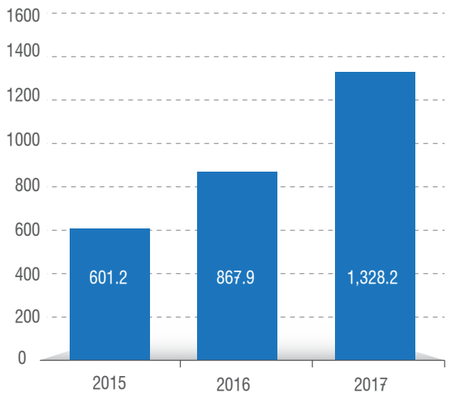


Source: HNX, collected by SSI

Impressive growth in revenue and profit

Revenue from Securities Services continued its positive and ongoing pace of growth over the years, reaching VND 1,328.2 billion in 2017 – up 53% compared to 2016. In which, revenue from Retail Brokerage was mainly from brokerage fees and revenue from financial products. Revenue from Institutional Brokerage included revenue from brokerage fees for trading on and off the exchanges, revenues from advisory contracts, recommendations provided to investment funds, advisory services on investor relations for companies and cross-sale activities in coordination with other business units of SSI.

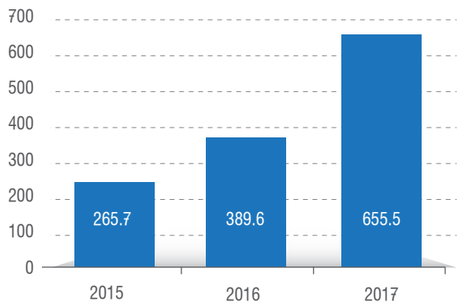
Revenue of SSI Securities Services (VND billion)



Source: SSI's consolidated financial statements

Along with the growth in revenue, the profit of Securities Services also achieved a robust growth in 2017, reaching VND 655.5 billion - approximately equal to the combined profit of the two previous consecutive years.

Profit of SSI Securities Services (VND billion)

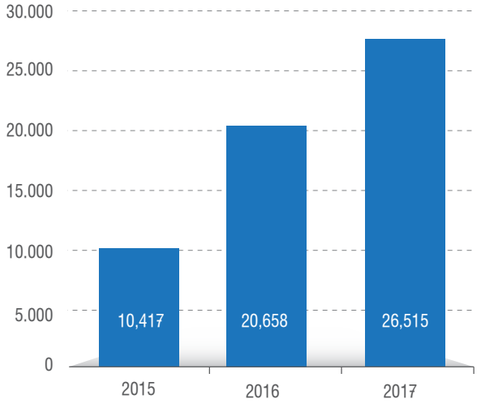


Source: SSI's consolidated financial statements

A dramatic growth in the number of customers and expansion in networks

By late 2017, SSI managed more than 127,000 accounts, accounting for 6.5% of total accounts of the whole market, of which 126,000 accounts were of individual customers and closely 1,000 accounts were of foreign institutional customers. In 2017, the newly opened accounts reached 26,515 in number - surpassing 30% of the target. The impressive growth in the number of customer accounts represents a proper development strategy through improvement of investment and consultancy services, financial products; the development of institutional brokers and retail brokers to take good care of existing customers as well as acquiring new

Number of new accounts



Source: SSI

Taking advantage of market development opportunities, SSI Securities Services has continued to expand its operating network at prime locations in Ho Chi Minh City. In September 2017, two Transaction Offices were established: Nguyen Van Cu Transaction Office and Nguyen Thi Minh Khai Transaction Office respectively; making up the total number of Branches/Transaction offices to 12 trading locations nationwide, which reaffirm the leading position of SSI in terms of trading networks with customers.

Growth in the number of retail customer brokers

Pursuing the strategy to invest in the quality of brokers, in 2017, SSI did not carry out large-scale recruitment, instead of that a process on thorough selection and rigorous probation assessment has been adopted, with a focus on such elements as ethics, professional competence, passion and desire at work. The number of brokers increased to 479 head-counts from 353 ones by the end of 2017. In conjunction with employee recruitment, broker training is always emphasized and periodically conducted at all branches and transaction offices, to orient the brokers to become financial consultants with high expertise, good professional ethics, consulting capability and customer care skills.

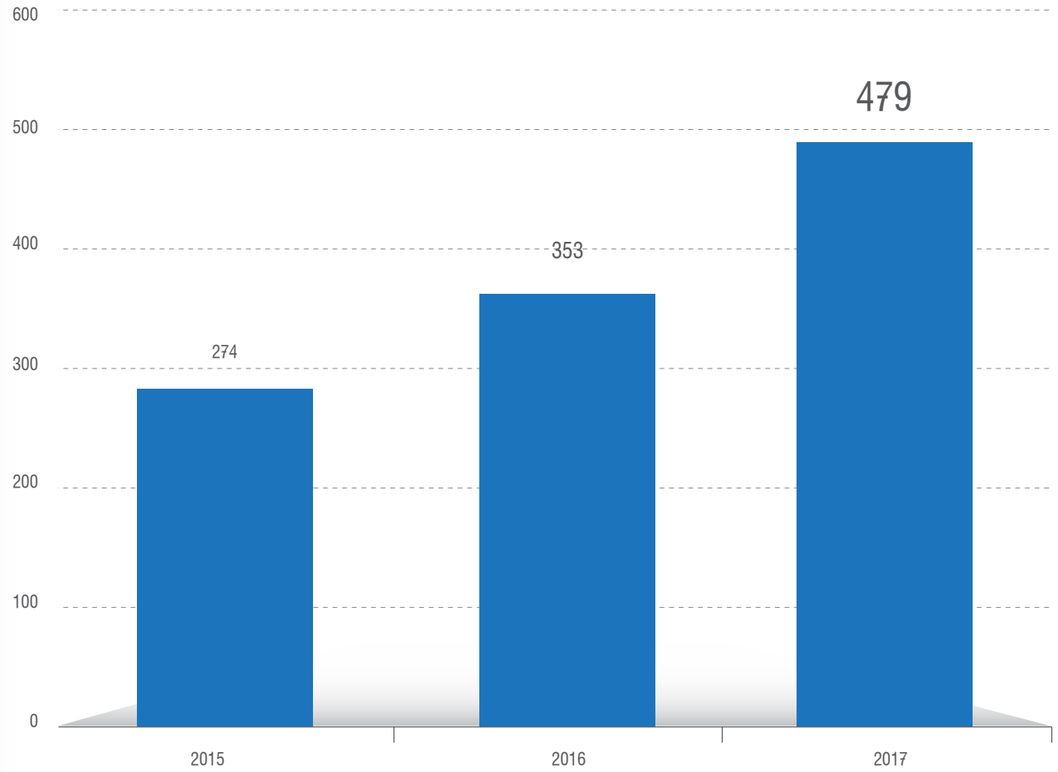
Institutional Customer Brokerage team is also strengthened with a pool of senior human resources being foreigners who have rich experience in international financial institutions to be in charge of developing overseas markets including the United States, Europe, Singapore, Hong Kong, etc.

Developing new products

Along with the advent of the derivative market, SSI was one of the first securities companies to be granted certificates by the SSC for trading derivatives and bridging derivatives transactions with the HNX, and was one of the two general clearing members of the market. SSI was also a pioneer in making and putting forward recommendations for the development of the derivatives market; for example, its proposal to the SSC on the supplement to the Circular that allows depositors to trade on margin through general accounts at the securities company to reduce transfer fees charged by payment banks and determines tax amounts per transaction, etc. By the end of 2017, SSI topped the derivatives market with a market share of 28.28% and over 6,000 accounts.

In addition, SSI is also the first securities company coordinating actively with HOSE to prepare readiness for the introduction of covered warrants which are expected to be launched to the market in May 2018.

Number of brokers



Source: SSI



TREASURY

2017 HIGHLIGHTS

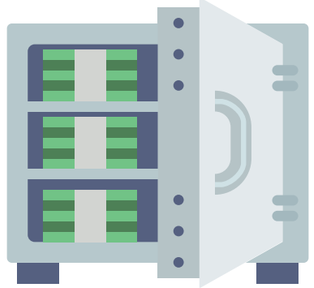
Revenue of SSI Treasury hit an impressive growth - reaching VND 487.4 billion, accounting for 16% of the total revenue of the Company. Total asset reached a striking growth to VND 18,764 billion in 2017 from VND 14,006 billion in 2016 - with a record rate of 34%.

The highest level of liquidity was ensured under the pressure of capital needs from other Business Units as well as requirements on financial supporting to the stock market.

SSI Treasury continued to be the highlight that creates SSI's brand positioning in terms of security and professionalism to customers and financial institutions in the market.

The structured products have continuously been developed and traded by the division in combination with cross-sales from other Business Units.

TOTAL ASSET REACHED A STRIKING GROWTH TO VND 18,764 BILLION IN 2017 - WITH A RECORD GROWTH RATE OF 34% YOY

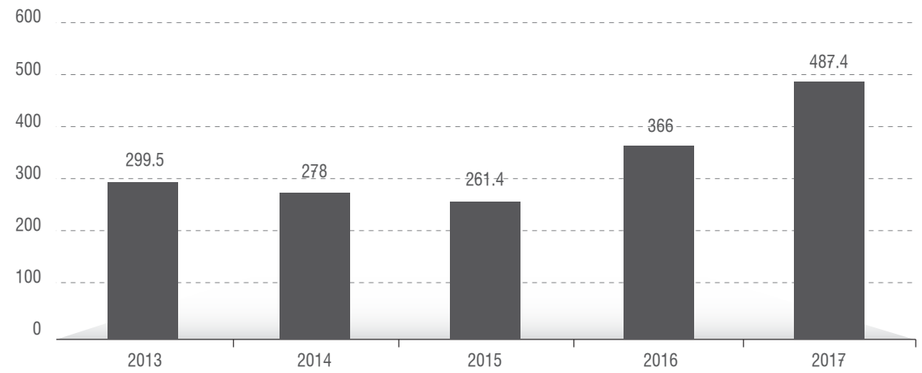


2017 PERFORMANCE

Continuing the success of 2016, the year of 2017 remarks a breakthrough for Treasury with a rate of growth over expectations. SSI's total assent for 2017 increased by 34% compared to last year, reaching VND 18,764 billion.

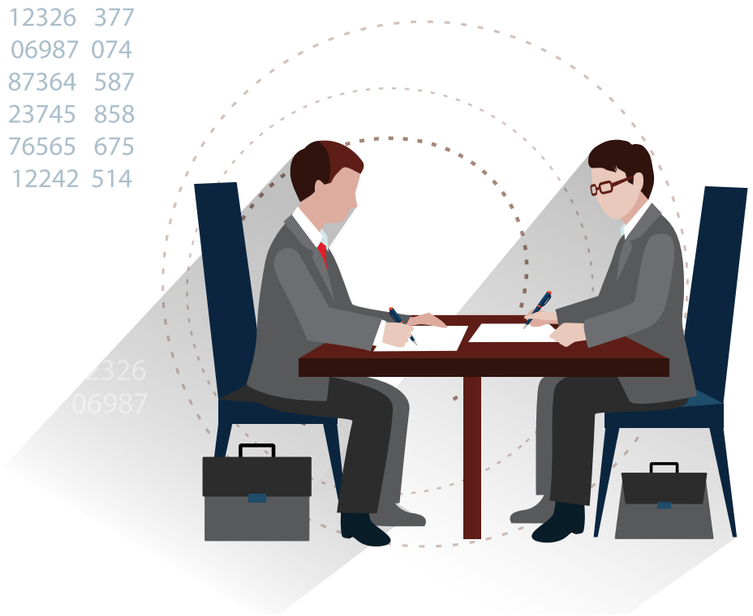
The Company's revenue and profit for 2017 increased by 33.2% and 46% respectively compared to 2016. The remarkable success was also recognized in other targets, including client network, partners, human resources, and the development of new products.

Revenue from Treasury (VND billion)



Source: SSI's consolidated financial statements

EQUITY BUSINESS ACTIVITIES CONTINUED TO ACHIEVE OVERWHELMING SUCCESS



Given the position of the securities company holding the largest total equity (asset) in the Vietnam's stock market for many years, in 2017, SSI continued to increase the total asset, reaching VND 18,764 billion - up 34% compared to 2016 and 54% compared to 2015 respectively, and doubling that of 2014.

Thanks to favorable business conditions: the monetary market remained stable, no huge interest rate fluctuations, liquidity ensured, SSI has had a successful year in equity business with large trading size, increasing trading frequency in parallel with the growth in profit resulting from the large size.

Pursuing to maintain the major share of long-term equity trading activities for a better rate of return, SSI has made its investment in other trading activities with a higher rate of profit on a step by step basis, for example, trading short-term government bonds, corporate bonds and valuable papers from other financial institutions.

In 2017, Treasury developed and increased derivatives trading activities in the monetary market to diversify its portfolio and risk as well as increase return on equity (ROE). As a pioneer in deployment of VND Interest rate swap product (IRS) in the market, SSI reached a turnover of nearly VND 500 billion for this product in 2017.

ENSURING THE HIGHEST LEVEL OF LIQUIDITY OF THE COMPANY AND INVESTORS AS WELL



In 2017, SSI Treasury continued to successfully complete its mission and ensure the liquidity of the Company. Through increasing the number of credit lines signed with major domestic financial institutions and foreign partners, SSI continued to maintain the issuance of secured and unsecured (non-transferable) bonds to diversify and optimize the equity sources of the company. Treasury always ensure to meet all capital needs from other Business Units as well as lending demands from customers. SSI has become a prestigious securities company in equity trading activities in the market.

MAINTAIN AND EXPAND RELATIONS WITH OTHER DOMESTIC AND INTERNATIONAL FINANCIAL INSTITUTIONS



The partner and customer networks of SSI Treasury have continuously been maintained in a tight manner, and new business partnership activities have been expanded based on existing partnerships together with further acquisition of new partners in the market. SSI's traditional partners for years include: For State-owned banks - Joint Stock Commercial Bank for Foreign Trade of Vietnam (VCB), Bank for Investment and Development of Vietnam JSC (BIDV), Vietnam Bank for Industry and Trade (VietinBank), Vietnam Bank for Agriculture and Rural Development (AgriBank); For major commercial banks in the market - Technological and Commercial Joint Stock Bank (Techcombank), Orient Commercial Joint Stock Bank (OCB), Asia Commercial Joint Stock Bank (ACB), Military Commercial Joint Stock Bank (MBB), Vietnam International Bank (VIB), Petrolimex Group Commercial Joint Stock Bank (PGB); in addition, there are other foreign banks and joint venture banks -SinoPac Bank, ChinaTrust Commercial Bank (CTBC), Indovina Bank Limited (IVB), etc. In addition, SSI also maintained its relations with big groups and corporations in order to create opportunities on the long-term cooperation and interest in the future.



ASSET MANAGEMENT

INCREASED THE TOTAL AUM FROM EXTERNAL CILENTS TO OVER VND 6,112 BILLION, UP CLOSELY 60.3% COMPARED TO LAST YEAR



2017 HIGHLIGHTS

Continue to diversify SSIAM's products for investors: Successfully launched SSI Bond Fund (SSIBF) in August 2017.

Completely converted the reference index of the ETF SSIAM HNX30 to VNX50, changed the fund's name to ETF SSIAM VNX50 Fund and switched it to be listed on HOSE under the ticker of FUESSV50 since October 2017;

Increased the total assets of external clients under the fund's management to over VND 6,112 billion, up closely 60.3% compared to last year: SSIAM attracts a large bulk of investment capital from new customers and existing customers in all three operating sectors: investment fund, institutional investors and high net worth individuals.

2017 PERFORMANCE

Fund Management

Funds under SSIAM's management

OPEN-ENDED FUND	MEMBER FUND	EXCHANGE-TRADED FUND
EQUITY FUND SSI SUSTAINABLE COMPETITIVE ADVANTAGE FUND (SSI-SCA)	PE FUND VIETNAM GROWTH FUND DAIWA-SSIAM II	ETF SSIAM VNX50 FUND
BOND FUND SSI BOND FUND (SSIBF)	SSI MEMBER FUND (SSI-IMF)	
EQUITY FUND ANDBANC INVESTMENTS SIF – VIETNAM VALUE AND INCOME PORTFOLIO		
EQUITY FUND SSIAM UCITS - VIETNAM VALUE INCOME AND GROWTH FUND		

Source: SSIAM

In 2017, SSIAM has focused its resources on capital mobilization from local investors, by promoting robust sales from existing distribution partners as well as developing new distribution partners. SSI Sustainable Competitive Advantage Fund (SSI-SCA) reached a strong growth in size to VND 398 billion by the end of 2017 from VND 118 billion by the end of 2016, up 240%. Outstanding investment results of SSI-SCA, which have been maintained and stable for many years, also help the fund attract the large amount of capital.

For new products, SSIAM successfully raised SSI Bond Fund (SSIBF) in August 2017 with the initial capital mobilization of VND 68 billion. It is the first investment fund of SSIAM allocating the investment on fixed-income instruments which help to diversify the products provided to customers by SSIAM.

In August 2017, SSIAM officially converted the reference index of the ETF SSIAM HNX30 from HNX30 to VNX50, changed the fund's name to ETF SSIAM VNX50 Fund and switched it to be listed on HOSE since 24 October 2017 under the ticker of FUESSV50.

Such changes brought investors a better investment opportunity as VNX50 was the first index consisting of the largest cap and most liquid stocks on both HOSE and HNX, well representing the Vietnam's stock market and accounting for 70% of total market cap. With those changes, liquidity of the secondary market as well as the publicity of the Fund has increased significantly.

For overseas markets, SSIAM continues to mobilize additional capital for two investment funds, Andbanc Investments SIF and SSIAM UCITS. Those two funds were incorporated in Luxembourg to raise funds from institutional and individual investors in Europe investing in the Vietnam's stock market. In 2017, the size of the Andbanc Investments SIF fund continued to increase by 44% from USD 52.2 million to USD 75.3 million, while the size of the SSIAM UCITS fund increased by nearly 60% from USD 15.1 million to USD 24.1 million.

Performance of the investment funds

SSI Sustainable Competitive Advantage Fund (SSI-SCA)

	Rate of Returns (%)				
	2014*	2015	2016	2017	From the launch date*
SSI-SCA	-1.8%	17.7%	24.1%	38.2%	98.2%
VN-Index	-9.8%	6.1%	14.8%	48.0%	62.7%

**Launch date: 9/26/2014*

ETF SSIAM VNX50 Fund

	Growth (%)				
	2014	2015	2016	2017	Since the date ending registration of capital contribution**
ETF SSIAM VNX50	-13.1%	-11.0%	3.6%	60.4%	28.60%
Chỉ số tham chiếu*	-13.1%	-12.2%	1.7%	71.4%	32.88%

** From November 17, 2014 to August 22, 2017, Reference index was HNX30, after August 22, 2017, Reference index was VNX50*
*** Date ending registration of capital contribution November 17, 2014*

SSI Bond Fund (SSIBF)

Type of fund certificates	Growth (%) – USD	
	2017*	From the launch date*
SSIBF	4.0%	4.0%

** Launch date: 8/30/2017*

Andbanc Investments SIF – Vietnam Value And Income Portfolio

Type of fund certificates	Fluctuation (%) – USD		
	2016	2017	From the launch date*
A1 (USD)	19.72%	17.90%	40.84%
A1D (USD)	19.71%	17.91%	40.85%
B1 (GBP)	39.35%	9.62%	54.07%
B1D (GBP)	39.32%	9.62%	54.04%
C1 (EUR)**	23.29%	5.92%	30.59%
C1D (EUR)****	1.81%	5.92%	7.84%
D1 (USD)***	3.72%	17.47%	21.84%
VN-Index	13.39%	48.42%	71.92%

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

SSIAM UCITS Fund

Loại chứng chỉ quỹ	Fluctuation (%) – USD	
	2017	From the launch date*
A (USD)	19.00%	17.12%
AD (USD)	19.02%	17.14%
B (GBP)	8.72%	8.99%
BD (GBP)	8.72%	8.99%
C (EUR)	4.51%	5.86%

** Launch date: 11/11/2016*

Source: SSIAM

Portfolio management for institutional clients

In 2017, SSIAM acquired several new clients being large insurance companies and other organizations in need of entrusting fund to SSIAM, increasing the size of total asset under management for external institutions up to VND 1,239 billion.

Also in 2017, SSI, SSIAM's parent company, changed its investment strategy and terminated SSI's entrusted asset contracts to SSIAM, resulting in a dramatic drop in the total portfolio size of institutions managed by SSIAM in general. However, with the new capital mobilization from external institutional clients, the total asset of external institutional clients managed by SSIAM by the end of 2017 still increased by 160% compared to 2016.

Portfolio management for individual clients

The segment of individual clients witnessed a strong growth in both number of clients and size of investment fund for the last year. In addition to attracting new customers, SSIAM's existing clients also add more entrusted funds to their portfolio, based on gaining high investment returns after one-year contract. By the end of 2017, the number of individual clients of SSIAM raised more than 2 times, and the total size of entrusted assets increased by over 400%, reaching VND 540 billion. The average rate of returns of the contracts reached about 45% (before commission fee).

Growth in the total assets under management

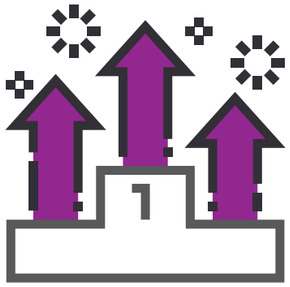
Along with the achievements across all three operating sectors, the total asset of external clients under SSIAM's management reached VND 6,112 billion, up 60.3% compared to 2016.



INVESTMENT BANKING

2017 HIGHLIGHTS

SSI INVESTMENT BANKING CONTINUED TO REAFFIRM ITS LEADING POSITION IN THE VIETNAM MARKET



Revenue from SSI Investment Banking in 2017 has been at the highest level in recent years, reaching VND 111.4 billion.

SSI Investment Banking continued to reaffirm its leading position in the Vietnam market when having successfully conducted a series of large-scale advisory transactions, including: Successful primary offerings of 48.33 million shares of Vietnam Dairy Products Joint Stock Company (VNM - HOSE) worth USD396 million;

Secondary offerings of 415 million shares of Vincom Retail Joint Stock Company (VRE - HOSE) worth USD742 million; Secondary offerings of Ho Chi Minh City Development Joint Stock Commercial Bank (HDB - HOSE) worth USD300 million, offerings of treasury shares of Vietnam National Petroleum Group (PLX - HOSE) worth USD 50 million and capital mobilization of USD230 million for Hoa Phat Group JSC (HPG - HOSE), etc.

- SSI Investment Banking was honored to receive “Best Private Equity Deal in Asia Pacific” award for share offerings of Vincom Retail Joint Stock Company (VRE – HOSE) presented by Finance Asia and The Asset.

2017 PERFORMANCE

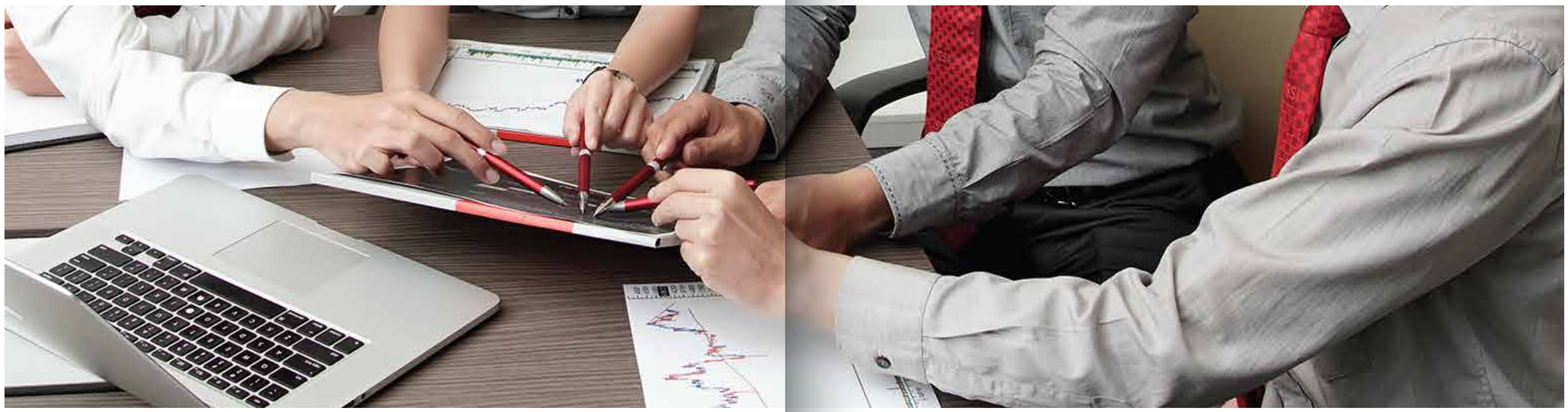
2017 continues to be a successful year for SSI in general and the Investment Banking in particular. Revenue from the SSI Investment Banking in 2017 reached VND 111.4 billion, an increase of 5% compared to 2016. Such positive achievements in the past year are the result of continuous endeavors of the Unit in accessing potential clients as well as providing high-quality advisory services which bring about the highest benefits to clients. SSI continued to reaffirm its leading position, a reliable service provider of clients and domestic and overseas partners with a series of successful advisory deals. In which, some outstanding deals could be named as follows:

Advisory service for offering of 48.33 million shares of Vietnam Dairy Products Joint Stock Company (VNM - HOSE) to State Capital Investment Corporation (SCIC) valued at USD 396 million, equivalent to a good price of VND 186,000 per share – 24% higher than the initial offering price, becoming the most successful divestment of SCIC in 2017 and the typical divestment case of the Vietnam’s stock market in 2017.

Advisory service for secondary offering of 415 million shares of Vincom Retail Joint Stock Company (VRE - HOSE), accounting for 21.83% of the company’s total share, successful mobilization of USD 742 million for the existing shareholders, becoming the offering of shares under the book building method with the highest trading value in the history of Vietnam’s stock market. The trading was conducted under Rule 144A of the United States and was widely offered in the markets of Singapore, Hong Kong, the United Kingdom and the United States through investor meet-ups (roadshow) organized by book building entities, including Credit Suisse, Citibank, Deutsche Bank and SSI. The bid volume from the investors was 5 times higher than the number of shares offered and all the foreign investors buying shares were prestigious financial institutions in the region and over the world.

Advisory service for secondary offering under the book building method for Ho Chi Minh City Development Joint Stock Commercial Bank (HDB - HOSE) with the total capital mobilization up to USD 300 million, becoming the largest IPO of bank stocks in 2017. As one of the two entities building book and providing listing consultancy to HDB, SSI completed the whole deal only within 3 months. More than 70 investors from Singapore, Hong Kong, Thai Lan and Europe involved in the deal.

With an orientation toward provision of advisory products with high quality, professionalism and customization to clients, SSI Investment Banking focused on researching and designing financial advisory products for businesses, consultancy on capital mobilization, including both equity and debt to diversify products to meet the increasing demand of clients as well as the requirements of the market and pursue the mission of “Connecting capital to opportunities” - connecting foreign investors with local firms and leveraging capital from international financial markets.



PRINCIPAL INVESTMENT

2017 HIGHLIGHTS

THE TOTAL INVESTMENT MOUNTED TO VND 3,829 BILLION IN 2017(*)



(*) of 31 December 2017

2017 PERFORMANCE

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

In active investment strategy, SSI has representation on the Board of Directors (BOD) and / or the Supervisory Board in these businesses and work closely with the Board of Management in a number of sectors with competitive advantages and benefiting from macro economy: agriculture, manufacture, transportation infrastructure.

All the three Companies came up with positive business results, bringing about added value to SSI in terms of SSI's consolidated profit and market value growth. Two of three associated companies reached an impressive double-digit profit growth as follows: The PAN Group JSC. (PAN – HOSE) - 44%, Dong Nai Port JSC. (PDN – HOSE) - 23%. Vietnam Fumigation JSC. (VFG – HOSE)'s profit slightly decreased by 5%, however, the company continued to maintain its runner-up share in the sector of agricultural chemicals.

In passive investment strategy, SSI employs a rational asset allocation strategy, increases shareholding ratio in the sectors benefiting from movements of domestic and world economy, and changes pricing among industries and companies to seek investment opportunities. In addition, SSI also conducted analysis on the factors affecting the market for preparation of investment plan to leverage those market factors.

Over time, investment size of SSI and SSIAM has considerably and rapidly increased; several new investment products have been adopted in the market such as derivatives, covered warrants, customers' entrusted accounts with specific investment requirements. Therefore, in order to ensure the absolute transparency and complete separation of SSIAM's management over external clients' asset and SSI's asset, SSI put an end to its entrusted asset of VND 3,700 billion under SSIAM's management by the end of 2017, excluding parallel portfolio with Daiwa and portfolio of unlisted companies (Private Equity).

SSI CONTINUED TO WORK WITH ASSOCIATED COMPANIES IN PRODUCTION COSTS AND IMPROVING BUSINESS EFFICIENCY





ASSOCIATED COMPANIES

THE STRATEGY "ACCOMPANYING AND DEVELOPING WITH ASSOCIATED COMPANIES"

By the end of 2017, SSI has 3 associated companies, namely The PAN Group JSC. (PAN – HOSE), Dong Nai Port JSC. (PDN – HOSE), and Vietnam Fumigation JSC. (VFG – HOSE). These are industry-leading companies which have maintained stable revenue, profit and high dividend payout ratios with highly competitive products.

In 2017, SSI joined hands with associated companies in restructuring production costs and improving business efficiency. Most of the margins in these companies in 2017 exceeded the previous year. The companies also actively seek partners for developing value chains and promoting their values. In particular, one of the 3 associates, PAN Group JSC. (PAN - HOSE), has been ranked 6th amid Company with the most impressive growth in 2017. All associated companies achieved good business results, however, by the end of 2017, the stock prices did not grow to the extent reflecting their intrinsic values due to rapid change in market structure (large market-value companies were listed and short-term capital poured into the market).

SSI identified Agriculture as the core pillar of Vietnam's economy so far. Although some difficulties arose due to impact of unusual climate change, the sectors of Agriculture, Forestry and Fisheries still accounted for 15.34% GDP (equivalent to USD 34.2 billion) and were recognized as the sectors with notable recovery for the last year. In addition, SSI maintained its investment in transportation infrastructure - an intermediary pillar for foreign trade and economic growth.





Company name, address and logo	Business sectors	Actually paid-in charter capital (VND)	Ownership ratio in associates	2017 business performance	Members in Board of Directors/ Supervisory Board
THE PAN GROUP JSC **(PAN – HOSE)** Lot A1-9, VL3 road, Vinh Loc 2 Industrial Park, Long Hiep Commune, Ben Luc District, Long An Province THE PAN GROUP	Mixed crop and livestock farming Crop and livestock farming activities, and post-harvest services Real estate trading Investment advisory (excluding financial advisory) Management advisory services Market research services House cleaning services.	1,176,936,300,000	20.02%	Revenue reached VND 4,074 billion, representing 132% of the target or 48% higher than 2016. Profit after tax was VND 371 billion, increasing by 44% compared with 2016. The achievements can be attributed to: (i) contributions of Vietnam National Seed JSC. (NSC - HOSE); (ii) good business results from other subsidiaries such as PAN Food JSC., Long An Food Processing Export JSC. (LAF - HOSE), Bibica Corporation (BBC - HOSE).	3 members in Board of Directors 1 member in Supervisory Board
DONG NAI PORT JOINT STOCK COMPANY **(PDN - HOSE)** Long Binh Tan Ward, Bien Hoa City, Dong Nai Province	Port facilities operations and management Handling & transporting cargoes in or outside the port area Repairs of handling equipment and transportation means Ship agent and maritime services Supplying fuel to vessels/vehicles (petrol, lubricant,…) Taxi transporting services Trading construction materials: soil, stones, sand, gravel Organizing entertainment services for seamen: duty free shop, seamen's club Surveying, designing and constructing transportation works Real estate and infrastructure investment and trading Trading, and importing wood logs, steels, agriculture products (except cotton and cashew) Trading and supplying other products/services in compliance with laws and regulations	123,479,870,000	20.00%	Revenue reached VND 517 billion, representing 118% of the target or 23% higher than 2016. Profit after tax reached VND 78 billion, representing 108% of the target or 18% higher than 2016. The company has been maintaining the dividend payout ratio of 20-25% annually.	1 member in Board of Directors 1 member in Supervisory Board
VIETNAM FUMIGATION JOINT STOCK COMPANY (VFG - HOSE) 29 Ton Duc Thang Street, Ben Nghe Ward, District 1, Ho Chi Minh City VFC Chất lượng đích thực	Manufacture and trading of agricultural chemicals: pesticides, disinfectants Providing decontamination services Crop seed production and trading	237,681,890,000	20.00%	Revenue reached VND 2,178 billion, representing 87% of the target or 5% lower than 2016. Profit after tax reached VND 139 billion, representing 93% of the target or 5% lower than 2016.	1 member in Board of Directors 1 member in Supervisory Board



INFORMATION TECHNOLOGY

2017 is definitely an excited year for Vietnam stock market. A new market for Index or Bond Future trading has been released in Vietnam. This is not only marked the market to a rich instruments environment and also competitive to the other mature markets in the region. Launching such new market in Vietnam demands a huge investment and preparation in trading firms participating the Index & Bond Future trading market. Obviously, the entire technology setup is one of the core items to be fulfilled. SSI made it on-time!

Information Technology Operations

Information technology (IT) SSI advanced to 96.5% service level agreement (SLA) compliance for over 13,000 user requests per month in 2017. Comparing with 2016, the improvement is only 0.5%. Although this little improvement spent us a lot of efforts, SSI believed it was worth. SSI will have a higher target in next year.

In year 2017, our focus on IT Operations was on how to apply Agile to meet the high demand of the dynamic market. The several projects included the complex Derivative Project for Index Future trading has been demonstrated Agile able to help a lot in the organization. IT SSI will fully apply it to other areas in 2018.

Our Infrastructure team & Operations team applied the methodologies in ITIL framework. IT Operations became more structural and service oriented.

Stability & Availability

There is nothing important than a stable environment for the business growing healthy. Significant amount of resource was spent on monitoring and maintaining the availability of the technology platform. In 2017, IT SSI achieved 99.9% availability. SSI will try to achieve better result in 2018.

Regarding the capacity of the technology platforms, SSI maintained the principle of “Lean and Mean”. Our management facilities kept close monitoring of system utilization. Capacity expansion was only kicked in when the utilization is over 75%.

For data contingency or protection, all business data were kept in redundant mode. There were several hard-disk failures happened in 2017. All were not causing any business interruption due to the data redundancy protection. Our data backup policy further ensured zero data lost according to their retention period.

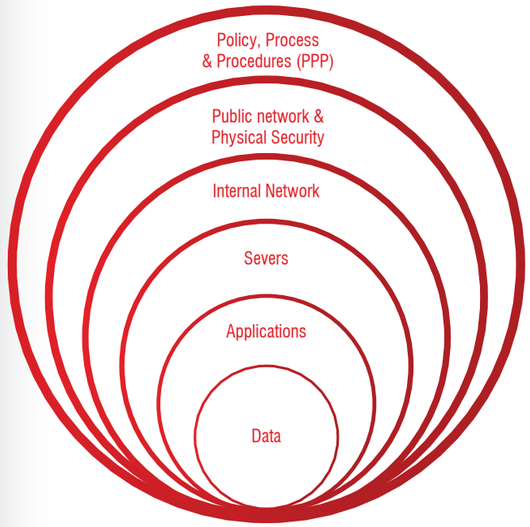
A stable environment for business operations is always our top of the line in technology operations. SSI spent most of our time to improve and/or maintain the stability of our system environment.

Needless to say, our data center with full redundant protection is sufficient enough to keep our servers and/or applications operating healthy.

IT SSI kept the quarterly review on Disaster Recovery Plan (DRP). The yearly stress-tests of the DRP was also performed on November. In 2017, SSI didn’t find any new scenario to add into the current 48 scenarios DRP. In early 2018, analysis on derivative market will be started.

Information Security

Information security in SSI is moving on the direction of structural manner. SSI classified our risk and information security into 5 different categories with data security in the core, data accessibility by applications being the next layers, then following by servers, networks, public access and finally ended at policy, process, and procedures (PPP).



SSI believes working out in this manner able to protect the data security to the highest level, where only corresponding applications able to access the data.

For protection facilities, SSI had new system controlling the password for accessing server dynamically. SSI has its own penetration test solution for the scanning of those common scenarios. For antivirus, anti-spam, and anti-cyberattack, SSI has latest technology as well as latest information for protection.

Innovative

How to make the business stand in the front of competitive edge of technology is always the question in head. IT SSI is not only asking the question but looking for answers. The answers can be innovative enough such as adaptation of Artificial Intelligence in the business. And it can be so simple on automating several reports.

Although most of the efforts of the technology section were on 2 core system implementations in 2017, SSI spent significant amount of time on discussion, researching, and justification for what we should do in next few years.

Several areas were kicked into the project pipeline such as the following.

1. Customer Relationship Management.
2. Business Automation.
3. Digitization.
4. Business Intelligence

Key focus is not only technology advantage but improvement of business operations by technology such as shortening the time-to-market, or minimizing paper work in the organization, etc. SSI is excited to see the result in 2018



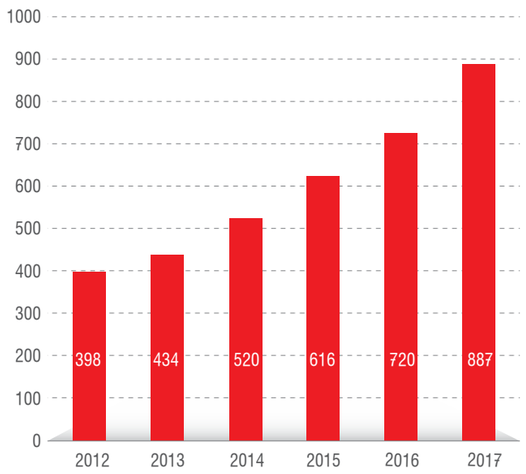
HUMAN RESOURCES MANAGEMENT

As the leading company in a rapidly growing market, SSI believes that the team is our most valuable asset. SSI is very well aware of the competitive edge prompted from human resources. On that foundation, the Company strives to implement a variety of measures to create a work environment that encourages employees to demonstrate and grow to their full potential as well as increase employee satisfaction at work. Throughout our history, SSI has built and continued to nourish the SSI Culture - a unique characteristic of SSI - promoting unity, collaborative and creativity to overcome all difficulties and challenges.

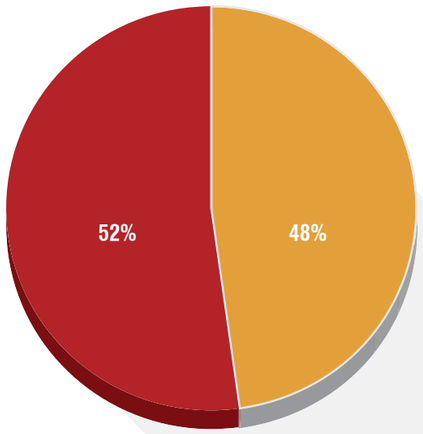
In 2017, the total number of employees at SSI reached 887 (as of December 31, 2017), an increase of 23% over 2016, of which 748 are personnel across Business Units. In terms of personnel structure, there was not much change in 2017 compared to 2016. In details, male employment accounted for 48% of the workforce (compared to 49% in 2016) and women accounted for 52% (compared to 51% in 2016); Rate of younger employees continue to be maintained with employees below 30 years of age accounted for 45%, between 30 and 40 accounted for 48% of the workforce in the Company.

In terms of education, with the goal to build and develop highly qualified staff, SSI continued to maintain a high proportion of staff with college and university graduates, accounting for 97% of the Company's total personnel.

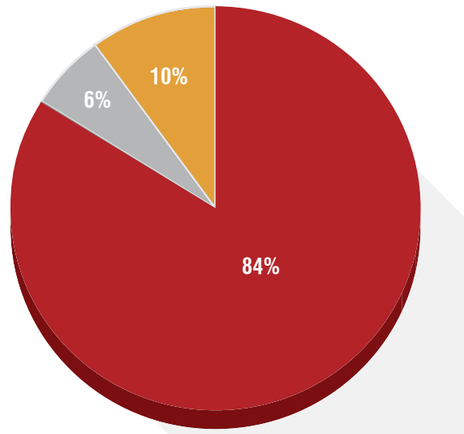
Number of employees over the years

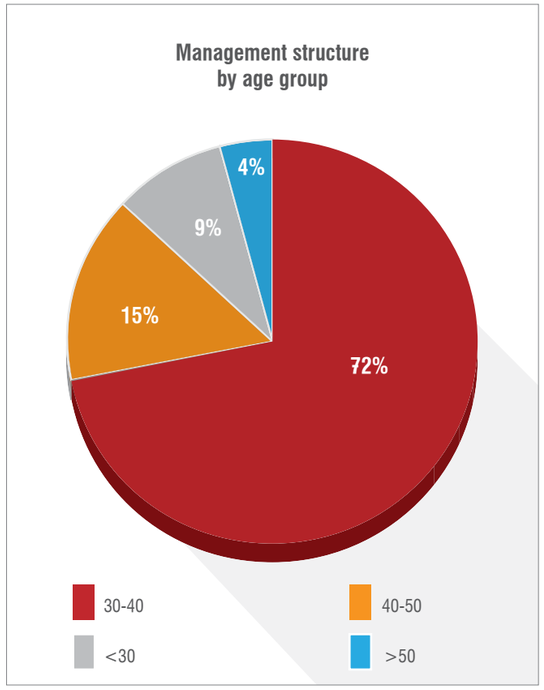


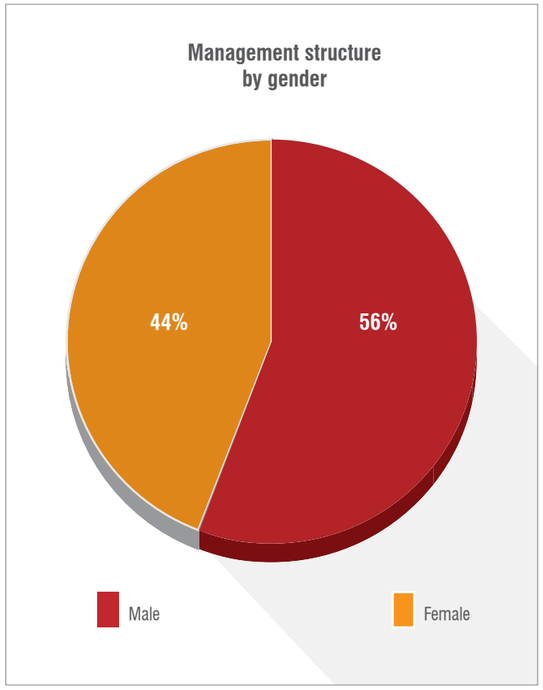
Personnel structure by gender

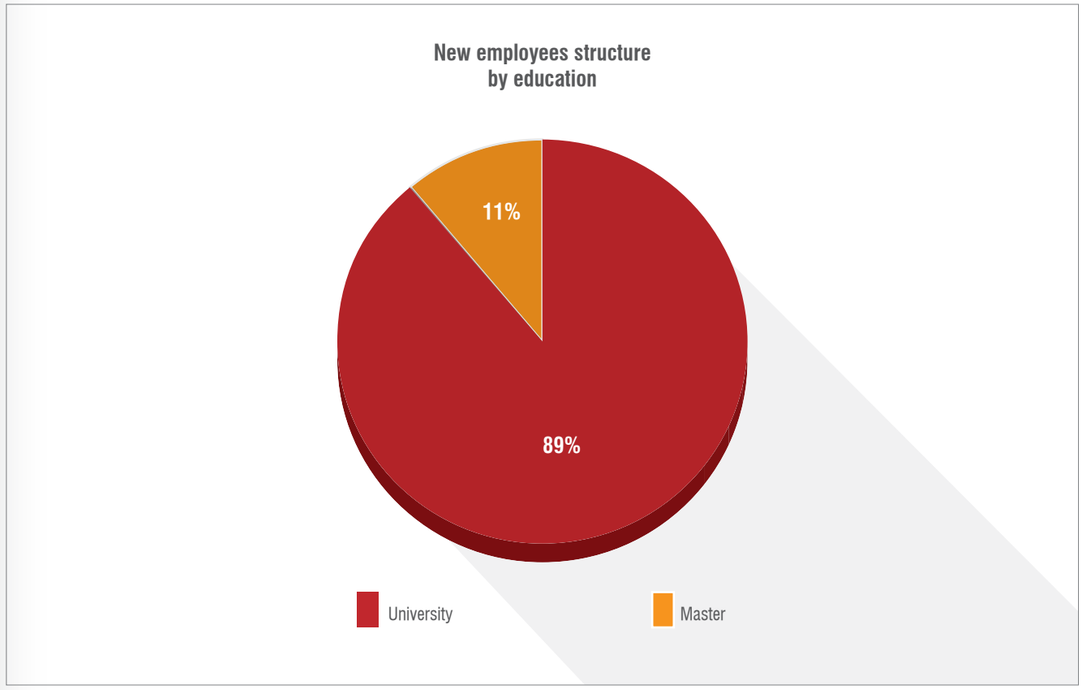


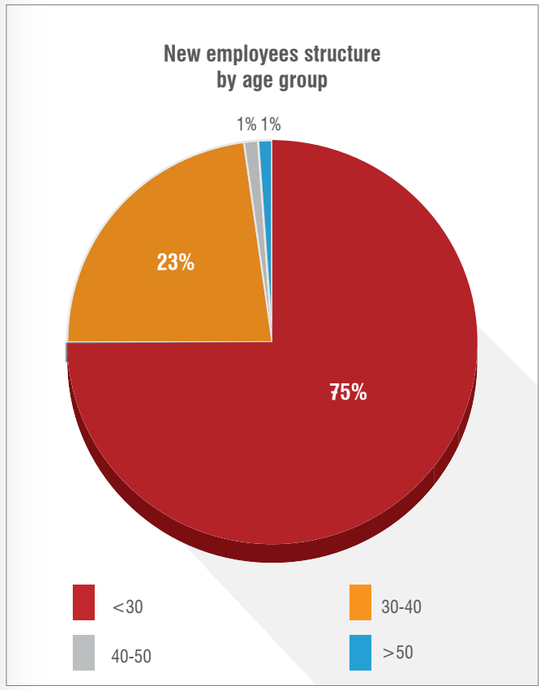
Personnel structure by function

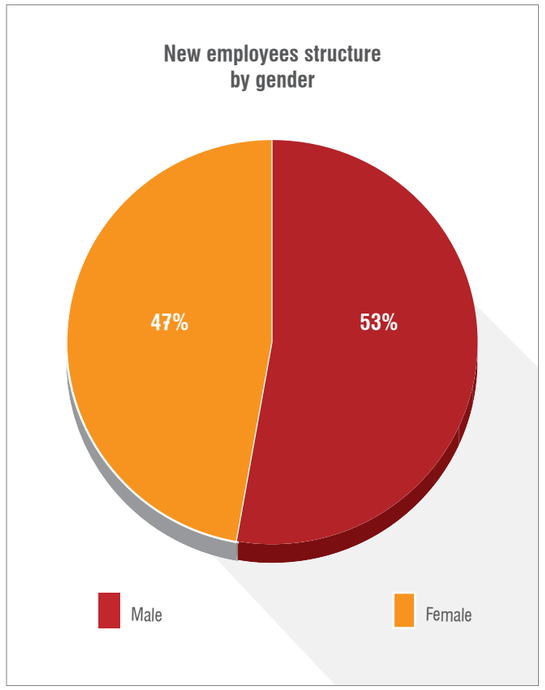












Human resource development strategy

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

Selecting and nurturing talents

SSI always aims to foster motivation for employees from the first step of the recruitment process in order to promote long-term commitment of each member with the Company.

Recruitment process is always strictly conducted to ensure transparency and fairness, bringing about equal opportunities for candidates and continuing to reaffirm to new members confidence and pride in the Company. The Company focuses on recruiting suitable employees of all races, nationalities, gender and ages. Opportunities are open to all candidates from all over Vietnam and other countries. SSI always welcomes active, enthusiastic and aspiring candidates who are ready to take on new opportunities and challenges at work and in the SSI business environment.

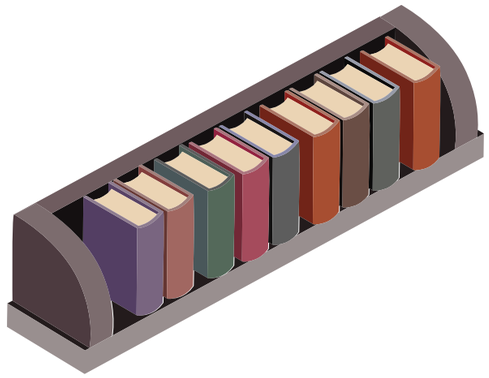
In order to achieve the business goals of 2017 and perform key tasks in the developing phase in the future, 2017 saw recruitment of 294 new members joining the SSI to strengthen the force as well as replace former personnel, meeting the Company's development strategy, a 23% increase compared to 2016. In particular, new employees are mainly under 30 years of age who are well-trained with 89% having university qualification and 11% having post-graduate qualification. All of them are dynamic, enthusiastic and full of creativity.

SSI continuously improves its recruiting brand to attract outstanding and potential candidates in the market by offering comprehensive and uniform solutions such as unifying the SSI brand image across the market, increasing customers trust by commitment to quality products and services, promoting cooperation with reputable universities in Vietnam in financial fields to create pipeline, continuing to maintain scholarship and sponsorship programs to support and nurture student talents, serving the demand of high quality human resources of the Company in the future. SSI continues to work with local and international student organizations to support, guide and develop bold business ideas that can be applied in practice. Namely, programs such as FESE - the annual nationwide academic competition held for 3rd and 4th year students in economics and finance. In 2017, the 14th FESE on Virtual Stock Exchange attracted the participation of nearly 3,000 students nationwide, helping to increase the understanding of students about the securities industry. In addition, SSI for many years has been a partner of the Vietnamese American Youth Association and the Vietchallenge in order to attract Vietnamese talents from all over the world, bringing about opportunities for startup ideas to reach international playground. These activities also strengthen SSI's recruiting brand, spreading the spirit of SSI culture to students, domestic and abroad, and attracting high quality human resources to SSI. Recruiting activities such as Career Day at universities, or major events such as Tech Expo, Connecting the Dots (in association with the British Council), etc. have also been proven an effective approach.

In an environment of increasing competition, SSI has continued to develop highly interactive recruitment channels to improve the effectiveness of recruitment information communication as well as maximizing recruiting efficiency. Through these information channels, SSI wants to establish two-way and frequent communication with candidates during the recruitment process. SSI continues to utilize a variety of digital media channels to broaden the reach in promoting its work opportunities and work environments, as well as to strengthen connectivity to meet the need for human resources expansion at SSI.

SSI positions ourselves as a cradle to nurture and train young talents in the securities industry, offering them the opportunities to gain exposure to the professional working environment, assisting them to identify career path, and connecting them to SSI via SSI Internship programs. The SSI Internship Program has been conducted in 4 consecutive years. The rigorous selection process and internship program offered fresh graduates with an opportunity to gain a better understanding of SSI's environment, as well as helping SSI to select qualified candidates for full-time positions.

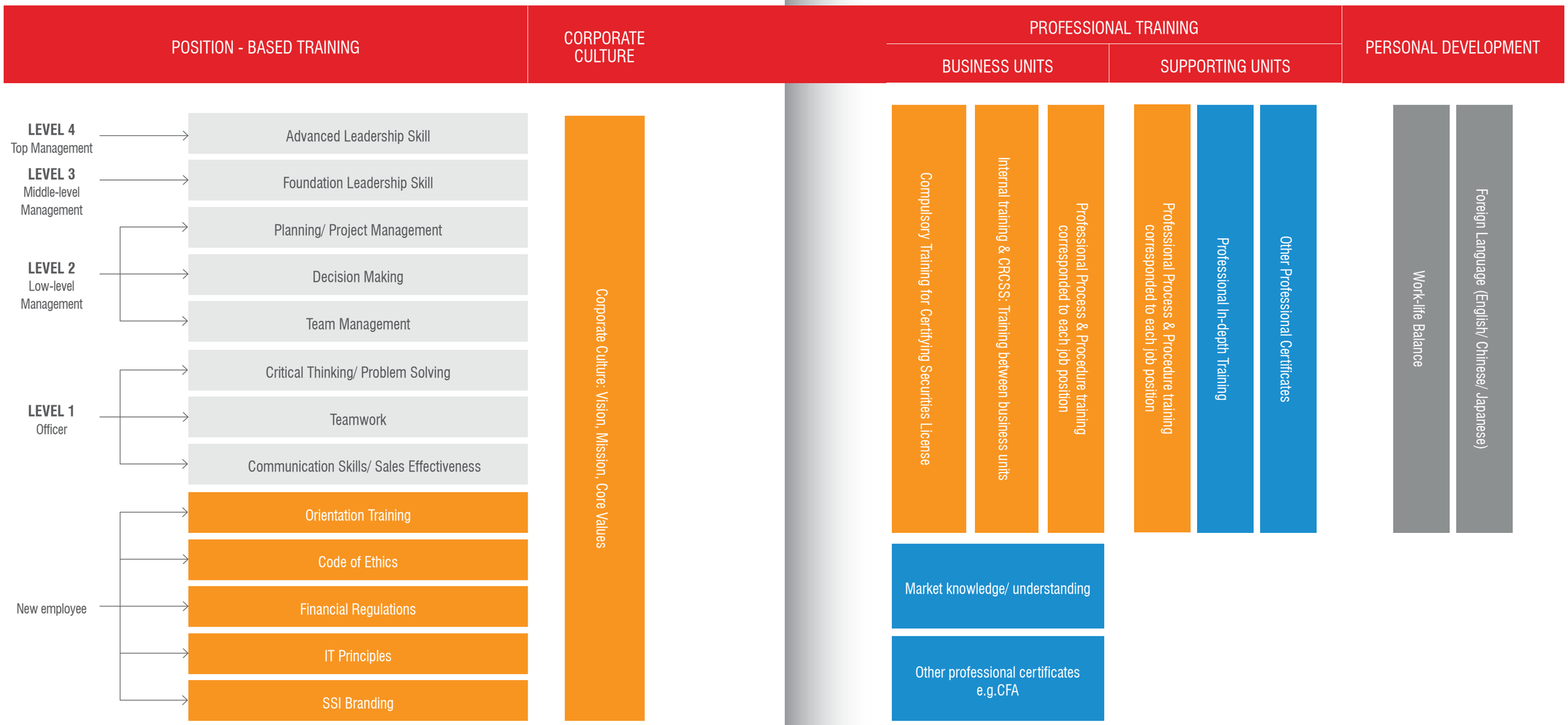
SSI believes that its employees are the ones to have the highest commitment and the best understanding of the work; therefore, we offer internal recruitment opportunities. In other words, the Company reserves open and suitable positions for our employees to try and develop in a position that is best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



Developing outstanding human resources in the industry

With the goal of becoming an organization that brings together leading-edge human resources in the financial and securities industries to meet the rigorous demands of the marketplace and rising competition from competitors, and especially to prepare for challenges as Vietnam's international integration deepens, apart from careful initial selection, raising the quality of resources through training activities outlines one of the solutions implemented throughout the years by SSI leaders.

SSI always encourages and creates the best conditions for all employees to develop comprehensively in terms of both professional qualifications and soft skills, appropriately to each job position and level via training courses under the Company's Training Program:



TOTAL NUMBER OF TRANING HOURS WAS 33,000 IN 2017, UP 83% COMPARED TO 2016



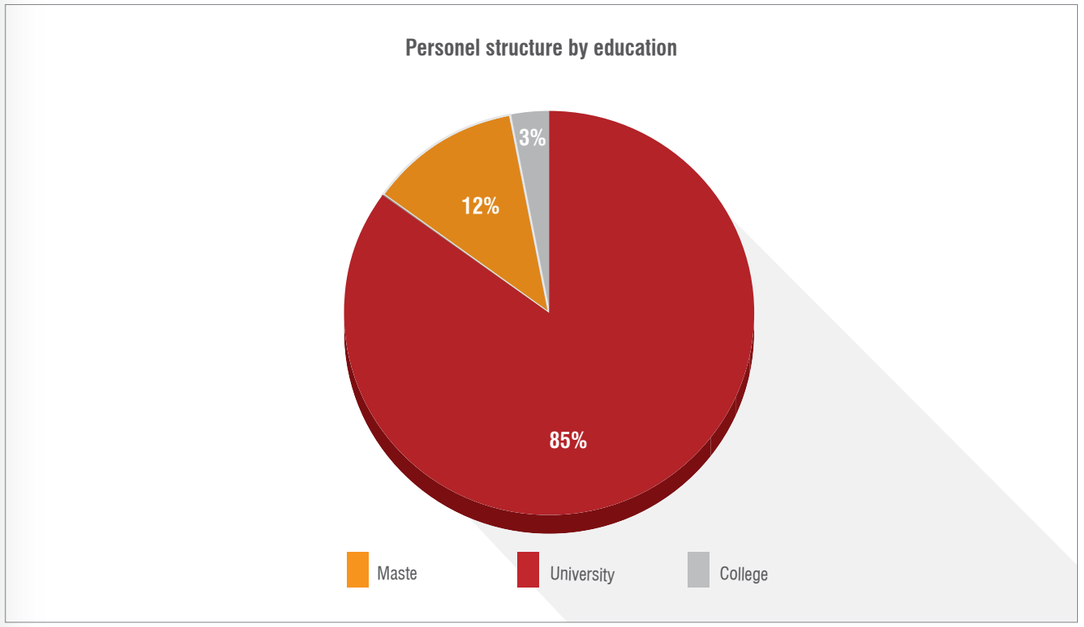
SSI has developed a series of position-specific training and development programs for employees at all levels to ensure that they have the skills and knowledge needed to perform their duties, as well as encourage them to continue to develop and embark on their career at SSI. Building a “learning organization” culture where training activity is the right and responsibility of each individual in the company. In 2017, the Company has developed a detailed plan and allocated VND6 billion budget for training activities through centralized classes, distance learning, and on-the-job trainings. Continuous training programs have been completed and innovated to meet requirements; training for international certificates is promoted to update and improve professional qualifications in accordance with international standards for staff working not only in the Business divisions but also the accounting and internal auditing, risk management and information technology teams.

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

In 2017, the Company has organized and co-organized many professional training courses and sent employees to participate in compulsory training for a total number of 33,000 training hours (compared to 18,000 hours in 2016). In order to meet the needs of the derivative market, SSI has urgently organized professional training courses on derivative securities, and related training courses and seminars for internal resources, as well as enhancing information provision for customers.

Internal training courses throughout the system via in-house training sessions, seminars, and consultations, etc. receive positive feedback. The internal training team being organized and financially invested through the "Train the Trainer" courses, and regular updating activities and sharing experiences, coupled with special policy for internal trainers have been proven to be effective. Internal trainers step by step improve their training capacity and have organized useful and practical courses. In-house training programs that held continuously over weekends have received support and created positive impact on the team.

Based on a hierarchical training program, or as a training map of the Company, SSI continues to offer skills training for each segment of its specialized staff. In particular, Leadership Training Series, Practical Presentation Skills and Inspiration or Advantageous Sale Skills and the latest course in Professionalism in Business have also contributed to inspire, motivate and provide more tools to staff to improve work efficiency.



These training courses provide fundamental knowledge and skills to provide employees with a positive and scientific perspective of their work in particular and life in general, and help them develop their communication and problem-solving skills. In addition, these training programs are great team building opportunities where employees can share their working experience and understand their colleagues better.

Professional training courses receive much interest not only from Business Units, but also from Governance and Support Unit. Training courses on Corporate Governance, Project Management (PMP), Advanced Accounting; Corporate Finance Analysis, Marketing courses, Advanced and Updated Human Resource Management and Professional Update for the Information Technology team organized by professional and reputable training partners have contributed to improve overall performance of the Company.

SSI believes that its employees should have a solid understanding of core values and adhere to the ethical rules of the organization, so that SSI can continue to develop sustainably, overcome challenges and mitigate risks. Understanding that potential risks involved in securities trading can be found anywhere within any division of SSI, in 2017, Internal Training on Legal & Internal Control together with Risk Management has been very well conducted in the Company raise awareness among employees about fraud prevention; identifying and managing operational risks.

At these training sessions, codes of conduct, anti-money laundering regulations, criminal cases in securities transactions are also put into active and practical discussion to help employees be updated with the latest relevant information.

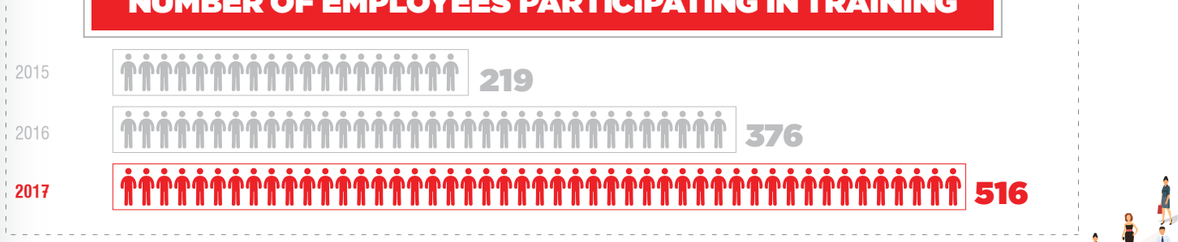
For many years now, training activities have been conducted fluidly throughout SSI. Besides conventional training methods, SSI also employs internal training models such as annual Gala, year-end parties of departments, business luncheon and some other internal activities to facilitate information update,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

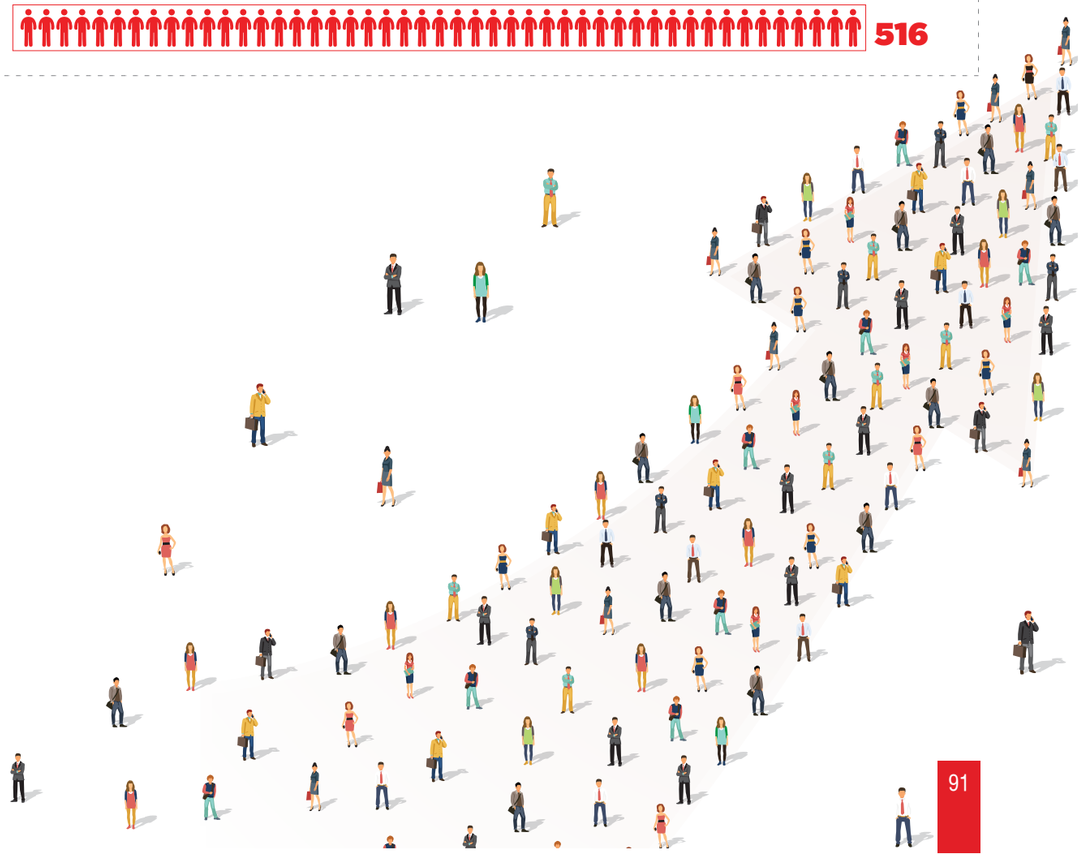
All these factors, ranging from professional competence, soft skills, code of conduct to corporate culture altogether shall be incorporated in staff’s thinking and behavior. This also constitutes SSI’s human resource brand - which is dynamic, competent, cultural, aspiring and compliant. SSI values continuous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



	2017	VS	2016	
TOTAL TRAINING HOURS	33,054		17,908	(hours)
COMPULSORY TRAINING HOURS	28,014		13,586	(hours)
PROFESSIONAL TRAINING HOURS	3,456		2,914	(hours)
SKILL TRAINING HOURS	1,584		1,408	(hours)
TOTAL TRAINING COURSES	81		68	(courses)
COMPULSORY TRAINING COURSES	55		48	(courses)
PROFESSIONAL TRAINING COURSES	22		17	(courses)
SKILL TRAINING COURSES	4		3	(courses)

NUMBER OF EMPLOYEES PARTICIPATING IN TRAINING





Develop talents and nurture the next generation of leaders

In 2017, the number of middle - level managers (Heads of department or higher) of the Company was 158/887, accounting for 18% of the total number of SSI staff. In order to develop human resources ready for key positions when needed, leaders pay close attention to seeking and developing the next generation managers through human resource planning, job placement and management skills training.

In 2017, the Company has appointed 55 middle - level managers and higher positions along with the development of its network throughout the country. Newly appointed employees are provided with training courses to supplement skills, knowledge and tools for the work, including leadership skills, corporate governance skills, business strategy and professional updates, etc. 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.

Ensuring performance-based income and economic benefits of the staff

Maintaining growth and economic stability of SSI helps ensure employees' vested interests through a market competitive compensation and benefit policy, reaffirming staff confidence and attachment to the Company, contributing to the goal of corporate sustainable development.

Inheriting human resource management philosophy over the past years, SSI has maintained and developed the 3 Ps income model (Position, Person and Performance) in order to link income to contribution and work performance of each individual as well as ensure internal fairness, market competitiveness and employees' motivation. For 7 successive years from 2010 to 2017, SSI continues to participate in Vietnam's most prestigious Salary Survey conducted by Mercer, and connect and communicate regularly with to renown consultants to receive proposals and policies to optimize HR efficiency.

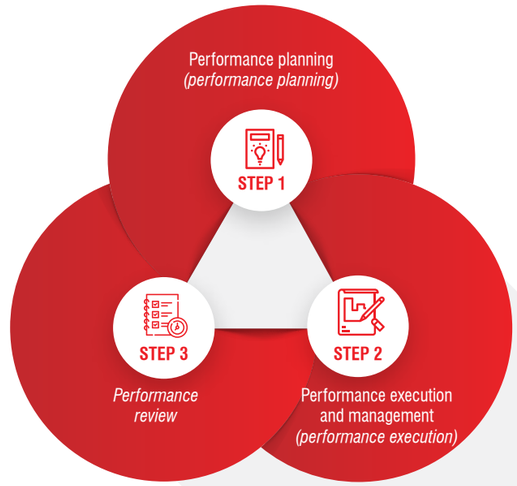


In 2017, SSI has spent over VND 375 billion on salaries, insurance premiums and other benefits, performance-based bonuses following year-end performance review; of which performance bonuses accounted for a relatively large proportion, reflecting a rational merit-based remuneration mechanism.

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

Total direct costs for human resource in 2017	**375,003,139,961**
Wages (VND)	144,939,759,555
Social insurance - Health insurance - Unemployment insurance (VND)	16,710,937,840
Other benefits (VND)	41,035,742,224
Performance bonuses + Sales commission (VND)	172,316,700,342

Performance review includes 3 consecutive phases.



Objectives of Performance review

Remuneration policies

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

Organizational development

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

Health care and safety for employees

In addition to full implementation of health insurance policy under the Labor Law, the Company has continuously and continually strengthened the health insurance and accident insurance program for its staffs to ensure assurance, sharing the financial burden in the event of health-related risks. SSI's partner selection and cooperation are always prestigious and professional insurance agents to provide additional insurance programs for employees and their relatives.

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

The Company continued to pay keen attention to the staff's health. In addition to raising awareness of health care and disease updates for employees, internal activities also aim to build a healthy lifestyle to protect and enhance the health of employees and their families. On a quarterly basis, the Company held counseling programs with the participation of experts and doctors to enhance health care knowledge for employees. Health care newsletters are also prepared by experts and circulated in a timely manner to give alerts on seasonal disease outbreak and precautions while taking medicine to help employees maintain good health of themselves and family.

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

SSI regularly conducts fire drills at its facilities to build awareness of fire safety. In the process of managing and upgrading facilities, the Company devotes much attention to equipping, testing and periodically maintaining the fire protection system to ensure the safety of employees. For offices located in high rise buildings, the Company strictly adheres to the general regulations on fire prevention and control of the building management.



Other comprehensive policies: Improving working conditions and welfare for employees

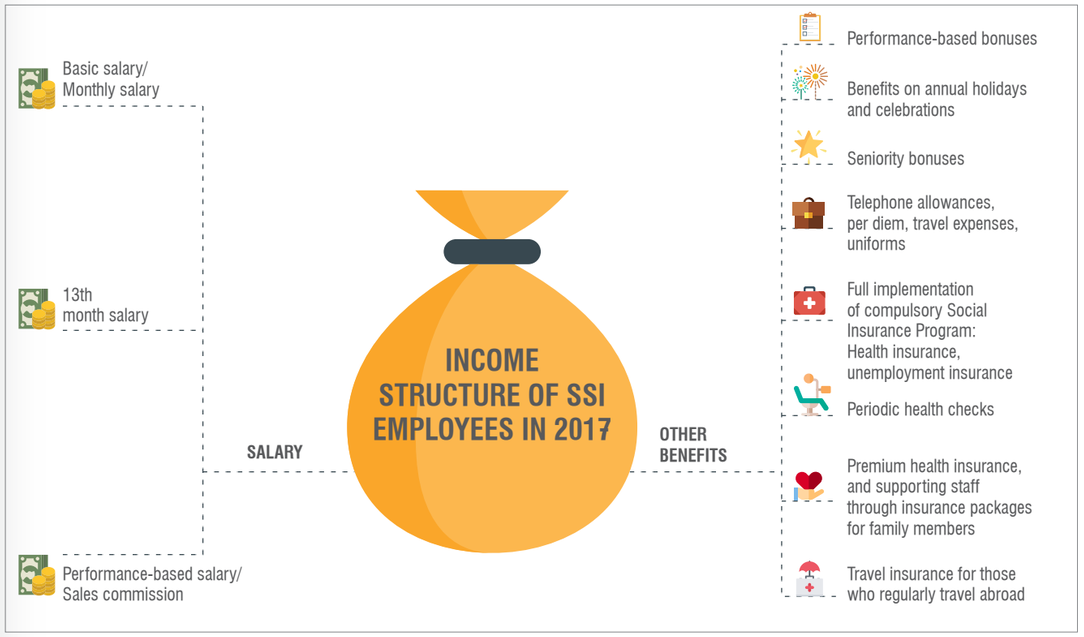
Proven to be one of the most effective policies in attracting, recognizing and retaining talent, SSI continues to be a leading player in implementing Employee Stock Ownership Plan (ESOP). In the year, SSI has successfully issued 10 million shares under this Program, which aims to align the interests of employees and the Company's; attract, retain and motivate talents to engage with the Company for a long-term horizon through:

(i) creating additional benefits for these employees in addition to salary and bonuses;

(ii) linking employee performance with the common interests and development of the Company;

(iii) sharing benefits with the Company as the Company gains success in the future. In addition, the Program also raised additional working capital for the Company.

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



Towards Work - Life Balance

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

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

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

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

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, offering new and healthy products to employees such as premium melons, AHHA candies, ROSIO cookies or HURO candies from The Pan Group., bringing joy, pride and the feeling of 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 18 years of development, besides achievements as recorded in numerous reports, statistics and awards, SSI's unique corporate culture represents one of the biggest pride of the company and the core value in the company's formation and development. It is these cultural distinctions of SSI that attract talents, inspire sense of pride and resilience to help the company overcome all difficulties and challenges, contributing to a strong "SSI Big Family" as today. SSI's unique culture is demonstrated not only in the 9 business principles, but also in the consistent communication, key personnel solidarity and shared vision of each individual within SSI.

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

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

09

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

Each member of SSI always keeps these 9 business principles, which are also core values of the Company, serving as guiding principles in decision making and each activity of the Business.

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



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

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

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

Given the importance of internal communication, any information from the leadership, events and activities of the company are communicated thoroughly to each SSI member. Internal newsletters, activities and events of SSI are sent to each employee twice/month with richer and more diverse contents presented on meticulous and vibrant designs. In this way, every individual truly becomes an integral part of the company, sharing the same vision, social activities and internal activities for a better connected team.

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

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

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



Nurture and promote SSI's unique culture

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

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

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

In 2017, SSI staff had many after-work activities to help relieve stress after work and enhance team spirit. Clubs like soccer, yoga, zumba, photography, etc. are maintained on an ongoing basis. Besides, SSI people also enthusiastically participate in friendly football, table tennis, tennis etc. tournaments and performance activities with Government agencies, securities company, banks and made high achievements. In addition, SSI people also enthusiastic participate in activities dedicated to team building and challenge overcoming.

SSI went regularly organizes contests and programs in celebration of major holidays such as International Women's Day 8/3, International Children's Day 1/6, and especially SSI Family Day - a big year-end program pay tribute too SSI people trying their best over the past year and gratitude to their families.

These activities are usually expanded to include family members and accompanied by welfare policies to improve living quality of each employee so that SSI will truly be a "Big Family" of smaller nuclear families where they can meet and interact with one another.

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

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

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

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



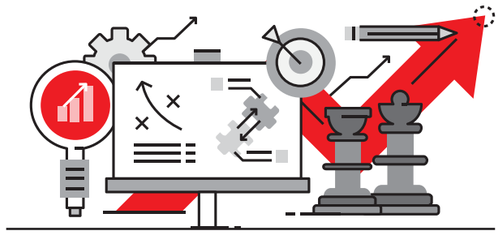
DEVELOPMENT STRATEGY

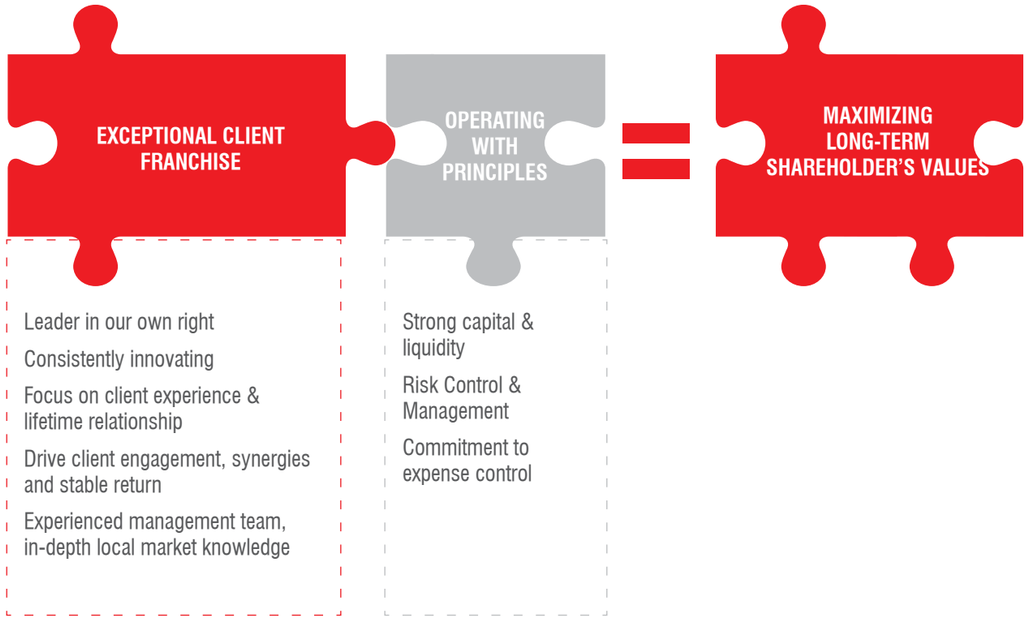


MEDIUM - LONG TERM DEVELOPMENT OBJECTIVES & STRATEGIES

With the goal to maintain its position as the leading financial institution in Vietnam market and reach out to international markets, in coming years, SSI will strive endlessly for operational innovation as well as product and service diversification. Customers will always be placed at the center with the Company's commitment to a long term partnership and cooperation for mutual development. New technological solutions to be provided to increase the utility and investment results for customers. SSI will also continue to focus on developing a high quality human resource team to meet the rigorous market demands; create a working environment in which each individual is given opportunities to explore and develop full potentials, contributing the highest value for the Company. Costs are strictly controlled and risk management is focused to improve financial performance.

SSI believes that the combination of building a reputable brand and operating in accordance with standards will help maximize shareholders' value.





For each Business Unit, medium - long term strategy is developed as follows:

SECURITIES SERVICES

- On customers: Focusing on consolidating traditional markets, in parallel with the development and exploration of new markets. New markets and new customer groups are explored through active reach to investment opportunities, investment seminars and international roadshows with Vietnamese enterprises. Through cooperative relationships between the Company and other influential and reputable international financial institutions, SSI can enhance the level of reach in markets that are channeling strong capital inflows into Vietnam. In addition, corporate clients represent an important element to step up in both quality and quantity, with the aim of reaching 100 new relationships every year, in both listed and unlisted companies. On-line trading personal clients, customers using leverage (margin lending) and young student customers - both in country and abroad are also the segments that the Company continues to grow in the coming years.

- On products and services: Continuing to improve the quality of investment advisory and recommendations, in addition to expanding and diversifying market opportunities reports and analysis, stock analysis, cash flow and market liquidity reports. Increasing margin lending and diversifying financial products to provide leverage for customers. Developing trading tools to support new product development such as derivatives and warrants.

- On the system: Investing in developing new features on the trading system, increasing the ability to connect and interact with customers, especially the online trading system. Along with the growing number of institutional clients, the number of additional Bloomberg terminals will also be increased.

- On personnel: For the institutional clients group, adding senior staff Institution Clients Development, Institution Clients and Investor Relations, Investment Analysis and Advisory. For the personal clients group, recruitment of brokers is done in parallel with enhancing the efficiency of the brokerage team through the development of training programs, and effective monitoring and work management.

TREASURY

- Ensuring the quality of capital management, maintaining the position of the No. 1 reputable and resourceful securities company on the market.

- Annual total asset growth reaching 10%.

- Providing diversified and effective structured products.

SSI ASSET MANAGEMENT

Increasing the total asset under management, becoming the leading fund management company in Vietnam with 3 strategic directions:

- Strong expansion of the domestic customer base through open-ended funds and portfolio management services.

- Expansion of domestic institutional clients and insurance companies.

- Became the leading partner of foreign organizations when investing in the Vietnam securities market.

INVESTMENT BANKING

Striving to maintain the leading position in the security market through:

- Providing comprehensive financial solutions to customers, focusing on the capital market segment, and promoting M&A advisory services;

- Establishing close relationships with major financial institutions in Singapore, Korea, Japan, Thailand, Malaysia, Taiwan, India, etc;

- Carrying out specialization of human resources.

PRINCIPAL INVESTMENT

- Defining a value-for-money investment strategy that is flexible and close to the market, regularly evaluates macro-economic factors, follows the operation fundamentals of businesses, determines intrinsic value of businesses without being dominated by the current market prices;

- Allocating portfolio to leverage market's growth momentum while ensuring that volatility risks are mitigated at home and abroad;

- Balancing long-term strategic investments and passive investments.





2018 ACTION PLAN

SSI's 2018 business plan is to be submitted to the General Shareholders' Meeting for approval at the end of April 2018 as follows:

No.	TARGETS	2018 PLAN (VND BILLION)	2017 ACTUAL (VND BILLION)	2018 PLAN VERSUS 2017 ACTUAL
1	Revenue	3,410	3,043.2	112%
2	Costs	1,795	1,482.8	121%
3	Profit before taxes	1,615	1,405	115%

Specific solutions for each Business Unit:



SECURITIES SERVICES

With a view toward sustainable development, competitiveness and profit maximization for clients, SSI Securities Services sets out the following action plan for 2018:

Focus on servicing existing customers and acquiring new customers

For individual clients, the Company builds a customer classification and management system to fully understand the needs of each segment; Regularly reviews and classifies customers according to specific criteria to provide suitable products and customer care programs. In addition, the new client group will be focused for expansion. This group is highly potential when the demand for investment of this class is increasing. Securities Services will take the initiative and coordinate with Investment Banking to take advantage of the wave of equitization, first issuance, and IPOs to develop new clients.

For institutional clients, the Company focuses on strengthening existing while developing new customers in traditional markets, especially those with new cash flows into Vietnam. SSI is also looking for suitable partners in key markets such as the US and Europe, to help the company increase the level of customer penetration, leveraging the relationships when necessary. In addition, new markets such as Japan, Korea, China, Dubai, UAE; and new customer groups such as Pension funds, Quantitative investment funds, and Home offices are also targeted in this year.

Design appropriate products, improve product quality for each customer group, invest in technology systems and be the leader in providing new products.

These are the main goals in the development strategy of SSI Securities Services. All products are designed specifically for the needs of customers. Investment advisory and analysis reports will continue to be invested to be more in-depth, from investment recommendations, investment ideas to products that offer specific investment opportunities in line with the taste of each customer group. Beside investment opportunities on the security market, the Company will continue to introduce other investment products such as derivatives, open-ended fund, ETFs, and warrants.

On the system side, the Company plans to install two new Bloomberg terminals to ensure the best services to the increasing institutional client base. The Company will coordinate with Bloomberg to implement the Best Execution Policy to obtain a quantitative assessment on performance of brokerage order for institutional clients. In addition, the process of receiving and placing DMA orders will be completed, towards the provision of DMA for derivative transactions.

Improve staff efficiency through effective implementation of recruitment, training, performance monitoring and career advancement.

Assessing the quality of the team is an important factor in maintaining and developing customer base. SSI Securities Services continues to focus on recruiting individuals who have the personality and ability to adapt to the Company's growth and corporate culture. For the Retail Broker group, the Company focuses on developing young staffs, in collaboration with universities, to implement career-oriented training programs from the time they were students. The recruitment process is carefully screened according to specific criteria, followed by career orientation training programs, and skills and professional training in connection with day-to-day work. Personnel assessment is carried out periodically to identify outstanding individuals for timely rewards, opening up advancement opportunities, and to place personnel in new challenges for continual progress. At the same time, the process of performance evaluating and supervising will also release individuals who do not fit the organizational culture. This process is carried out across various levels from brokers, brokerage units to transaction offices and branches. On the other hand, an important factor for success in personnel is to continue to supplement and complete broker training programs in each subgroup, especially internal training programs for management levels.

In 2018, the Company also plans to recruit more foreign personnel to handle potential markets, as well as seeking senior staff serving the Institutional Clients.

Developing a disciplined, professional, inspiring and motivated working environment

A disciplined and professional working environment presents an important factor in creating personal passion and dedication for customer services. To do this, SSI Securities Services will continue to complete and add new performance-based policies. Such policies will stimulate and motivate capable individuals to be rewarded in relation to their contributions. In addition, policy on periodic bonuses and rewards is also completed to recognize individuals and teams having good achievements. Motivational activities, such as internal sharing to spread positive elements, exchange activities in small groups according to product themes, sales, and investment methodology are also regularly held at branches and transaction offices throughout the Company.



TREASURY

Along with the high economic growth rate, the monetary and financial market is operating with stability and lower volatility: Government bond yields are kept at record low, maintaining a stable short-term monetary policy, along with stable exchange rates over the years. In addition, with the objectives and prospects of the security market in Vietnam to continue growing to become one of Emerging Markets, increasing the effectiveness of capital flows both in and outside the country in a near future, 2018 marks the milestone year to make the big breakthrough. As SSI is the leading securities company in the market, standing before such context SSI Treasury sees a great opportunity from the market to leverage internal resources to develop the 2018 business plan as follows:

Maintaining the growth of total capital of the Company and diversifying capital sources at low costs

The Company aims to grow its total capital by 10% in 2018 with abundant new sources of capital at reasonable costs. To achieve this goal, SSI Treasury continues to reach to and expand new sources such as: Issuance of convertible bonds targeting foreign financial institutions, establishment of credit lines with foreign banks in both local and foreign currencies to attract more low cost capital from international markets; continue to issue domestic bonds to both financial institutions and individual investors; in addition to continue expanding existing credit relationships in the country.

In parallel with the expansion of financial activities, Treasury continues to work with relevant stakeholders to develop risk management procedures and policies in line with international practices to ensure risk mitigation and liquidity for the system.

Expanding corporate bond trading, derivatives and structured products targeting various customer groups

Together with adequately ensuring liquidity and capital trading, in the coming 3-5 years, Treasury plans to explore and build new market segments such as Corporate Bonds Trading, Structured Products Underwriting, and diverse Derivative Products.

SSI views 2018 as the milestone year of the debt securities market, when the government bond market slows down, giving way to the corporate bond market. Amidst the backdrop of a number of other securities companies that have started off in this area, SSI has always been aware of its strengths as well as its weaknesses to find its own way. Closely coordinated with the Investment Banking and Securities Services, Treasury is expected to concentrate their efforts on developing Corporate Bonds, aiming to provide clients with many breakthrough products in 2018.

Coupled with the development of the Corporate Bond market, the mutual development of the Repo market and corresponding Debt Derivatives market, promises new opportunities for new product development, short term sales growth and long-term profit capturing.

Accompanying the development of the Vietnamese financial market in general and the prosperity of SSI in particular, SSI Treasury has long expected the long-term success of investment in the development of new market segments. Treasury also set their own targets for each new segment, namely increasing revenue generated from Interest Rate Swap trading by 10 times in 2017, doubling corporate bond trading in 2017, creating new structured products to continue diversifying products and services to serve customers.



SSI ASSET MANAGEMENT

In 2017, SSIAM has successfully implemented the annual action plan when individual clients, domestic institutions across investment funds and portfolio, and foreign funds all increased sharply. In 2018, SSIAM will promote the following areas:

Maintain outstanding investment results

SSIAM emphasizes great value creation for clients. SSIAM commits itself to the highest investment efficiency in managing entrusted funds for clients, based on analysis of investment objectives, risk tolerance, and customer liquidity needs. The fact that SSIAM does not manage SSI's principal investment also represents our commitment to putting our clients' interests above our corporate profits.

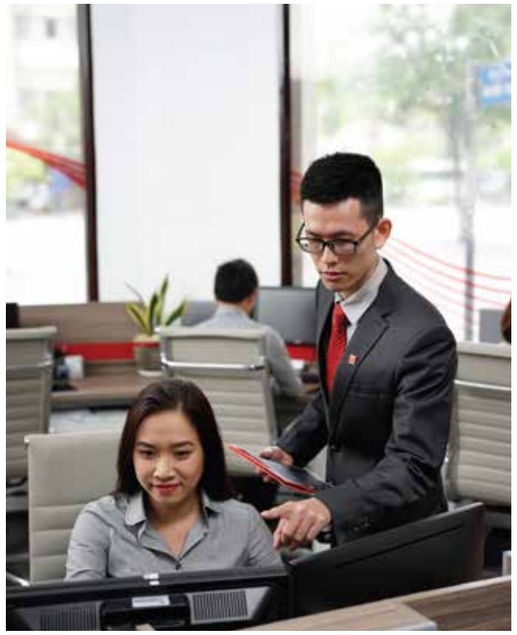
Develop new distribution channels and distribution partners

SSIAM understands the importance of distribution channels in delivering products to clients effectively. In 2018, SSIAM will continue to closely connect with existing distribution partners to boost sales, as well as actively seek out new distribution partners.

In addition to the direct distribution channel with its distribution partners, SSIAM also concentrates resources to develop an electronic distribution channel, enabling clients to trade open-ended fund certificates, access open-ended fund account information Open and personal portfolio more quickly and conveniently.

Continue to diversify products to meet the diverse needs of customers

Currently, SSIAM is providing a wide range of products to its clients, from equity open-ended funds (domestic and foreign), bond open-ended funds, ETFs, and private equity funds. In 2018, SSIAM aims to introduce pension fund products to customers as soon as market conditions allow. This product is aimed at customers who are interested in preparing for retirement.



INVESTMENT BANKING

Continuing to pursue the mission of "Connecting capital to opportunities," affirming the leading position and promoting the development of investment banking services, SSI will continue to carry out various solutions in 2018 to create many new and high quality products for customers.

Focusing on expanding large-scale customer networks

IPO activities in the private sector has been more and more active, professional and in larger scale. Therefore, in 2018, SSI will focus on expanding its customer base to include large-scale private enterprises with potential growth in basic economic sectors. 2018 is also the year of many divestments of state-owned enterprises. Therefore, state-owned enterprises planning to divest their capital are also one of the target customers prioritized by the Company.

Continuing to build relationships with leading financial institutions

SSI Investing Banking always takes the initiative in finding and expanding relationships with leading financial institutions in the region and the world to exchange experiences and capture investment opportunities, providing customers with professional financial products in line with international standards while effectively and conveniently facilitating the capital connection between financial institutions and SSI clients.

Personnel training is key to improving the quality of advisory services

Humans are important factors in determining the quality of advisory services. Recognizing this, SSI Investment Banking will continue to focus on training qualified personnel with in-depth knowledge of the industry in charge, from which each has become an international-standard advisor, leveraging an in-depth understanding of the domestic market to bring about SSI's leading service quality.



PRINCIPAL INVESTMENT

Macroeconomic conditions in Vietnam is more positive than in previous years, helping to find more diverse enterprise investments. However, the world economy is still facing unpredictable changes: The Federal Reserve increases interest rates, along with interweaving policies in reducing globalization impact, protection and geo-politics.

SSI has identified a more flexible investment strategy and increased macroeconomic considerations: Specifically, SSI still sticks to the fundamental investing approach and reasonable valuation; employs portfolio allocation also ensures to capture market alpha while mitigating volatility risk (beta) of both domestic and foreign financial markets; balances long-term strategic investments and passive investments.

In addition, SSI also aggressively divests investments that have reached the expected return or no longer serve the associated value chain. The divestment will be done through strategic investors or business executives to minimize the potential impact on SSI's value where the Company holds a large stake.

Investment criteria are also adjusted in include new economic conditions such as: Strong growth of the private sector supported by the State, the consolidation of small enterprises into large enterprises, creating a competitive advantage in the process of integration to the global economy and in competing with foreign-related enterprises, and the progress or setback of trade agreements. As a result, SSI is investing in larger companies that are able to expand and create economies of scale. Investment mobility also expands to some of the faster-growing sectors such as retail, manufacturing, consumer, telecommunications, etc. In addition, SSI participates in the IPO and OTC markets as well as invests in structured products such as derivatives, secured warrants, M&A, etc.

SSI's investment plan upon separating the Principal Investment to be a standalone unit will be more transparent, flexible and diversified. Principal Investment will create more synergy with parts of SSI: Investment Banking (underwriting, co-invest), Securities Services (new products), and SSIAM also exchanges effective investment evaluation.

CORPORATE GOVERNANCE

REPORT ON ACTIVITIES OF THE BOARD OF DIRECTORS

MEMBERS OF THE BOARD OF DIRECTORS

In 2017, the SSI Board of Directors (BOD) has carried out activities in accordance with the Company's Charter and Management Regulation.

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



Mr. Nguyen Duy Hung

Chairman and Chief Executive Officer

Mr. Hung is the founder of Saigon Securities Inc. He is also the founder and Chairman of Pan Pacific Corporation - a leading company in agriculture and high quality packaged food industry.



Mr. Nguyen Hong Nam

Board Member, Deputy CEO; Authorized person for information disclosure.

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



Mr. Ngo Van Diem

Board Member

Mr. Diem has many years of experiences in foreign and domestic investments, state-owned enterprise reform, and industrial zone development and economic integration holding middle and senior positions in Government agencies.

Mr. Diem graduated from Leipzig University and has a PhD in Economics from Martin Luther University from Germany.



Mr. Bui Quang Nghiem

Board Member

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



Mr. Nguyen Duy Khanh

Board Member

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

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



Mr. Hironori Oka

Board Member

Mr. Hironori Oka has over 20 years of experiences in the finance and securities fields, holding various positions in Japan, Hong Kong, the United States, Singapore and Taiwan. He used to be in charge of many senior positions in Daiwa Group Inc. and started to assume the leading position since 1994. Mr. Oka is currently the executive managing director, head of Asia and Oceania region, and Chairman and Chief Executive Officer of Daiwa Capital Markets Hong Kong Limited.

No.	Board Member	Year of birth	Membership			Share ownership (*)	
			Independence	Non-Executive	Executive	Number	Proportion
1	Mr. Nguyen Duy Hung - Chairman of the Board	1962			√	4,884,400	0.977%
2	Mr. Nguyen Hong Nam	1967			√	1,000,000	0.2%
3	Mr. Ngo Van Diem	1951	√	√		150,000	0.03%
4	Mr. Bui Quang Nghiem	1957	√	√		263,174	0.053%
5	Mr. Hironori Oka	1963		√		0	0%
6	Mr. Nguyen Duy Khanh	1991		√		500,000	0.1%

(*) as of 22 March 2018

In 2017, Mr. Ngo Van Diem was re-elected as a member of the Board of Directors upon ending of the five-year term in 2017 by the annual shareholder's meeting. The remaining 5 Board members maintained business as usual during their terms without any abnormal events leading to member changes in 2017.

Four of the six board members have completed corporate governance training, certified by the State Securities Commission according to regulations.

ROLES, RESPONSIBILITIES AND ACTIVITIES OF THE BOARD OF DIRECTORS

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

The Board of Directors 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 according to 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 2017, the BOD maintained business according to the Law, the Company's Charter and Management Regulation. In addition, the BOD made several efforts to enhance the company's managerial capacity in accordance with current laws and in line with regional as well as global practice. Specifically:

- The BOD ensures that the number of BOD meetings and the number of invited members meet legal requirements and effectiveness while specifying each member's role, differentiating between independent and executive members in order to ensure maximum interest for shareholders according to regulations.
- The BOD passes Resolutions which fit the Company's vision and business strategy for each specific period, ensuring the interests of clients, shareholders and employees, respecting associates, contributing to the building of a strong business community which will provide social values and eventually fulfill the Company's mission.

- The BOD monitors the implementation of resolutions issued by the GMS and the BOD while evaluating the effectiveness of these resolutions; regularly reviews policies and regulations of the Company and make timely adjustments in accordance with new situations and requirements.
- The BOD decides on the direction, leads and supervises on a regular basis all activities of the Management as well as supporting departments, ensuring that the Management's leadership is in line with the company's regulations and policies.

The BOD has carried out 07 meetings including 03 centralized meetings on March 7th, April 21st and September 8th, 2017 and 04 meetings based on written surveys on January 16th, April 03th, May 29th and December 15th, 2017. All BOD meetings were attended by 100% of its members, who discussed and voted on every issue.

Contents of the Resolutions passed by the BOD are as follows:

No.	Resolution No.	Date	Content
1	01/2017/NQ-HĐQT Written opinions solicited	16/1/2017	Issuing bond SSIBOND012017
2	02/2017/NQ-HĐQT Voting at the meeting	7/3/2017	Agreeing on the 2017 Annual General Meeting of Shareholders
3	03/2017/NQ-HĐQT Written opinions solicited	3/4/2017	Additional plan to issue shares under ESOP into the annual GSM in 2017
4	04/2017/NQ-HĐQT Written opinions solicited	3/4/2017	Registering for security derivatives businesses, including: Derivative Brokerage; Derivative Proprietary Trading; Derivative Trading Advisory
5	05/2017/NQ-HĐQT Voting at the meeting	4/21/2017	Issuing bond SSIBOND022017
6	06/2017/NQ- HĐQT Written opinions solicited	29/5/217	Authorizing the Chairman to appoint and dismiss the positions in the Company
7	07/2017NQ-HĐQT Voting at the meeting	8/9/2017	Ratifying the issuance of secured warrants
8	08/2017/NQ-HĐQT Voting at the meeting	8/9/2017	Ratifying transactions of related persons
9	09/2017/NQ-HĐQT Voting at the meeting	8/9/2017	Promulgating the regulations to issue shares for ESOP in accordance with Resolution No. 01/2017/NQ-ĐHĐCĐ of the General Shareholders' Meeting
10	10/2017/NQ- HĐQT Written opinions solicited	15/12/2017	Collecting shareholder inputs in writing for the issuance of secured warrants and convertible bonds

OPERATIONS OF THE SUB-COMMITTEES UNDER THE BOARD OF DIRECTORS

The corporate governance model consists of independent sub-committees of the Board of Directors (BOD) to take charge of Risk Management and Internal Audit to help the BOD perform these functions. Currently, the BOD has appointed independent members of the Boards to be in charge of Risk Management and Internal Audit.

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

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

Activities of the independent member in charge of internal audit:

- Reviewing and evaluating issues related to the organizational structure of internal audit; draft internal audit strategy and policy before presenting to the Board of Directors for approval and decisions;
- Examining and evaluating the compliance with procedures, accounting standards and principles of operation of Internal Audit;
- 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 operations of the Company;
- Advising the Board on the issuance of internal audit strategies and policies.

In addition, independent members of the Board when attending meetings of the Board of Directors, also provide inputs, feedbacks and suggestions on business strategies and plans.

ACTIVITIES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the Board is responsible for overall guidance of the Board of Directors' activities in accordance with the functions, tasks, and authority provided for in the Company Charter as well as the current provisions of the law, particularly:

- Preparing programs and action plans of the Board of Directors;
- Preparing programs, agenda, and documents for the meetings; convening and chairing Board of Directors' meetings;
- Organizing the ratification of Board of Directors' resolutions;
- Supervising the implementation of the Board resolutions;
- Chairing General Shareholders' Meetings and meetings of the Board of Directors.

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 General Shareholders' Meetings and the Board of Directors on business plans, investment plans and other activities. The plurality of offices is adopted by the annual General Shareholders' Meetings.

ACTIVITIES OF INDEPENDENT BOARD MEMBERS

Independent Board members are assigned to perform risk management and internal audit tasks as described in the activities of the subcommittees. In addition, these members also participate in meetings of the Board of Directors to review proposed strategic orientation, business plan; monitor activities and monthly report on the activities of the Board, monitoring results of the Board of Managers sent to members of the Board of Directors in accordance with the Charter of the Company.

BOARD EVALUATION ON THE PERFORMANCE OF THE BOARD OF MANAGEMENT

The Board of Management has successfully implemented the resolutions of the General Shareholders' Meeting and the BOD on the business plan, exceeding 2017 targets set by the GSM, steady maintaining the leading position in brokerage market share on both HOSE and HNX. The BOD has carried out its duties in accordance with its authority in relation to the organization and operation of the Company's daily business operations following good corporate governance practices, proactively and promptly proposing initiatives and measures to improve the efficiency and management of the Company. Timely and adequately preparing reports to GSM and of the BOD. Disclosing information in an adequate, timely and honest manner.

BOARD EVALUATION OF THE COMPANY'S PERFORMANCE

The Company has had a successful year in many aspects thanks to the relatively accurate forecast of the socio-economic situation, and the orientation and business plan well fitted with the market situation. In 2017, the Company recorded a revenue of VND3,043.2 billion, up 19.8% and surpassed 44.35% of its FY2017 target. 2017 consolidated profit before tax reached VND1,405 billion, increased 23% compared to 2016, exceeding the target by 32.8%.

Along with higher business efficiency, the Company continued to make a great contribution to the budget. In the list of the 1,000 largest corporate income taxpayers in 2016 announced by the Ministry of Finance, SSI was ranked No. 60 and being the only securities firm in the top 100.

SSI stock price in 2017 has grown steadily from VND19,900 per share on the last trading day of 2016 to VND 28,800 per share on the last trading day of 2017, up by 44.7%/. The results have brought greater benefits to investors, meeting the expectation that shareholders stated at the annual GSM in 2017 that SSI stock price at the beginning of 2017 has not reflected its intrinsic value.

BUSINESS PLANS AND ORIENTATION IN 2018

Determining that the capital market is the new engine of the economy, in 2018, the Company to focus on helping businesses raise capital through the securities market, creating a dramatic shift in the capital market - the market based medium and long term capital channel for the economy; contributing to the initiation and mobilization of great resources of the country, promoting economic development; making the economy moving faster to be more transparent, open, fair and flexible.

The Company continues to uphold principles in transparency, equality and compliance with professional ethics standards so that investors perceive the securities market not only as a place to make money but also a place to keep assets for investors, being a reliable address for people to store assets instead of saving, gold, foreign currencies or land.

In 2018, the Company will also focus priorities on innovation, creativity, human resource development, business culture development and then compliance with the law and corporate governance in accordance with best practices, in order to improve competitiveness, labor productivity, meeting the requirements of the industrial revolution 4.0, and integrating deeply and broadly into the international and regional economies.

REPORT ON ACTIVITIES OF THE SUPERVISORY BOARD

MEMBERS OF THE SUPERVISORY BOARD



Mr. Nguyen Van Khai

Mr. Khai joined the Supervisory Board (SB) of SSI since 1999 and has been consistently voted as the Head of the SB through the terms.

Mr. Khai is experienced in corporate management and is currently a member of the BOD of The PAN Group, a company in the field of high end agriculture and food packaging.



Mr. Dang Phong Luu

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

He currently runs his own business An Bao Production Trading Co., Ltd as the Chairman of the Member Board.



Ms. Ho Thi Huong Tra

Ms. Tra is a member of SSI SB since 2007. She has over 14 years of experiences at Vietcombank. Ms. Tra previously worked in the accountant function and is now a member of the Debt Management Division at Vietcombank. Ms. Tra earned her B.A. from the University of Finance and Accounting.

Ms. Tra resigned from the SB on 11/13/2017.

Full name	Position	Year of birth	Degree of Independence	Share Ownership (*)	
				Number	Percentage
Mr. Nguyen Van Khai	Head of the SB	1967	Non-employed by SSI Holding SSI stock	100,455	0.02%
Mr. Dang Phong Luu	Member of the SB	1967	Non-employed by SSI Holding SSI stock	45,068	0.01%
Ms. Ho Thi Huong Tra	Member of the SB	1975	Non-employed by SSI Holding SSI stock. Ms. Tra resigned on 11/13/2017	(**)	(**)

(*) as of 22 March 2018

(**) Ms. Tra was no longer a member of the SB on 13 November 2017

GENERAL ACTIVITIES AND RECOMMENDATIONS BY THE BOARD OF SUPERVISORY

Assignment of duties of members of the Supervisory Board

Mr. Nguyen Van Khai, Head of the SB, is responsible for the overall management and supervision of the activities of the BOD and the Board of Management, and takes part in the Board of Directors' meetings;

Mr. Dang Phong Luu, SB member, is in charge of examining and supervising the Company's finance and preparation of financial statements;

Ms. Ho Thi Huong Tra is in charge of regulatory and Charter compliance, the execution of resolutions of Shareholders' Meeting, and handling claims of shareholders and related parties within the SB's authority.

Summary of the SB's activities in 2017:

- Reported to shareholders on the supervision of the activities of the BOD and Board of Management in 2017, and the SB's action plan for 2018.

- Mr. Nguyen Van Khai, Head of the SB, represented the SB to participate in all meetings of the BOD in 2017.

- Carried out the examination and supervision of the preparation of audited financial statements of 2016, and quarterly, semiannual and annual financial statements of 2017.

- Carried out the examination and supervision of compliance to regulations and the Company's Charter as well as the implementation of the GSM's resolutions by the BOD and BOM in 2017.

- Supervised shareholder voting procedures in writing to approve the Resolution of the GSM on secured warrants and convertible bonds in 01/2018.

- Supervised the issuance of shares under ESOP, and issuance convertible bonds at the beginning of 2018

- On 5/31/2017, the SB conducted the regular meeting and passed the following contents:

  - Report on the implementation of the Company's internal control and risk management;
  - Unanimous consent to recommend the BOD to select Ernst & Young Vietnam Limited the independent auditor of the Company's financial statements in 2017.

- On 9/20/2017, the SB conducted the regular meeting and passed the following contents:

  - Report on the implementation of the Company's internal control and risk management;

- On 11/13/2017, the SB held an extraordinary meeting to approve the resignation of Ms. Ho Thi Huong Tra, Member of the SB and the election for additional member of the SB at the annual GSM.

The SB worked with representatives of the Board on the implementation of the regulation on management of public companies in accordance with the Government's Decree No. 71/2017/ND-CP dated June 6th, 2017, reviewing new contents in the Regulation to prepare for implementation and timely submission to the GSM for approval of the Corporate Governance Regulations at its annual meeting in 2018

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

- The Legal & Internal Control Director was to work out a plan to provide training as well as professional competency and skills to internal control staff. Such a plan is to be implemented in tandem with the reality of market development as well as the State Securities Commission's schedule of launching new products to ensure that the staff would be sufficiently qualified for the dedicated job;
- The training and communication of professional ethics was strengthened for improved awareness of compliance among the staff;
- The risk management division improved its internal work-flow and implemented a well-engineered and professional risk management process.

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

The Company's operations in 2017 were in compliance with regulations of law as well as the Company's Charter. The Company properly complied with regulations on information disclosure applicable to securities companies listed on. HOSE SSI members shall fully comply with regulations on information disclosure when trading SSI shares.

The Company's Charter was amended in accordance with the provisions of the Enterprise Law as well as the form of corporate charter issued under MOF's Circular N0. 07/2016/TT-BTC dated January 18th, 2016.

Quarterly and semi-annual statements were timely disclosed. However, SSI as well as many other listed companies still have to ask the SSC approval to extend the release of the quarterly and semi-annual consolidated financial statements. It is recommended that the CEO to improve the process in order to speed up the progress of reporting and at the same time report to the SSC on difficulties and shortcomings in terms of deadline for reporting and disclosure of information for review and adjustment to the market practicality.

In December 2017, the Company completed the issuance of 10,000,000 shares under ESOP following Resolution 01/2017/NQ-DHDCD dated April 21th, 2017 of the GSM. Dividends were paid to shareholders within 6 months from the day of the Annual Shareholders' Meeting.

Financial supervision

The Company prepared and disclosed periodical financial statements in accordance with regulations governed by SSC. Semi-annual financial statements, financial safety ratio report, and annual report of 2017 were reviewed and audited by an independent auditor, i.e. Ernst & Young Vietnam Limited, in accordance with existing regulations governed by SSC and Ministry of Finance.

The financial statements of 2017 presented fairly and in all material aspects the Company's financial position as at December 31st, 2017, results of operations, and cash flows in conformity with Vietnam's existing enterprise accounting principles as well as relevant provisions of law. The creation of funds and remuneration for the Board of Directors and the SB were performed in accordance with the resolution of the Shareholders' Meeting in 2017. Accounting and bookkeeping of the Company is carried out on a prudent basis.

Supervision of members of the BOD, CEO and other business executives

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

Results of handling shareholder recommendations to the Company

In 2017, the SB received no recommendations or claims from shareholders as to the Company's operations or governance

Coordination between the SB and the BOD, CEO and Shareholders

In the year 2017, the SB received close coordination and facilitation to carry out its supervisory tasks from the Board of Directors, the Board of Management and the management of the Company through the provision of full information and documents relating to corporate governance, business operations, and financial situation of the Company.

REMUNERATION AND BENEFITS FOR BOARD OF DIRECTORS AND SUPERVISORY BOARD

2017 operation fund for BOD and SB was VND 3 billion, which was approved by the GSM and in accordance with GSM's Resolution 01/2017/NQ-ĐHĐCĐ dated 21 April 2017.

At 31/12/2017, the BOD comprises of 06 members, of which 02 are executive members, 04 are non-executive members. The SB comprises 2 members, all of them are independent (Ms. Ho Thi Huong Tra resigned on 13th November 2017).

STT	Name	Position	Non-executive member	Executive Member	Salary	Remuneration	Performance bonus	Welfare	Note
				Board of Directors					
1	Mr. Nguyen Duy Hung	Chairman		√	√		√	√	
2	Mr. Nguyen Hong Nam	Member of BOD		√	√		√	√	
3	Mr. Ngo Van Diem	Member of BOD	√		√		√	√	
4	Mr. Bui Quang Nghiem	Member of BOD	√			√			
5	Mr. Nguyen Duy Khanh	Member of BOD	√			√			
6	Mr. Hironori Oka	Member of BOD	√			√			
				Board of Superviors					
1	Board of Superviors	Head of SB	√					√	
2	Mr. Nguyen Duy Khanh	Member of SB	√					√	
3	Mr. Hironori Oka	Member of SB	√					√	Resigned

Periodic bonus and welfare of members of the BOD and SB

The BOD executive members, BOD members who participated in Company's operation, and SB members received periodic bonus and welfare from the Company welfare fund, which was created from retained earnings and based on 2017 business performance approved by the GSM.

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

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

ESOP for Members of BOD and SB

In 2017, SSI has successfully issued shares under the Employee Stock Ownership Plan (ESOP), which aims to align the interests of employees and the Company; attract, maintain and motivate qualified staff to dedicate and make long-term commitment to the Company.

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

No.	Name	Position	Number of shares
1	Nguyen Duy Hung	Chairman cum CEO	1,872,000
2	Nguyen Hong Nam	Member of BOD/ Deputy CEO/ Spokesman	700,000
3	Ngo Van Diem	Member of BOD	100,000
4	Bui Quang Nghiem	Member of BOD	30,000
5	Nguyen Duy Khanh	Member of BOD	200,000
6	Nguyen Van Khai	Member of SB	30,000
7	Dang Phong Luu	Member of SB	15,000

Total income of members of BOD and SB in 2017 was VND 12,405,200,000

RISK MANAGEMENT

OVERVIEW OF THE RISK MANAGEMENT SYSTEM

2017 marked a successful year of the economy as well as the Vietnam securities market, with a 48% increase of the VNIndex along the strong participation of foreign and domestic investors. Stocks with a history of price speculation, stocks of poor businesses remained mostly unchanged; indicating the trend of investors choosing intrinsic over highly speculative stocks. Given support from market factors along with competent staff and clear strategy from the Leader to seize the opportunity, 2017 continued to be a year of strong growth for SSI in terms of personnel, customers, business results, market share, margin loans, etc. Meanwhile, risks have been limited to the lowest level, below the risk limit approved by the Board.

In 2017, the Company's risk management policies and procedures continued to be completed and updated, in line with business practices as well as risks arising from new business operations such as derivative securities. In addition, in order to improve the effectiveness of risk management activities, training activities on risk awareness and risk prevention have been widely provided to all employees.

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

- To develop and align a culture of risk management to every employee whereby each individual to engage and contribute to risk management activities;

- To develop a strong and transparent corporate governance structure in order to determine accountability of each individual and department in the organizational structure;

- To develop a mechanism of control and oversight to keep risk within the limits allowed;

- To issue of documents under policy framework and methods to identify, measure, control and mitigate key risks.

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



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

1. Risk identification

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

- Database of risks occurred in business operations that have been identified, and have been reported and detected through Internal Control, Internal Audit, and Independent Audit activities. Based on this data, the Company can assess and predict the risks likely to occur in the future;
- Based on analysis of historical data on the risks occurred and the likelihood of future risks to identify areas with high risk exposure. This method contributes to improve risk management based on the inheritance of experiences and lessons from the past;
- 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.

2. Risk measurement and assessment

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

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

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

3. Risk limit identification

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

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

Limits for each type of risk is determined based on:

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

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

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

4. Risk monitoring

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

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

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

5. Risk handling

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

- *Risk tolerance:* When the cost of risk handling is a significantly higher than that of the losses incurred due to risk exposure, no handling measure is necessary;
- *Risk avoidance:* Any activity that could lead to the risk exposure that the BOD has a zero or very low risk tolerance, or that exerts potentially serious impact on the image and activities of the Company shall not be carried out;
- *Risk mitigation:* Applying measures to mitigate potential impact on the Company or to minimize the probability of risk occurrences, 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 operating activities;
- *Developing a monitoring and risk warning system* for timely detection of potential risks and marginal risks for prompt risk handling.

General risk handling process:

- Identifying causes of increased risk positions, and causes of risk generating events;
- Selecting and developing handling plan, including specifications of responsible units for implementation, implementation schedule, expected results, resource assessment and planning, and required procedures;
- Performing risk handling in accordance with selected plan;
- Reviewing and updating relevant policies and procedures to avoid similar incidents;
- Adjusting relevant limits if necessary to align with reality.



MARKET RISK

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

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

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

Investment in deposits/ bills/ bonds/margin lending:

With owner's equity of more than VND8,616 billion by the end of 2017, total assets of VND18,764 billion, average cash position of VND4,074 billion, including more than VND2,257 billion of investors' cash flows fluctuating according to transactions, borrowing/repayment activities and investment disbursement that take place daily without restriction to a specified time frame. Such operations require SSI to balance capital and corresponding interest rates to optimize returns and realize predictions on interest rates. Even with modest interest rate fluctuations in 2017, SSI Treasury still managed to optimize interest rates trading, contributing a significant part to the Company's revenue while ensuring the highest level of safety.

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

Investment in Stocks

Stock investment portfolio is directly affected by internal factors of the economy as well as international variables. Unforeseeable fluctuations in macro factors can cause stock prices to fall and negatively affect business results. However, highlighted in 2017, SSI managed to capture market opportunities to divest and invest in companies in the basic and staples sectors of the economy that underwent little impact from market fluctuations while possessed potential for stable development. In addition, the Company expanded support for our associated companies in maximum capital mobilization, establishing a solid financial foundation for manufacturing and business expansion, raising the core value of their stocks and maintaining a positive momentum for their stock prices to grow.

In addition, post-investment management has been carried out in a stringent and prudent manner, typically assigning dedicated staff to each group of companies, conducting regular site visits and working directly with senior executives to understand their vision, strategy, and plan of the companies in the portfolio. In particular, SSI to nominate representatives to take positions in the BOD and or the SB and/or the Board of Management in companies where SSI has a large ownership stake. As a result, the Company can go along with the businesses in all activities, and also to better manage its investment portfolio.

Investment in Derivative Securities

The derivative securities market was officially put into operation in 2017, and SSI was one of the first Securities Companies licensed to trade derivatives. With thorough preparation of people, systems and processes, the Company holds the largest market share in the derivatives market of 28.28%. Derivative securities have high levels of leverage, leading to rapid changes to clients' accounts during trading according to market movements. Thus, prudent determination of initial margin helps the Company mitigate the risks prompted from high volatility of the derivatives index. SSI Risk Management has developed risk management procedures for derivative financial instruments as well as conducted quantitative measurements to determine the initial margin rate and appropriate alert levels to limit potential risks to the company as well as ensure compliance with the law.

In addition, SSI Risk Management also monitor daily market developments to be able to timely provide response measures to mitigate risks when necessary.





CREDIT RISK

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

Investments in Deposits

Investments in deposits at commercial banks are considered to have the lowest level of credit risk; However, if occurring, such risk can cause great damages. Therefore, SSI always reviews careful before conducting transactions with Banks based on the Banks' credit rating, followed by periodic reassessment. Each commercial bank would be assigned a specific deposits limit depending on their specific credit rating, as well as certain terms and conditions, to ensure maximum capital preservation. At the same time, SSI established overdraft limit mechanism with multiple banks for simultaneous operation with bank deposits.

DURING OUR 18 YEARS OF OPERATION, SSI HAS INCURRED NO IRRECOVERABLE BANK DEPOSITS



This allows us to maintain liquidity capabilities while ensuring flexible capital uses and providing for credit risk, as bank deposits contracts always have provisions for flexible withdrawal of the overdraft facility. During our 18 years of operation, SSI has incurred no irrecoverable bank deposits. This is an achievement that testifies for the highly effective credit risk management activities at SSI.

Margin Lending

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

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

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

- Develop a cross-cut limit system to control concentration of outstanding lending balance as well as alert levels for timely recovery of debts:
  - Total volume limit for margin lending,
  - Maximum limit per client,
  - Maximum limit per stock,
  - Safety warning level,
  - Liquidation warning level, etc.

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

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

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

In 2017, with the overall growth of the market, and the strategy of diversifying the portfolio of client margin lending, increasing the lending of leading and highly liquid stocks, the Company's outstanding margin lending balance grew from an average of over VND3,294 billion in 2016 to an average of more than VND4,150 billion in 2017, with the highest balance reached over VND5,632.7 billion. Risk was well managed with no bad debt incurred in 2017.

Investments in Bonds

Investment in bonds is exposed to the risk of bond issuers losing their liquidity at the bond's maturity, or the risk of unexpected adversities leading to the bond losing its liquidity. In order to mitigate these risks, SSI has in place an assessment procedure to examine all details and aspects of a bond investment proposal, similar to a credit assessment prior to investment. However, as interest rates on Government bonds remained low and the FED's interest rate hikes in 2017, SSI mainly invested in government bonds and government guaranteed bonds. For corporate bonds, SSI assessed very carefully, and only invested in bonds issued by reputable businesses with sufficient collateral assets.



SSI HAS IN PLACE AN ASSESSMENT PROCEDURE TO EXAMINE ALL DETAILS AND ASPECTS OF A BOND INVESTMENT PROPOSAL, SIMILAR TO A CREDIT ASSESSMENT PRIOR TO INVESTMENT

LIQUIDITY RISK

Liquidity risk occurs when SSI loses its ability to fulfill its obligations to pay part or all of the due debts, failing to meet the demand for payment of securities purchased by investors using margin lending, or experiencing delay or failure to meet the requirements of payment activities of investors on accounts maintained at SSI. With the number of clients growing over the years, mounting to over 127 thousand accounts in 2017 across SSI branches in different cities, receiving hundreds of payment requests per day, SSI must ensure the quickest, safest, and most cost effective way to conduct payment operations for investors. In order maintain flexibility in serving clients, SSI has connected with dozens of banks to manage an average investor deposit balance of over VND 2,257 billion in absolute safety.

In 2017, SSI's margin lending service continued to maintain strong growth, requiring high flexibility in balancing daily cash flow between timely cash disbursement (in margin lending) and efficient use of cash flow when investors repay margin loans. SSI also holds the largest securities investment portfolio in the market, thus the management of low liquidity investments also requires a sound balance of owners' equity, to be able to reinvest the capital to capture investment opportunities. In 2017, SSI continued to ensure absolute liquidity management, without the occurring of any risky incident. Net capital ratio remained high between 464% and 555%, well above the regulatory 180% set forth by SSC.

2017 Financial Safety Ratio

Month	Financial Safety Ratio
1	501%
2	497%
3	505%
4	555%
5	530%
6	546%
7	489%
8	525%
9	506%
10	464%
11	491%
12	499%



This achievement was thanks to a stringent cash flow management process, which was established based on the particular priority given to liquidity risk management and the close collaboration fostered between SSI's offices and divisions.

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	Daily
Securities Services	Advances to investors	Daily
	Dividends payment	When arising
	Derivative clearing	Daily
	Disbursement/ loan recovery of margin trading	Daily
	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

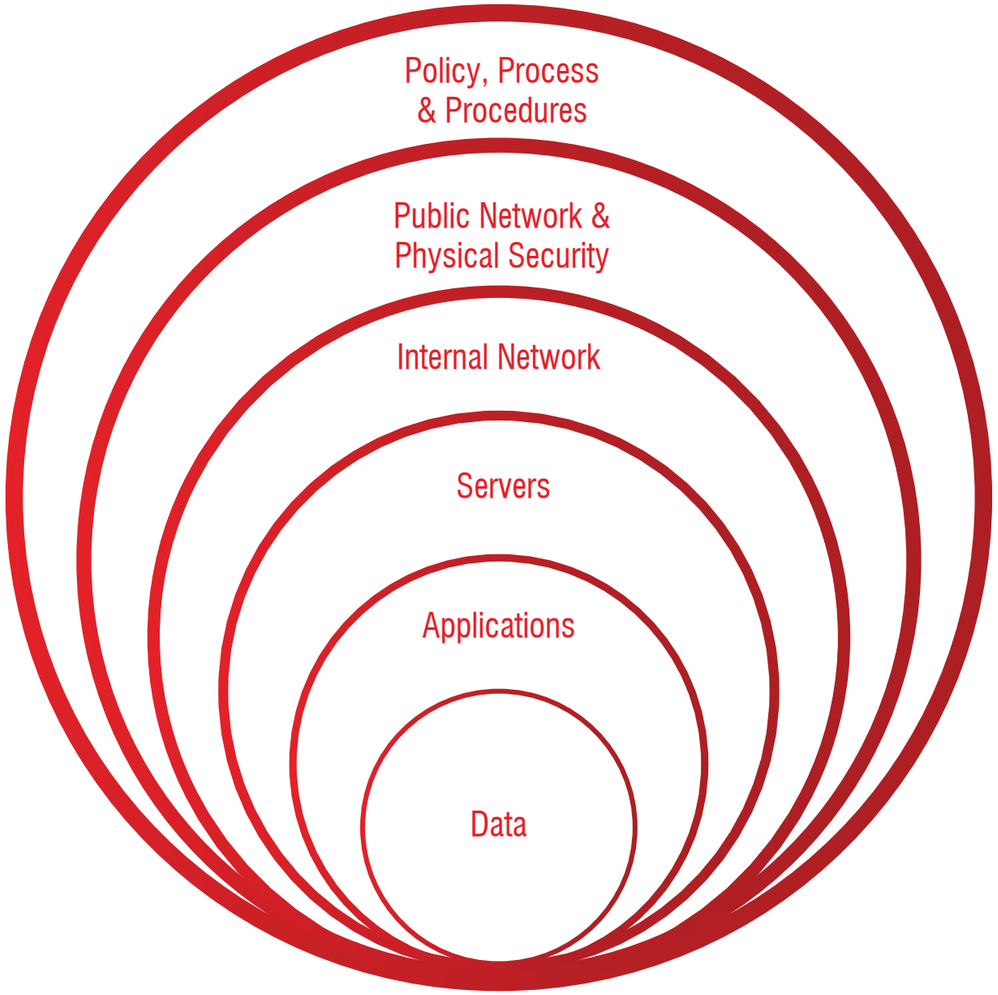
In 2017, in order to further increase margin lending activities, SSI mobilized more capital from bank loans and bond issuance, which leads to more complicated cash flow management.

However, the Company maintained a reasonable and balanced ratio between assets and liabilities, following the basic liquidity risk management.

SYSTEM RISK AND INFORMATION SECURITY

The contingency of the business is not only depending on best products/service or business strategies but also requiring a stable operating environment. How to enable the environment with maximum stability but minimum risk is the top subject in technology section of the organization.

System Risk Management in SSI is classified into 5 different categories.



Each of these categories, SSI has significant investment and sufficient operational controls to protect its corresponding risks. SSI has strong Policies, Process and Procedures (PPP) on governing the internal technology operations, and usage of facilities.

For public accessing control, SSI has full camera monitoring and 24x7 security guard in all areas. For the protection of the risk of intrusion and cyber-attack in public network, anti-DDoS, antivirus, and other facilities are used.

For internal network, SSI has multi-zoned network, tight policies in our firewalls, proper Intrusion detector.

For servers & applications, SSI has dynamic password access control, unauthorized access detector, and penetration testing facilities.

For business information, SSI doesn't allow any access except the corresponding application. All database are located in the core network of the entire setup.

For disaster recovery protection, quarterly review of our Disaster Recovery Plan (DCP) is maintained. SSI also performed the stress test of its DCP on November 2017.

For system stability protection and improvement, SSI keeps the strategy on having redundancy for all facilities. SSI reviews the capacity and utilization for every quarter. SSI also maintained 96% compliance of Service Level Agreement (SLA) on supporting out 700+ users with over 12,000 requests in a month.





COMPLIANCE RISK

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

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

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

In 2017, the Company's Internal Control conducted 43 inspections across various divisions for compliance checking of internal procedures and regulations and relevant laws, representing an 7.5% increase compared to the one of 2016. Reports are sent to the CEO, Managing Directors and Head of Legal & Internal Control for timely handling of violations, updating and correcting operational procedures to mitigate risks and increase work performance.

Adherence to corporate accounting system and compliance with tax law is also a focus of the Company. The Company conducted 32 audits in 2017 related to accounting entries, financial reporting and tax auditing. Internal audit activities promptly detected errors and proposed compliance measures to the CEO. Internal audit activities have increased the effectiveness of compliance risk management in the Company. Published financial statements, tax reports and net capital reports of the Company were ensured honesty and objectiveness, in accordance with accounting standards and regulations.

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

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

By improving the awareness of compliance, increasing the frequency of control and timely updating and finalizing of process, in 2017, the number of violations and errors was strictly controlled and there were no significant errors.

A number of compliance risks that the Company has identified and developed control measures for 2018 is presented in the following table:

Potential risks and compliance risk measures

No.	Potential risks	Control measures
1	Brokerage staff violating professional code of ethics, abusing of client accounts	Training to raise the awareness of professional ethics; Assigning proper access levels to customer information; Designing account management procedures with cross-checking; Encouraging client to conduct transactions over the Internet; Providing timely notification on change of account balance for clients via SMS and email; Conducting centralized specialized control; Strictly handling acts of violating professional ethics; Rotation of control and approval positions.
2	Brokerage staff violating professional code of ethics, engaging in stock price manipulation.	Training to raise the awareness of professional ethics; Monitoring trading accounts of staff and family members; Strictly handling acts of violating professional ethics; Verifying employee's employment history before hiring.
3	Controlling conflicts of interest between clients and brokerage staff.	Training to raise the awareness of professional ethics;
4	Violation of anti-money laundering regulations, especially in client identification.	Issuing anti-money laundering regulations, and integrating anti-money laundering regulations into business processes; Holding annually training for staff to raise awareness on money laundering prevention and control; Refusing to serve clients failing to provide identification information in accordance with the laws; Actively classifying clients' risk profile in money laundering prevention and control.
5	Employees violate business processes	Professional training for all new employees, periodic mandatory training for all employees The handling of mandatory operations subjected to approval and control; Reviewing and updating processes regularly and when detecting violations to improve the process and reduce risks; Increasing frequency of internal control of units considered to be risk-prone.



REPUTATIONAL RISK

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

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

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

SSI is fully aware of our responsibility to provide our shareholders and investors with transparent, complete, accurate and timely information.

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

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

HUMAN RESOURCE MANAGEMENT RISK

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

In 2017, the stock market continued to show huge demand for manpower as companies operated and expanded. When there was insufficient supply, securities companies were forced to recruit talents from competitors in the same sector. As tension between those who need to attract talents and those who want to retain talents builds, it is understandable that salary competition, employee turnover and job switching ratio all increased.

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

Human resource management activities	Potential risks	Points of consideration
Salary and benefits package	Financial impact	Authorized personnel to sign decisions related to compensation and benefits scheme.
		The relevant policies to undergo different levels of approval
		Budget control to ensure the approved policies not to exceed the planned budget
Recruitment	Discrimination in the recruitment process	Screening and recruiting process to be applied consistently to all potential candidates
	Selection error	Mechanisms for employee probation and probation assessment to be applied
	Recruitment reputation and prestige	Employment terms and conditions to be implemented as agreed in candidates' interview
Work safety and health care	Work environment	Work environment and conditions to be reviewed regularly to ensure safety, hygiene and professional standard
	Employee health	Organize periodic health checks to monitor the health of employees, and have contingency personnel plans where necessary Comply with the Law on Social Insurance and Health Insurance in order to ensure that employees receive full benefits regulated by the State, especially for sickness and maternity regimes Maintain a comprehensive health care insurance package for employees with high interest, competitiveness, ensuring financial support for employees to have treatment

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

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

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

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

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

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





LEGAL RISK

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

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

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

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

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



THE BOD DOES NOT TOLERATE ANY RISKS DUE TO DELIBERATE VIOLATIONS OF LEGAL REGULATIONS

ENVIRONMENTAL RISK

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



2018 ACTION PLAN

In 2017, 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 2018, 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. In addition, the improvement and updating of risk management policies and procedures continues to be implemented.

With strong growth in personnel size as well as network of branches and customers, along with new products such as derivative securities, the Company is facing more operational risk-related issues, especially those prompted from human and system. The strong growth of the securities market in 2017, fueled by the momentum of growth in 2018 also elevates market risks, possibility leading to strong corrections across the market or in specific stock groups or industries. Higher market risk will lead to credit risk related to margin lending and derivative trading.

Therefore, 2018 to focus on improving the effectiveness of risk management with the implementation of risk management training for all employees to enhance risk management culture, for each employee is to serve as a risk management agent in each of their operation. In addition, strengthening of 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. At the same time, the Risk Management Department will coordinate with Business Units to develop a risk category, risk prevention and mitigation measures for each Division and continuous action plans for each division as well as for the whole Company.

In 2018, with the addition of warrants in the security market, completion of risk management for warrant underwriting will also be a focus.

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 majority of the work force. Therefore, risk management activities to encounter the following difficulties:

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

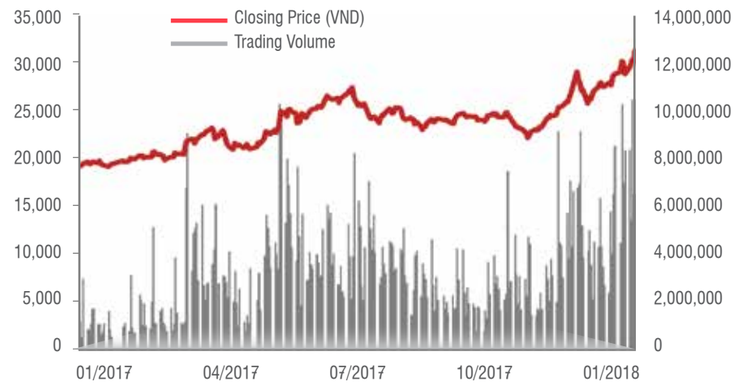
- Current software systems supporting risk measurement require very high investment costs that only large banks or financial corporations in the world can reach the scale to attain meaningful cost effective use. As a result, certain semi-manual calculations remain in use.

SHARE INFORMATION AND INVESTOR RELATION ACTIVITIES IN 2017

SHARE INFORMATION

Ticker:	SSI
Exchange:	Ho Chi Minh Stock Exchange (HOSE)
Number of common shares (as at 31/12/2017):	5000,063,684
Number of outstanding shares (as at 31/12/2017):	499,849,370
Number of treasury shares (as at 31/12/2017):	214,314
Market price (closing price as at 31/12/2017):	VND 28,800/ share
Dividend payment by cash:	10%/ share (VND 1,000/ share)
The ex-right date	09/10/2017
The record date for issuing shares	10/10/2017
Payment date	20/10/2017
Issuing ESOP shares to increase charter capital	VND 100,000,000,000
The date of issuance	22/12/2017
The number of issued shares	10,000,000 shares
Par value	VND 10,000/ share
Price	Par value (VND 10,000/ share)
Type of share	Common share
Transfer restriction	50% are freely transferrable after 02 year and the remaining are transferrable after 03 years from the date of issuance.
2017 dividend advance payment	None

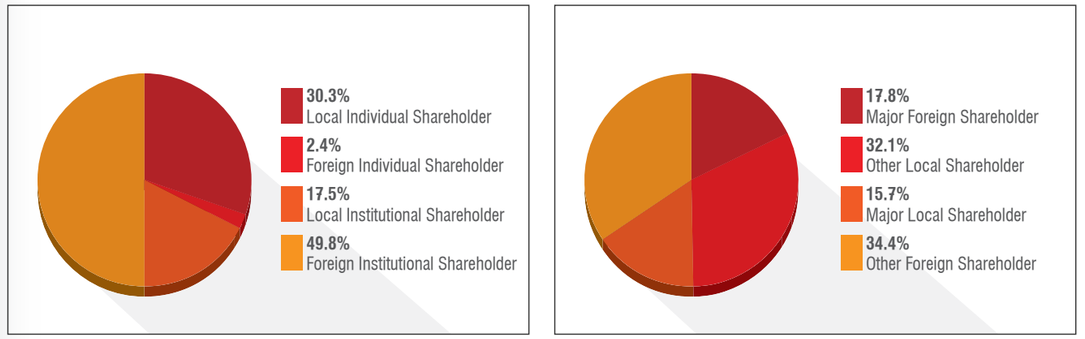
SSI stock price and trading volume in 2017



Source: SSI

SHAREHOLDER STRUCTURE

Shareholder structure (*)



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	9.64%
2	Daiwa Securities Group Incorporation	9-1 Marunouchi 1-chome, Chiyo-da-ku, Tokyo, Japan	88,936,821	17.79%
3	Saigon Dan Linh Real Estate Co., Ltd.	236/43/2 Dien Bien Phu street, Ward 17, Binh Thanh, Hochiminh	30,154,063	6.03%

(*) As of 22/03/2018

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



INVESTOR RELATIONS ACTIVITIES IN 2017

In 2017, SSI continued to maintain and intensify shareholder and investor relations activities, aiming at the objective of "maximizing shareholders' value." Many activities were designed to increase transparency, protect shareholders' rights and ensure equality among various shareholder groups. The Company proactively took actions to share information and connect to the investor community, winning trust from existing shareholders while facilitating access to many potential ones and promoting SSI's brand in both Vietnam and the region.

Promoting information transparency

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

In 2017, SSI continued to provide investors with quarterly updates of business performance. Such updates, which provided in-depth explanation of impacting factors on the revenues/profits in the period, and operations as well as achievements of each business unit, helped keep investors accurately informed for sound decision making. The information was also made available to the press and prospective investors, both individual and institutional, ensuring access to the latest updates. Besides, the Investor Relations Division also played an active role in receiving and responding to shareholders' inquiries via multiple channels including telephone, email, or in-person meetings.

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

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

Protecting shareholder interests

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

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

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

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



Actively connecting with the investor community

In 2017, the Company continued to receive many analysts and portfolio managers from a number of foreign investment funds based in Japan, the US, Hong Kong, Singapore, etc. who came to work with our management to understand the Company's development strategy, business lines, investment operations as well as other in-depth economic-financial information.

Besides, the Company's Management also participated in several investor conferences both at home and abroad, sharing views on macroeconomic, Vietnam stock market as well as the introduction of SSI's activities, performance to the investor community.

Events that SSI attended in 2017:

Time	Conference	Place
September 2017	Vietnam Enterprises Conference in Republic of Korea	Korea
October 2017	Investment conference - Ministry of Finance	Japan
October 2017	Gateway to Vietnam 2017	Vietnam
November 2017	Daiwa Investment Conference Hong Kong 2017	Hong Kong
November 2017	Nikkei Asian Review Forum	Vietnam



ASSESSMENT OF CORPORATE GOVERNANCE BASED ON THE ASEAN CORPORATE GOVERNANCE SCORECARD

SSI believes that good corporate governance presents one of the most important factors to ensure sustainable development of a business, creating confidence and maximizing shareholder benefits.

Along with strict adherence to regulations of the law relating to corporate governance in general and regulations applied exclusively to listed companies, the governance of SSI has gradually been completed according best practices in the region and the world, such as the ASEAN Corporate Governance Scorecard.

The ASEAN Corporate Governance Scorecard is based on the corporate governance principles of the Organization for Economic Co-operation and Development (OECD) and the corporate governance framework of the participating countries, including: Malaysia, Singapore, Thailand, Indonesia, Philippines and Vietnam. Accordingly, there are five aspects to conduct a comprehensive assessment of corporate governance practices, including: Rights of Shareholders, Equitable Treatment of Shareholders, Role of Stakeholders, Disclosure and Transparency, and Responsibilities of the Board.

In recent years, SSI has made great efforts in improving its corporate governance, in line with the good standards in the region, referencing to criteria set forth in the Scorecard. Specifically, there are four aspects that SSI has performed well: Rights of Shareholders (meeting 19/21 criteria), Equitable Treatment of Shareholders (meeting 13/15 criteria), Role of Stakeholders (meeting 9/13) and Disclosure and Transparency (meeting 30/32).

For the criteria that fall short, especially in terms of Responsibilities of the Board, the Company has developed a roadmap and action plans to meet the standards mentioned such as: Establishment of subcommittees, mechanism for evaluating members of the Board, activities of members of the Board.

Detailed assessment is provided as follows:

A. SHAREHOLDER RIGHTS

Items	Questions	Answers	Evaluation	Notes (if any)
A.1. Basic shareholder rights				
A.1.1	Does the Company pay (interim and final/ annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by annual GSM for final dividends? In case the company has offered script dividend, does the company paid the dividend within 60 days.	Yes	Partly implemented	SSI has paid annual dividends in an equitable manner in accordance with profit distribution plan approved by the GSM. However, the execution period is more than 30 days.
A.2. Right to participate in decisions concerning fundamental corporate changes				
	Do shareholders have the right to participate in:			
A.2.1	Amendments to the company's constitution?	Yes	Well implemented	
A.2.2	The authorization of additional shares?	Yes	Well implemented	
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	Yes		The situation of transferring all or substantially all assets hasn't ever happened in SSI. However, the Company Charter regulated that GSM has rights and obligations to make decisions on the sale of assets valued at 35% or more of the total value of the Company's assets, with the voting ratio must be more than 65%.
A.3. Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures that govern general shareholder meetings.				
A.3.1	Do shareholders have the opportunity, evidence by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/ commissioners?	Yes	Well implemented	Total remuneration of the BOD is approved annually by the GSM.
A.3.2	Does the Company provide non-controlling shareholders a right to nominate candidates for board of directors (BOD)/ commissioners?	Yes	Well implemented	
A.3.3	Does the Company allow shareholders to elect directors/ commissioners individually?	Yes	Well implemented	
A.3.4	Does the Company disclose the voting procedures used before the start of the meeting?	Yes	Well implemented	It is recorded in the minutes of latest GSM. Nomination and voting procedures are announced in invitation letter and at the opening of the meeting.
A.3.5	Do the minutes of the most recent GSM record that the shareholders were given the opportunity to ask questions and the questions raised by shareholders and answers given recorded?	Yes	Well implemented	The latest GSM minutes recorded the detailed discussion, all the questions and responses as well as other opinions from shareholders.
A.3.6	Does the Company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/ each agenda item for the most recent GSM?	Yes	Well implemented	This content was recorded in the latest GSM minutes.
A.3.7	Did the Company disclose the list of board members who attended the most recent GSM?	Yes	Well implemented	The latest GSM minutes recorded list of board members attending the GSM. This minute was disclosed within 1 day after the meeting.
A.3.8	Does the Company disclose that all board members and the CEO (if he is not a board member) attended the most recent GSM?	Yes	Well implemented	The latest GSM minutes recorded list of board members and also members of management board attending the GSM. This minute was disclosed within 1 day after the meeting.
A.3.9	Does the Company allow voting in absentia?	Yes	Well implemented	Voting in absentia is allowed through a duly authorized person. Authorization form is attached in the meeting invitation

Item	Questions	Answers	Evaluation	Notes (if any)
A.3.10	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent GSM?	Yes	Well implemented	All the issues, that has been presented, discussed and asked for approval from GSM, was voted by poll (as opposed to by show of hands) in the most recent GSM. The voting method was disclosed in Vietnamese as well as English to ensure that all shareholders receive information equally.
A.3.11	Does the Company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/ or validate the votes at GSM?	Yes	Well implemented	It was recorded in minute of the most recent GSM that the independent party counted and validated of the votes.
A.3.12	Does the Company make publicly available by the next working day the result of the votes taken during the most recent GSM for all resolutions?	Yes	Well implemented	GSM minute and resolution is disclosed within 24 hours after the meeting.
A.3.13	Does the Company provide at least 21 day notice for all GSM and EGM?	Yes	Well implemented	
A.3.14	Does the Company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of GSM/ circular and/ or the accompanying statement?	Yes	Well implemented	Proposal to provide rationale and explanation for each agenda item is disclosed in meeting announcement and invitation letter.
A.3.15	Does the Company give the opportunity for shareholder to place item(s) on the agenda of GSM?	Yes	Well implemented	Company Charter stipulates that shareholders have the right to propose the supplement of the agenda of the GSM
A.4. Markets for corporate control should be allowed to function in an efficient and transparent manner				
A.4.1	In cases of mergers, acquisition, and/ or takeovers, does the BOD of the offeree company appoint an independent party to evaluate the fairness of the transaction price?			This situation has not ever happened at SSI.
A.5. The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated				
A.5.1	Does the Company publicly disclose its practices to encourage shareholders to engage with the Compnay beyond GSM?	Yes	Partly implemented	The Company actively participates in activities to exchange information with foreign investors and shareholders, along with efforts to publish information in both English and Vietnamese, in order to facilitate shareholder involve and contribute to the Company's activities. More details is on "Investor Relation Activities" part of the Annual Report.

B. EQUITABLE TREATMENT OF SHAREHOLDERS

Item	Questions	Answers	Evaluation	Notes (if any)
B.1. Shares and voting rights				
B.1.1	Do the Company's ordinary or common shares have one vote for one share?	Yes	Well implemented	

Item	Questions	Answers	Evaluation	Notes (if any)
B.1.2	Where the Company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website/ reports/ the stock exchange/ the regulator's website)?	Yes	Well implemented	SSI has only one type of share. Company's Charter regulates the types of shares to be issued and the voting rights of each class.
B.2. Notice of GSM				
B.2.1	Does each resolution in the most recent GSM deal with only one item, i.e., there is no bundling of several items into the same resolution?	Yes	Well implemented	Shareholders vote for each issue discussed at the GSM
B.2.2	Are the Company's notice of the most recent GSM/ circulars fully translated into English and published on the same date as the local-language version?	Yes	Well implemented	All documents are bilingual (English and Vietnamese)
Does the notice of GSM/ circulars have the following details:				
B.2.3	Are the profiles of directors/ commissioners (at least age, qualification, date of first appointment, experience, and directorship in other listed companies) in seeking election/ re-election included?	Yes	Well implemented	The profiles of directors/ commissioners in seeking election/re-election were included in meeting paper and invitation letter sent to shareholders.
B.2.4	Are the auditors seeking appointment/ re-appointment clearly identified?	Yes	Well implemented	Meeting papers contain proposal for appointing auditing company for the next financial year, which include audit company list and information. Auditing companies submitted to the GSM are independent international auditing companies with high reputation for many years in the market.
B.2.5	Were the proxy documents made easily available?	Yes	Well implemented	Invitation letter, which includes authorization letter has been sent by post and via email to every shareholders. It was also included in meeting paper and can be easily downloaded in SSI Website.
B.3. Insider trading and abusive self-dealing should be prohibited				
B.3.1	Does the Company have policies and/ or rules prohibiting directors/ commissioners and employees to benefit from knowledge which is not generally available to the market?	Yes	Well implemented	It is regulated in Company's Charter.
B.3.2	Are the board members required to report their dealings in company shares within 3 business days?	Yes	Well implemented	There is no case of any BOD member violating the regulation in 2017
B.4. Related party transaction by directors and key executives				
B.4.1	Are directors and commissioners required to disclose their interest in transactions and any other conflicts of interest?	Yes	Well implemented	It is regulated in Company's Charter.
B.4.2	Does the Company have a policy requiring a committee of independent board members to review material/ significant RPTs to determine whether they are in the best interests of the Company and Shareholders?	No	Not Implemented yet	
B.4.3	Does the Company have a policy requiring boarding members to abstain from participating in the board discussion on a particular agenda when they are conflicted?	Yes	Well implemented	It is regulated in Company's Charter.
B.4.4	Does the Company have policies on loans to board members either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rate?	Yes	Well implemented	It is regulated in Company's Charter.

Item	Questions	Answers	Evaluation	Notes (if any)
B.5. Protecting minority shareholders from abusive actions				
B.5.1	Does the Company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?	Yes	Well implemented	Related party transactions have been fully and timely disclosed in accordance with the regulation.
B.5.2	In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?	Yes	Well implemented	It is regulated in Company's Charter.

C. ROLE OF STAKEHOLDERS

Item	Questions	Answers	Evaluation	Notes (if any)
C.1. The rights of stakeholders that are established by law or through mutual agreements are to be respected				
	Does the Company disclose a policy and practices that address:			
C.1.1	The existence and scope of the Company's efforts to address customers' welfare?	Yes	Well implemented	This information was disclosed in SSI Sustainable Development Report.
C.1.2	Supplier/ contractor selection procedures?	No	Not Implemented yet	SSI has got internal document regulating supplier/ contractor selection procedure and practices. However, it has not been disclosed yet in any report.
C.1.3	The Company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	Yes	Well implemented	This information was disclosed in SSI Sustainable Development Report.
C.1.4	The Company's efforts to interact with the communities in which they operate?	Yes	Well implemented	This information was disclosed in SSI Sustainable Development Report.
C.1.5	The Company's anti-corruption programmes and procedures?	No	Not Implemented yet	SSI has got internal document regulating anti-corruption programmes and procedures. However, it has not been disclosed yet in any report.
C.1.6	Describes how creditors' rights are safeguarded?	No	Not Implemented yet	SSI complies with the law and SSI's commitments with creditors. However, the Company hasn't issued a separate document on this content
C.1.7	Does the Company have a separate report/ section that discussed its efforts on environment/ economy and social issues?	Yes	Well implemented	This information was disclosed in SSI Sustainable Development Report.
C.2. Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights				
C.2.1	Does the Company provide contact details via the Company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and or/ complaints for possible violation of their rights?	Yes	Well implemented	Contact details have been published in SSI website and annual report. Clients can contact via 2 hotline number: 1900545471 & 1900545418.

Item	Questions	Answers	Evaluation	Notes (if any)
C3. Mechanisms for employees participation should be permitted to develop				
C.3.1	Does the Company explicitly disclose the health, safety, and welfare policy for its employees?	Yes	Well implemented	Information regarding health safety and welfare policy, training and development of employees has been disclosed in Annual Report and Sustainable Development Report, as well as provided to each employees via several internal communication channels (such as forum, message board, email, ect.)
C.3.2	Does the Company explicitly disclose the policies and practices on training and development programmes for its employees?	Yes	Well implemented	
C.3.3	Does the Company have a reward/ compensation policy that accounts for the performance of the company beyond short-term financial measures?	Yes	Well implemented	
C.4. Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.				
C.4.1	Does the Company have a whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and unethical behavior and provide contact details via the company's website or annual report	Yes	Well implemented	It is regulated in SSI Code of Ethics
C.4.2	Does the Company have a policy or procedures to protect an employee/ person who reveal alleged illegal/ unethical behavior from retaliation?	No	Not implemented yet	

D. DISCLOSURE AND TRANSPARENCY

Item	Questions	Answers	Evaluation	Notes (if any)
D.1. Transparent ownership structure				
D.1.1	Does the information on shareholding reveal the identity of beneficial owners, holding 5% shareholding or more?	Yes	Well implemented	It has been disclosed in SSI corporate governance report and annual report.
D.1.2	Does the company disclose the direct and indirect (deemed) shareholdings of major and/ or substantial shareholders?	Yes	Well implemented	It has been disclosed in SSI corporate governance report and annual report.
D.1.3	Does the Company disclose the direct and indirect (deemed) shareholding of board members?	Yes	Well implemented	It has been disclosed in SSI corporate governance report and financial report.
D.1.4	Does the Company disclose the direct and indirect (deemed) shareholdings of senior management?	Yes	Well implemented	It has been disclosed in SSI corporate governance report and financial report.
D.1.5	Does the Company disclose details of parent/ holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPEs)/ (SPVs)?	Yes	Well implemented	It has been disclosed in SSI corporate governance report and financial report.
D.2. Quality of Annual Report				
Does the Company's annual report disclose the following items?				
D.2.1	Corporate objectives	Yes	Well implemented	
D.2.2	Financial performance indicators?	Yes	Well implemented	
D.2.3	Non-financial performance indicators?	Yes	Well implemented	

Item	Questions	Answers	Evaluation	Notes (if any)
D.2.4	Dividend policy?	Yes	Well implemented	
D.2.5	Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of board members?	Yes	Well implemented	
D.2.6	Attendance details of each director/ commissioner in all directors/ commissioners meetings held during the year?	Yes	Well implemented	
D.2.7	Total remuneration of each member of the board of directors/ commissioners?	No	Partly implemented	Total remuneration of BOD/ SB members has been disclosed
Corporate Governance Confirmation Statement				
D.2.8	Does the Annual Report contain a statement confirming the Company's full compliance with the code of corporate governance and where the non-compliance, identify and explain reasons for each such issue?	Yes	Well implemented	
D.3. Disclosure of related party transactions (RPT)				
D.3.1	Does the Company disclose its policy covering the review and approval of material RPTs?	No	Not implemented yet	
D.3.2	Does the Company disclose the name, relationship, nature and value for each material RPT?	Yes	Well implemented	It has been disclosed in SSI annual report.
D.4. Directors and commissioners dealings in shares of the Company				
D.4.1	Does the Company disclose trading in the Company's shares by insiders?	Yes	Well implemented	It has been disclosed in SSI website, annual report and corporate governance report
D.5. External auditor and Auditor report				
D.5.1	Are the audit and non-audit fees disclosed?	No	Partly implemented	The company has announced the signing of a contract with the Auditing Company, but did not announce the fee
D.5.2	Does the non-audit fee exceed the audit fee?	No	Well implemented	
D.6. Medium of Communications				
Does the Company use the following modes of communication?				
D.6.2	Quarterly reporting?	Yes	Well implemented	
D.6.3	Company website?	Yes	Well implemented	
D.6.4	Analyst's briefing?	Yes	Well implemented	
D.6.5	Media briefings/ press conferences?	Yes	Well implemented	The information related to business activities, quarterly business results, and other prominent events are published widely on the mass media.
D.7 Timely filing/ release of annual/ financial reports				
D.7.1	Is the audited annual financial report released within 120 days from the financial year end?	Yes	Well implemented	
D.7.2	Is the audited annual financial report released within 90 days from the financial year end?	Yes	Well implemented	
D.7.3	Is the true and fairness/ fair representation of the annual financial statement/ reports affirmed by board members and/or the relevant officers of the Company?	Yes	Well implemented	

Item	Questions	Answers	Evaluation	Notes (if any)
D.8. Company website				
Does the company have a website disclosing up-to-date information on the following:				
D.8.1	Financial statements/ reports (latest quarterly)	Yes	Well implemented	
D.8.2	Materials provided in briefings to analyst and media	Yes	Well implemented	They have been posted in SSI Website
D.8.3	Downloadable annual report	Yes	Well implemented	
D.8.4	Notice of GSM and/ or EGM	Yes	Well implemented	
D.8.5	Minutes of GSM and/ or EGM	Yes	Well implemented	
D.8.6	Company's constitution (company's by-laws, memorandum and articles of association)	Yes	Well implemented	
D.9. Investor relations				
D.9.1	Does the Company disclose the contact details (e.g. telephone, fax, and email) of the officer responsible for investor relations?	Yes	Well implemented	It is disclosed in SSI annual report and website.

E. RESPONSIBILITIES OF THE BOARD OF DIRECTORS

Item	Questions	Answers	Evaluation	Notes (if any)
E.1. Board Duties and Responsibility				
Clearly defined BOD responsibilities and corporate governance policy				
E.1.1	Does the Company disclose its corporate governance policy/ board charter?	Yes	Well implemented	It is regulated in Company Charter which is published in SSI Website
E.1.2	Are the types of decisions requiring board of directors/ commissioners' approval disclosed?	Yes	Well implemented	It is disclosed fully according to the regulation
E.1.3	Are the roles and responsibilities of the board of directors/ commissioners clearly stated?	Yes	Well implemented	It is regulated in Company Charter which is published in SSI Website
Company Mission & Vision				
E.1.4	Does the Company have an updated vision and mission statement?	Yes	Well implemented	It is regulated in Company Charter which is published in SSI Website
E.1.5	Does the BOD play a leading role in the process of developing and reviewing the company's strategy at least annually?	Yes	Well implemented	SSI holds annual meeting for reviewing strategy and setting up business plan, which are also discussed and agreed at the BOD meeting. Business plans are also submitted for approval at the GSM.
E.1.6	Does the BOD have a process to review, monitor and oversee the implementation of the corporate strategy?	Yes	Well implemented	The BOD supervises the implementation and periodic review of business strategies at BOD meetings. Results are presented in the annual report.

Item	Questions	Answers	Evaluation	Notes (if any)
E.2. Board structure				
Code of ethics or conduct				
E.2.1	Are the details of the code of ethics or conduct disclosed?	No	Partly implemented	SSI has a Code of Conduct which specifies the principles, contents and guidelines for the application of professional ethics standards and is widely available to all members of the BOD and employees of the Company; however, it has not been disclosed on the website.
E.2.2	Are all directors/ commissioners, senior management and employees required to comply with the code(s)?	No	Partly implemented	
E.2.3	Does the Company have a process to implement and monitor compliance with the code(s) of ethics or conduct?	No	Partly implemented	
E.2.4	Do independent directors/commissioners make up at least 50% of the board of directors/commissioners?	No	Not implemented yet	
E.2.5	Does the Company have a term limit of nine years or less or 2 terms of five years each for its independent directors/ commissioners?	No	Not implemented yet	
E.2.6	Has the company set a limit of five board seats that an individual independent/non-executive	Yes	Well implemented	It has been regulated in Company Charter
E.2.7	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	No	Well implemented	
Human resource Committee				
E.2.8	Does the company have a Human resource (HR) Committee?	No	Not implemented yet	SSI hasn't got a HR committee yet but is in the process of setting it up.
E.2.9	Does the HR Committee comprise of a majority			
E.2.10	of independent director/ commissioner?			
E.2.11	Is the Chairman of the HR Committee an independent director/ commissioner?			
E.2.12	Does the Company disclose the terms of reference/ governance structure/ charter of the HR committee?			
	Is the meeting attendance of the HR committee disclosed and if so, did the HR committee meet at least twice during the year?			
Remuneration Committee				
E.2.13	Does the Company have Remuneration Committee (RC)?	No	Not implemented yet	SSI hasn't got a RC yet but is in the process of setting it up.
E.2.14	Does the RC comprise of a majority of independent board member?			
E.2.15	Is the Chairman of RC an independent board member?			
E.2.16	Does the Company disclose the terms of reference/ governance structure/ charter of the RC?			
E.2.17	Is the meeting attendance of the RC disclosed and if so, did the RC meet at least twice during the year?			
Audit Committee				
E.2.18	Does the Company have an Audit Committee (AC)?	Yes	Partly implemented	The corporate governance model at SSI is composed of independent committees in charge of internal audit and risk management, but the committees' activities are not truly standardized
E.2.19	Does the AC comprise entirely of non-executive board members with a majority of independent board members?	No		
E.2.20	Is the Chairman of AC an independent board member?	Yes		
E.2.21	Does the Company disclose the terms of reference/ governance structure/ charter of the AC?	No		
E.2.22	Does at least one of the independent directors/ commissioners of the committee have accounting expertise (accounting qualification or experience)?	Yes		
E.2.23	Is the meeting attendance of the AC disclosed and, if so, did the AC meet at least four times during the year?	No		
E.2.24	Does the AC have primary responsibility for recommendation on the appointment, and removal of the external auditor?	No		

Item	Questions	Answers	Evaluation	Notes (if any)
E.3. Board Processes				
Board meeting and attendance				
E.3.1	Are the BOD meetings scheduled before or at the beginning of the year?	Yes	Partly implemented	SSI has been planning the BOD meetings before the start of the financial year, but did not release this information
E.3.2	Does the BOD meet at least 6 times per year?	Yes	Well implemented	In 2017, SSI BOD conducted 7 meetings.
E.3.3	Has each board member attend at least 75% of the total BOD meetings held during the year?	Yes	Well implemented	In 2017, all meetings had 100% members joining
E.3.4	Does the Company require a minimum quorum of at least 2/3 for board decision?	Yes	Well implemented	Company Charter requires the BOD meeting to have three quarters of participants.
E.3.5	Did the non-executive board member of the Company meet separately at least one during a year without any executives present?	Yes	Well implemented	The non-executive board member had meeting without any executives presents in 2017
Access to information				
E.3.6	Are the papers for BOD meetings provided to the BOD at least 5 working days in advance of the BOD meeting?	Yes	Well implemented	It is regulated in Company Charter
E.3.7	Does the Company Secretary play a significant role in supporting the BOD in discharging its responsibilities?	Yes	Well implemented	It is regulated in Company Charter and Governance Regulation.
E.3.8	Is the company secretary trained in legal, accountancy, or company secretarial practices and has kept abreast on relevant developments?	Yes	Well implemented	The Company Secretary is a lawyer and has a corporate governance training certificate.
Board Appointment and Re-election				
E.3.9	Does the Company disclose the criteria used in selecting new directors/ commissioners?	Yes	Well implemented	It is regulated in Company Charter
E.3.10	Does the Company disclose the process followed in appointing new directors/ commissioners?	Yes	Well implemented	It is regulated in Company Charter
E.3.11	Are all directors/ commissioners subject to re-election every 3 years, or 5 years for listed companies in countries whose legislation prescribes a term of 5 years each?	Yes	Well implemented	
Remuneration Matters				
E.3.12	Does the Company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	Yes	Well implemented	This information is disclosed in SSI annual report.
E.3.13	Is there disclosure of the fee structure for non-executive board member?	Yes	Well implemented	This information is disclosed in SSI annual report.
E.3.14	Do the shareholders or the BOD approve the remuneration of the executive directors and/ or the senior executives?	Yes	Well implemented	Remuneration for the BOD is submitted to the GSM for approval.
E.3.15	Does the Company have measurable standards to align the performance – based remuneration of the executive directors and senior executive with long-term interests of the Company, such as claw back provision, deferred bonuses?	Yes	Well implemented	The Company has ESOP program for key persons with transfer restriction from 2- 3 years.

Item	Questions	Answers	Evaluation	Notes (if any)
Internal Audit				
E.3.16	Does the Company have a separate internal audit function?	Yes	Well implemented	The Company has an Internal Audit Department and BOD has committee in charge of internal audit.
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	Yes	Well implemented	The Head of Internal Audit is announced on the list of key personnel at SSI annual report.
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	No	Not implemented yet	
Risk Oversight				
E.3.19	Does the Company establish a sound internal control procedure/ risk management framework and periodically review the effectiveness of that framework?	No	Well implemented	It has been disclosed in SSI annual report.
E.3.20	Does the Annual Report disclose that the BOD has conducted a review of the company's material controls (including operational, financial, and compliance controls) and risk management systems?	Yes	Well implemented	It has been disclosed in SSI annual report.
E.3.21	Does the Company disclose the key risks ot which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)?	Yes	Well implemented	It has been disclosed in SSI annual report.
E.3.22	Does the Annual report/ Annual CG Report contain a statement from the BOD or Audit Committee commenting on the adequacy of the company's internal controls/ risk management systems?	No	Not implemented yet	It hasn't been disclosed in SSI annual report.
E.4. People on the Board				
Board Chairman				
E.4.1	Do different persons assume the roles of Chairman and CEO?	No	Not implemented yet	Board Chairman also holds the position of CEO, but this is submitted to the GSM for approval annually.
E.4.2	Is the Chairman an independent board member?	No	Not implemented yet	
E.4.3	Is any of the directors a former CEO of the company in the past 2 years?	Yes	Not implemented yet	
E.4.4	Are the roles and responsibilities of the chairman disclosed?	Yes	Well implemented	It has been disclosed in SSI annual report.
Lead Independent Director				
E.4.5	If the Chairman is not independent, has the Board appointed a Lead/ Senior Independent Director and has his/ her role been defined?	No	Not implemented yet	
Skills and Competencies				
E.4.6	Does at least one non-executive board member have prior working experience in the major industry the company is operating in?	Yes	Well implemented	
E.5. BOD Effectiveness				
Directors Development				
E.5.1	Does the Company have orientation programmes for new directors/ commissioners?	Yes	Partly implemented	SSI has conducted and published some of the information on annual report, but needs to improve the evaluation processes, standards and publish them as E.5 criteria.
E.5.2	Does the Company have a policy that encourages directors/ commissioners to attend on-going or continuous professional education programmes?	Yes	Partly implemented	

Item	Questions	Answers	Evaluation	Notes (if any)
Management Board appointment and effectiveness				
E.5.3	Does the company disclose how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?	No	Partly implemented	SSI has conducted and published some of the information on annual report, but needs to improve the evaluation processes, standards and publish them as E.5 criteria.
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	Yes	Partly implemented	
Board Appraisal				
E.5.5	Did the Company conduct an annual performance assessment of the board of directors/ commissioners and disclose the criteria and process followed for the assessment?	Yes	Partly implemented	SSI has conducted and published some of the information on annual report, but needs to improve the evaluation processes, standards and publish them as E.5 criteria.
Director Appraisal				
E.5.6	Did the Company conduct an annual performance assessment of the individual directors/ commissioners and disclose the criteria and process followed for the assessment?	Yes	Partly implemented	SSI has conducted and published some of the information on annual report, but needs to improve the evaluation processes, standards and publish them as E.5 criteria.
Director Appraisal				
E.5.7	Did the Company conduct an annual performance assessment of the individual directors/ commissioners and disclose the criteria and process followed for the assessment?	Yes	Partly implemented	SSI has conducted and published some of the information on annual report, but needs to improve the evaluation processes, standards and publish them as E.5 criteria.

SUSTAINABLE DEVELOPMENT REPORT



The Sustainable Development Report (SDR) is created in order to collect, publish, review and assess sustainable development goals and activities of Saigon Securities Inc. (SSI) with a strategic direction toward sustainable development. The report content shows the Company's approach to sustainable development.

SSI saw 2017 the first year to produce the report in reference to standards of the latest version - GRI Sustainability Reporting Standards. This version outlines the highest international standards for an SDR, which were upgraded and restructured to help the reporting more convenient and efficient. This year, the SDR was prepared independently instead of being integrated into the Annual Report as usual. The Company seeks to demonstrate its clarity and transparency in the disclosure of contents related to sustainable development, increase values to shareholders, develop the trust of stakeholders, as well as enhance its prestige and brand identity.

Report contents

The 2017 Sustainability Development Report sets forth the strategic direction for the Company's sustainable development initiatives in the coming years, at the same time reflecting the results of sustainability development activities in 2017. The report will help Shareholders, Investors have a more complete understanding of the Vision, Strategy as well as results of Sustainable development activities of the Company.

Reporting Scope & Limits

The Sustainable Development Report 2017 was prepared for the fiscal year ended on 31 December 2017. All data in the report is collected from SSI's actual activities at the Head Office and Branches/ Transaction Offices nationwide, from 1 January 2017 to 31 December 2017. Financial data in the report is referenced from the audited 2017 Consolidated Financial Report.

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

Report content determination method

The report was compiled in reference to the GRI Global Sustainability Reporting Standards set by the Global Reporting Initiative.

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

The Sustainable Development content is discussed by SSI with stakeholders in order to identify topics of interest. These issues will continue to be evaluated and reviewed by SSI in the overall context of sustainable development and in relation to the Company's current business operation and sustainable development strategy, from which critical matters are to be reviewed, improved as well as highlighted in the 2017 Sustainable Development Report.

The report was prepared according to the following principles:

Principles for Determining Report Contents	Principles for Determining Report Quality
Stakeholder involvement	Accurateness
Overall context of sustainable development	Parity
Significance	Clarity
	Comparableness
	Trustfulness
	Update

Notes

2017 SSI SDR was produced separately rather than integrated in Annual Report, which demonstrates the Company's effort to be transparent in disclosing sustainable development – related issues. It also helps Shareholders, Investors, Clients and other Stakeholders to easily search for needed information. This content here is summary of SSI's outstanding sustainable development activities in 2017. For full report, please refer to the SSI Sustainable Development Report 2017

Contact

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CORPORATE GOVERNANCE TOWARDS SUSTAINABLE DEVELOPMENT

SSI always upholds good corporate governance as one of the most important factors ensuring corporate sustainable development, thus winning investor confidence and maximizing investor interest. This, in its turn, contributes to the development of the entire market and the wider community. SSI's governance function is built and gradually fine-tuned based on the best practices of corporate governance in the region and the world such as the ASEAN Corporate Governance Scorecard, which is coupled with strict compliance with Vietnam's regulatory provisions on the governance of public companies. Risk management and compliance are also emphasized, creating a unified and consistent management mechanism to monitor and regulate the business operations in a professional, transparent and effective manner.

Risk management

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

To develop and align a culture of risk management to every employee whereby each individual to engage and contribute to risk management activities;

To develop a strong and transparent corporate governance structure in order to determine accountability of each individual and department in the organizational structure;

To develop a mechanism of control and oversight to keep risk within the limits allowed;

To issue of documents under policy framework and methods to identify, measure, control and mitigate key risks.

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

1. Risk identification
2. Risk measurement and assessment
3. Risk limit identification
4. Risk monitoring
5. Risk handling

Accordingly, different type of risks have been identified, prevented and handled, including: Market risk, Credit risk, Liquidity risk, System risk and information security, Compliance risk, Legal risk, Reputational risk, Human resource management risk.

Compliance control activities

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

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

The Internal Control is based at the Head Office and performs the control of the Company's units to ensure staff and their respective departments' compliance with relevant regulations of law as well as internal rules and processes. Daily control activities mainly comprise of inspection and monitoring of compliance with the law, the Company's Charter, decisions by the Shareholders' Meeting, decisions by the BOD, Internal Business Rules and Processes, and Risk Management Process by relevant units and by securities practitioners within the Company; monitoring the execution of internal regulations, activities with potential conflicts of interest within Company, especially with regards to the Company's business activities and individual transactions by the Company's staff; monitoring staff's execution of responsibilities within the Company and partner's' execution of responsibilities with regards to authorized activities.



In 2017, 43 audits were conducted at all the units in the entire SSI system, increasing by 7.5% in compared to the one of 2016. Reports were sent to heads of the audited units for feedback. After that, the final reports were submitted to the Board of Management and Heads of relevant divisions as well as heads of the audited units. In addition, tight control was also in place for overseeing transactions of the Company' with related persons. When performing transactions with related persons, the Company would enter into written contracts on an equal and voluntary footing. The Company adopted necessary measures to prevent related persons from interfering in the Company's activities, harming the Company's interests, performing transactions that led to the Company incurring losses of capital, properties or other resources, controlling the Company's merchandise trading channels or manipulating prices. Data of transactions with related persons is disclosed in the Company' Financial statements.

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

Shareholders' interest protection

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

SSI has over the years strived to diversify its information channels to include corporate website, email, mass media, shareholders' meetings, annual reports, etc. This serves to facilitate shareholders' complete, accurate and timely access to important information and to insulate them from adverse impacts on their investment decisions. Moreover, the disclosure of information both in English and Vietnamese was remarkably improved in 2016 and especially in 2017. This ensures equal access to corporate information between local and foreign shareholders/investors. In Sep 2015, SSI was the very first listed company that lift its foreign ownership limit up to 100%, removing the final legal barriers to equal treatment between domestic and foreign investors.

SSI maintains a policy of stable dividend payment which aims to balance Shareholders' desire to gain profit and the Company's retained earnings for long-term development. In 2017, the Company paid dividends in cash at a dividend rate of 10%.

SUSTAINABLE ECONOMIC GROWTH

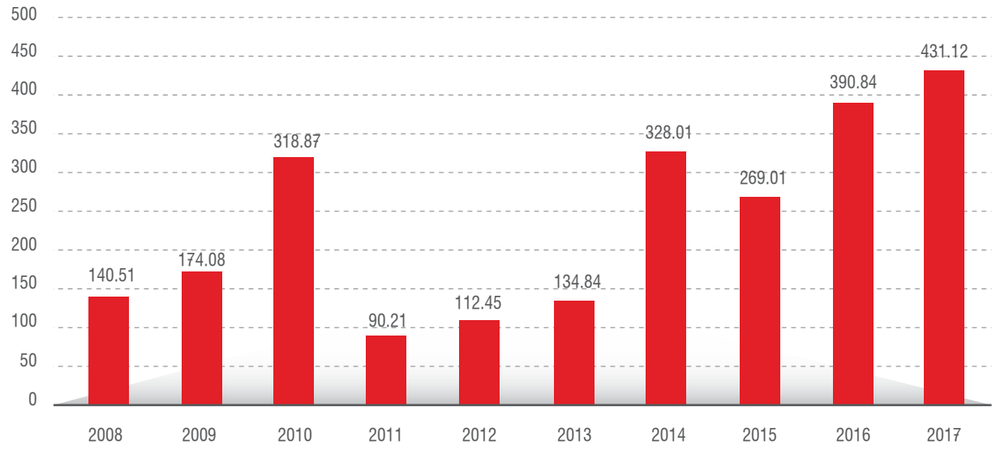
Founded in 1999, SSI was one of the first three securities companies in Vietnam, and the only private securities company at the time. After 18 years of development, SSI is now the largest securities company by market cap, with a charter capital of VND5,000.64 billion, much higher than VND6 billion at the time of its establishment. The Company understands that long-term sustainable development strategy can only be realized if it has a solid financial foundation with stable economic growth. The Company thus can increase its contribution to the community and society by adding to the state budget, channeling capital to investment opportunities, and actively participating in the development of the stock market in particular and the financial market in general.

Strong Business Performance & Contribution to the State Budget

During over 18 years of development, SSI has always striven to achieve positive business results and exceed the plan approved by the Annual General Meeting. Specifically, the company recorded consolidated revenue of VND3,043.2 billion for 2017, up 19.8% YoY and surpassing 44.35% of the revenue target. Consolidated profit before tax reached VND1,405 billion, up 23% YoY and surpassing 32.8% of the full-year target.

Since its establishment, SSI has consistently fulfilled its tax obligations and payables to the State Budget with an increasing trend over time. In recent years, the Company has always been among top 100 Enterprises with highest corporate income tax payment in Vietnam.

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



Source: SSI's Consolidated Financial Statements

Top 1000 largest corporate taxpayers in Vietnam (V1000) for 6 consecutive years



Notable success in connecting capital into investment opportunities

SSI focused on helping enterprises raise capital in the stock market, contributing to forming a channel for directing and distributing long-term capital according to the market mechanism; stimulating and mobilizing resources, promoting economic development; making the economy more transparent, open, fair and flexible.

In 2017, SSI successfully conducted a series of large-scale advisory deals worth hundreds of millions of dollars. Successful advisory transactions included primary offerings of Vietnam Dairy Products Joint Stock Company (VNM - HOSE) worth USD396 million; secondary share offerings of Vincom Retail Joint Stock Company (VRE - HOSE) worth USD742 million; secondary share offerings of Ho Chi Minh City Development Joint Stock Commercial Bank (HDB - HOSE) worth USD300 million and capital mobilization of USD230 million for Hoa Phat Group JSC (HPG - HOSE), ect.

Active participation in market development

In 2017, the Company continued to make comments to a number of draft laws, decrees, circulars and guidelines on the stock market for more effective implementation.

The Company was also a pioneer in making and putting forward recommendations for the development of the derivatives market; for example, its proposal to the SSC on the supplement to the Circular that allows depositors to trade on margin through general accounts at the securities company to reduce transfer fees charged by payment banks and determines tax amounts per transaction, etc. For covered warrants expected to be introduced to the market in May 2018, the Company was a member of the product development team with HOSE, actively engaging in product development, making comments on tax and accounting regulations for the product. SSI will also be one of the first securities companies to issue covered warrants.

SSI has appointed its representatives to join the Legal Club, and the Investment Advisory Club of the Vietnam Association of Securities Business, in which the Legal Club acts as the focal point and participated in the formulation of securities law. In addition, representatives of the Company are also members of the Market Development Committee & Legal Committee - Vietnam Bond Market Association.

ACTION FOR CLIENTS

Safe and transparent management of Investors' assets

Despite fierce competition from other securities companies recently, SSI has always been consistent with its principles of treasuring customers and observing the laws, not only to make profits but also to protect Investors from losses and to build a more transparent stock market. In the past few years, SSI effectively managed assets for domestic and foreign Investors, contributing to maintaining the confidence of investors in the Vietnam's stock market and building up a stable economy. By the end of 2017, SSI was managing over 127,000 accounts, accounting for 6.5% of total accounts in the market. All customer accounts were managed in a safe and secure manner.

As for asset management, SSIAM has been constantly striving to attract new clients as well as to effectively manage the assets of its current ones. By the end of 2017, total assets managed by SSIAM (for external clients) were VND6,112 billion, up 60.3% YoY. The Company always strives to improve its management on assets entrusted by customers. Procedures for investment, risk management and internal control have been well-run and professional, not only complying with legal requirements but also minimizing conflicts of interest that may have negative effects on benefits of Investors. With the motto of sustainable development, we always aim to build trust, transparency and long-term asset value growth for Investors.

Pioneer in development of new products

On August 10, 2017, the Vietnam's derivatives market officially went live after over 2 years of preparation with its first product, the VN30 Index Futures Contract. In the development strategy of Vietnam's stock market during 2011-2020, the establishment of a derivatives market was considered a principal aim and a momentum to improve the efficiency of the underlying stock market, attract more capital, as well as increase the transaction values and liquidity for the market. As the No. 1 securities company in the market, SSI boasted its pioneering position as one of the first securities companies to be granted certificates by the SSC for trading derivatives and bridging derivatives transactions with the HNX, and was one of the two general clearing members of the market.

In order to provide the best services to customers, from July 2017, SSI offers derivatives trading try-outs on its system for customers to its transaction offices or branches nationwide before they make a decision to open an account. In addition, SSI will launch an on-line trading product named Web Trading for derivatives with many advantages such as: viewing prices and placing orders on the same screen, transferring money quickly between trading accounts of underlying securities and those of derivatives, depositing to/closing margin accounts between the Vietnam Securities Depository (VSD) and derivatives trading accounts; tracking balances and checking gains/losses on derivative positions in real time.

Derivatives are financial products with significant leverage effects, great benefits and also huge hidden risks. Without a solid technical infrastructure, the use of derivatives can lead to enormous risks to investors and perhaps a breakdown of the whole system. As a result, SSI has invested in a modern technological infrastructure and comprehensive solution software for trading and clearing named WinVest or "Win in Invest" which has been deployed on international financial markets for over 15 years and satisfied both global financial trading standards and specific needs of the Vietnam's market. As compared to other derivatives trading systems in the Vietnam's market, WinVest boasts its high performance, stability and flexibility in scalability. The system supports a large number of transactions per day, a variety of trading services with stable connection and high speed; carries out a wide range of commands; supports information exchange and clearing in real time with market members (HNX, VSD and payment banks); integrates risk management to increase efficiency and utilities to customers. As a result, by the end of 2017, SSI topped the derivatives market with a market share of 28.28% and over 6,000 accounts.

In 2017, the Company also launched new advisory products for individual customers such as Stock Ratings, Stock Quick View and offered recommendations based on fundamental and technical analysis to bring about short-term and long-term investment ideas to customers. SSI is also the first company to draw up derivatives reports on the market, providing a wide range of trading information and strategies for clients.

Regarding investment fund products, in August 2017, SSIAM officially converted the reference index of the ETF SSIAM HNX30 from HNX30 to VNX50, changed the fund's name to ETF SSIAM VNX50 Fund and switched it to be listed on HOSE under the ticker of FUESSV50. Such changes brought investors a better investment opportunity as VNX50 was the first index consisting of the largest cap and most liquid stocks on both HOSE and HNX, well representing the Vietnam's stock market and accounting for 70% of total market cap. With those changes, liquidity of the secondary market as well as the publicity of the fund has increased significantly.

Flexible and dynamic customer care policy

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

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

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

Active exchange of market information and investment opportunities via media & seminars

In 2017, reform efforts of the "enabling government" brought about positive impacts on the local economy. Instead of mobilizing and allocating resources, the Government aimed at directing resources through its policies such that economic sectors could actively mobilize resources on their own. Amid marked changes and considerable momentum in the economy, SSI decided to hold the fourth Gateway to Vietnam conference with the theme "Capital Market – A New Driver for Vietnam's Economic Growth".

The conference had the participation of 19 speakers from reputable institutions, namely the IFC, McKinsey & Company, MSCI, Ernst & Young, etc.; over 200 representatives from domestic and international investment funds, and 24 high-potential firms. It initiated valuable and in-depth discussions about Vietnam's economic conditions, and simultaneously organized meetings between investors and local firms. The conference addressed crucial issues, which were of great interest in 2017, through panel discussions. Each topic of the conference was debated by policy makers, macroeconomists, investment advisers and businesses - participants that were important to the overall health of the economy. The event provided an opportunity for international investors to gain better perspectives about the local economy through a genuine, transparent and multi-dimensional lens. In addition, the conference created an opportunity for investors to meet and interact directly with representatives of high-potential businesses, as well as to take part in company visits.

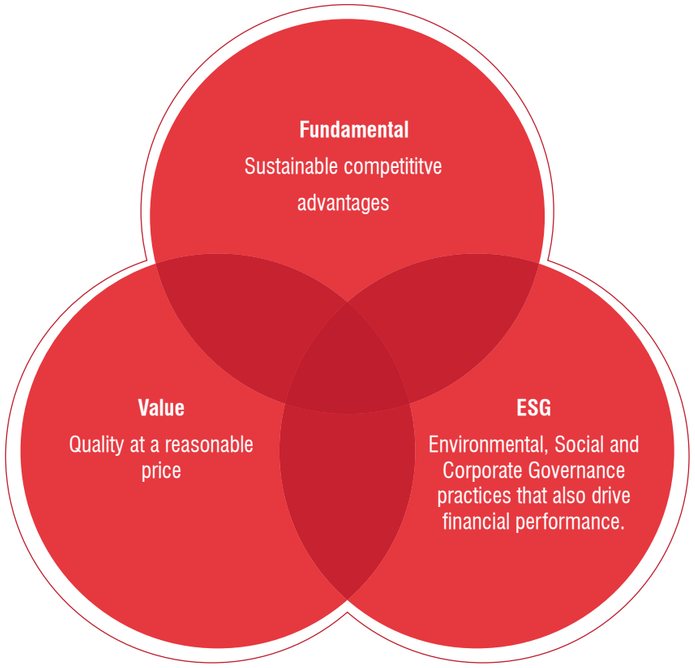
The event was massively covered as it was reported by the mass media, including 11 television channels, radio stations and dozens of newspapers, magazines, and electronic newspapers. It was considered a major event in the financial market, which exerted a great influence on the public, and was a reliable channel to connect potential investors and businesses, thereby affirming SSI's mission of "channeling capital into investment opportunities".

In 2017, SSI also played well its role as the market leader as it was constantly covered in the media spreading information about a new type of products - the derivatives. SSI was also the only securities company in the market that collaborated with the HNX to hold two try-out sessions of derivatives trading to be watched by reporters. Training programs for investors in both regions were also an important focus of SSI. In July 2017 only, the Company held 27 Seminars at its Branches and Transaction Offices all over the country and 2 large-scale Workshops in Ho Chi Minh City and Hanoi, which attracted thousands of investors and customers. This was an important communication channel that helped investors better communicate and seek advices from professional brokers of SSI.

RESPONSIBLE INVESTMENT ACTIVITIES

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

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





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Over the years, SSI's investment strategy of companionship has helped recipient companies improve ESG factors to head for sustainable development. Besides, it has also enabled the Company to realize its goal of sustainable development in investment activities, which are responsible for major contributions to the total income. Revenues from principal investment made up 34.7% of the consolidated earnings in 2017.

At the end of this year, SSI had 3 associated companies, all of which are leaders in their respective industries and have high revenues, stable profitability, high dividend rate and competitive products. SSI continued to work with associated companies to restructure their production expenses and improve their efficiency. They also focused more on seeking partners to build value chain and enhance company's value. Specifically, two of three associated companies achieved double-digit profit growth rate: The PAN Group (PAN – HOSE) – 44%, and Dong Nai Port JSC. (PDN – HOSE) – 23%. Especially, Pan was voted as the 6th position in the list of enterprises with strong growth in 2017. Vietnam Fumigation JSC. (VFG – HOSE) has a slight reduction in profit (5%), but continued to maintain its 2nd position in market share of plant protection drugs.

TEAM COHESION FOR SUSTAINABILITY

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

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

Recruitment approach

In SSI, we aim to become a "cradle for talent development." SSI offers equal opportunities to all applicants, from new graduates to experienced professionals in the financial market. SSI is willing to provide training and opportunities to encourage employees to take up challenge and fulfill their potentials. In 2016, SSI recruited 294 new members to strengthen human resource and replace retiring and resigning staff with a reasonable diversity of age and gender, representing an 23% increase compared to the one of 2016. In which, the majority is under 30 years old, well-educated with 89% holding bachelor degree and 11% holding master degree, enthusiastic and creative.

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

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

- Fully respect rights of applicants (in terms of access to information, job description, communication and negotiation)

- Select applicants who fully meet recruitment criteria

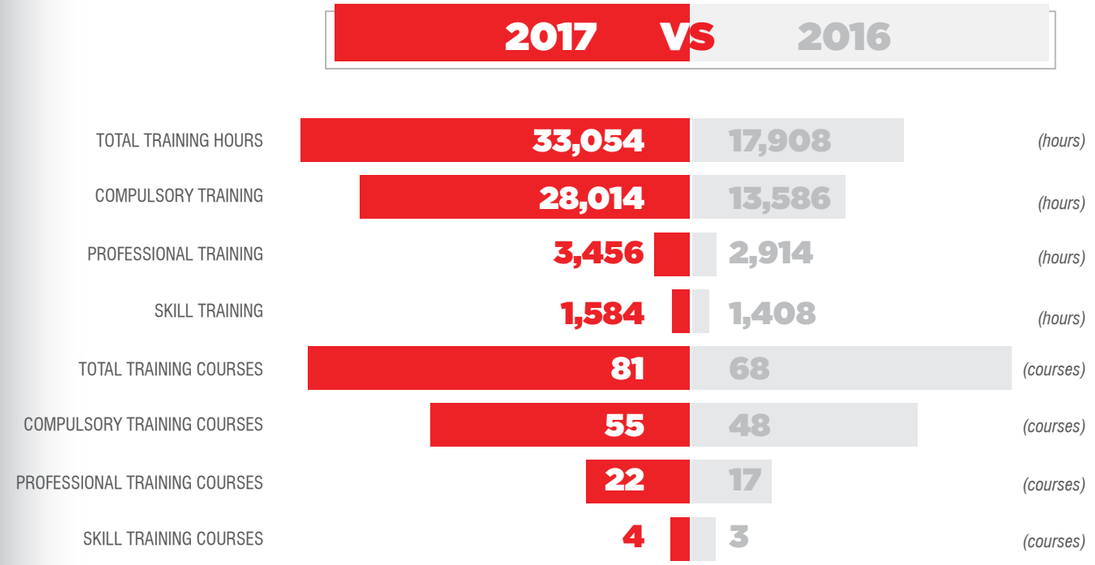
- All recruitment decisions are based on thorough, unbiased and transparent assessment of the applicants' competence, attitude and motivation.

Develop human resources' professional competence and skills

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

SSI encourages and creates the best conditions for all employees to develop comprehensively in terms of both professional qualifications and soft skills, appropriately to each job position through Company Training Program.

SSI has developed a series of position-specific training and development programs for employees at all levels to ensure that they have the skills and knowledge needed to perform their duties, as well as encourage them to continue to develop and embark on their career at SSI. SSI aims to foster a learning culture in which continuous learning is both a right and responsibility of all individuals within the company. In 2017, the Company developed a detailed plan and allocated VND6 billion for training provided through physical classes, distance learning, and on-the-job trainings. Its training programs were continuously updated to meet market requirements; training for international certification was urged to raise employees' competence to international standards, not only for those in its Business Units but also for those in Accounting, Internal Audit, Risk Management and Information Technology.









Remuneration is linked to work performance assessment system; Comprehensive welfare policies

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

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

- Align financial rewards with employees' contribution and remain competitive in the market.

- Attract and retain talents with fair remuneration policies

- Encourage staff to perform more effectively by acknowledging their contribution properly and fairly

Work performance assessment is supported by the Performance Management System (PMS), ensuring transparency, convenience and information privacy. Based on assessment results, the company acknowledges individuals' values and contribution with proper and flexible remuneration policies. Promotion and personal development opportunities are also based on observation and recognition of employees' work performance and progress. This helps them better visualize their career path with SSI.

In 2017, SSI has spent over VND375 billion on salaries, insurance premiums, other benefits, performance-based bonuses following year-end performance review; of which performance bonuses accounted for a relatively large proportion.

Total direct costs for human resources in 2017 (VND)	375,003,139,961
Salaries	144,939,759,555
Social insurance - Health insurance - Unemployment insurance	16,710,937,840
Other benefits	41,035,742,224
Performance bonuses - Sales commission	172,316,700,342

Aiming towards an ideal working environment

SSI defines an ideal working environment as a workplace which facilitates innovation and endeavor while ensuring a work life balance. This is especially important for high-level executives. SSI employees are encouraged to work efficiently, relax reasonably and participate in sports and social activities. These activities are intended to help employees obtain work-life balance and foster bond among the team. SSI has common interest clubs such as photography, yoga, football and performance which are eagerly joined by employees. In this 4th run, SSI's Family Day has truly become an event for all families of our staffs to come together and network. This is an annual occurrence appreciated and looked forward to by SSI employees as well as their families. Such events have helped to enhance family bonds as well as to foster connection between staff's families and the Company.

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

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

The Company also tries to create working environments and fair development opportunities between male and female staffs. SSI still maintains a gender balance between male and female employees. With female employees, the Company always complies with all regulations on female labors and creates favorable conditions for female employees returning to work post maternity. Understanding and sharing family responsibilities with employees, SSI believes that only when an employee rests assured of his/her family can the desirable performance 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.

Health care and safety for staffs

Besides its full compliance with the health insurance policy specified in the Labor Code, the Company continued to provide additional health and accident insurance so that its staffs can be completely devoted to the company. This also helps to lighten their financial burden in case of health problems, etc. SSI always selects and partners with prestigious and professional insurance agents to arrange additional insurance for its employees and their relatives.

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

The Company continued to pay keen attention to the staff's health. In addition to raising awareness of health care and disease updates for employees, internal activities also aim to build a healthy lifestyle to protect and enhance the health of employees and their families. On a quarterly basis, the Company held counseling programs with the participation of experts and doctors to enhance health care knowledge for employees. Health care newsletters are also prepared by experts and circulated in a timely manner to give alerts on seasonal disease outbreak and precautions while taking medicine to help employees maintain good health of themselves and their family.

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

SSI regularly practices scheduled fire drills at its branches/ transaction offices to heighten awareness of safety in case of fire. While improving and upgrading its facilities, SSI devoted much attention to installing, testing and carrying out routine maintenance of the fire protection and control system to ensure the safety of its employees. For workspace inside office buildings, the Company strictly conforms to general regulations on fire prevention and control established by the properties' management.

Encourage communication between the Management and Staffs

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

In 2017, 5-year development strategy meeting was held in the form of presentation and reviewing the plan, helping each department improve their proactiveness and also understand other departments and company's development path. It is followed by the internal meeting of each Unit/ Department in order to share information seamlessly, inspire and motivate all employees.

With regards to achievements made by departments as well as individuals, internal greeting message is given out to contribute to increase employees' pride, encouraging further efforts from the whole company to achieve even higher results.

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

HR INFOMATION FOLLOWING GRI STANDARDS

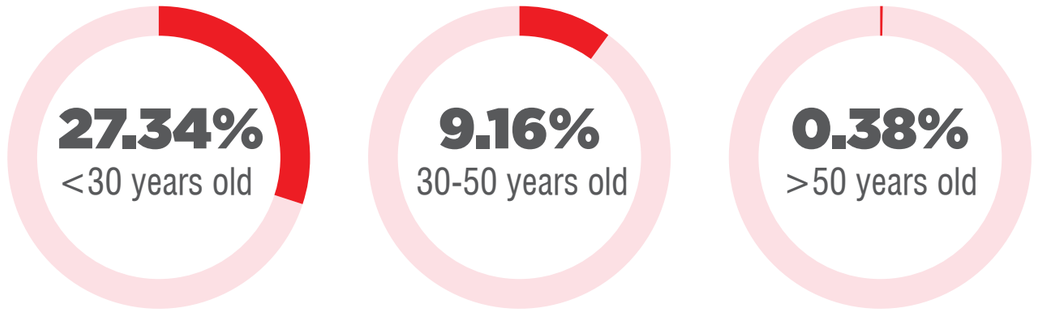
Average employee in 2017 **797.25**

GRI 401: EMPLOYMENT

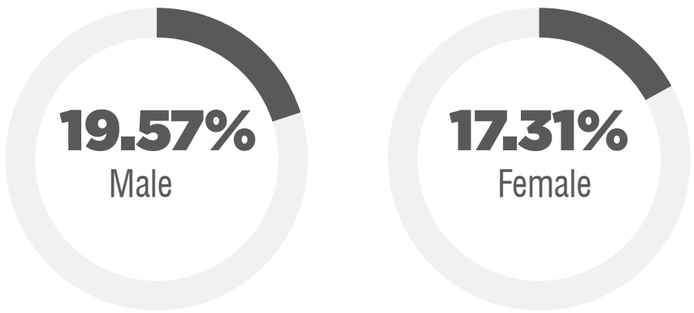
GRI 401-1: New Employees hires and employee turnover

Number of New Employee **294** ratio: **33.68%**

By age group

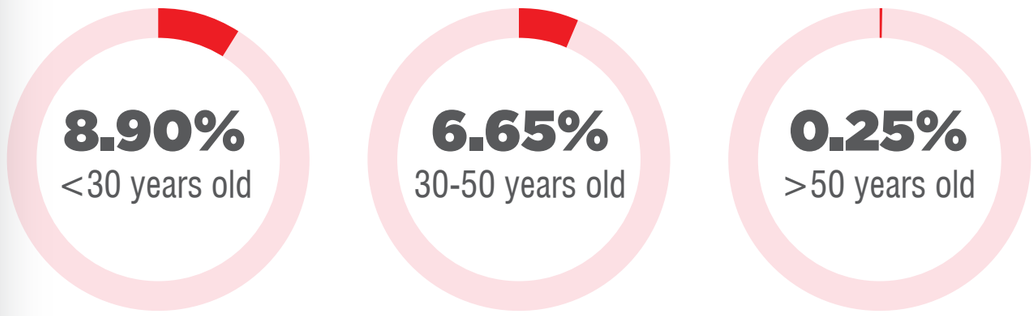


By Gender

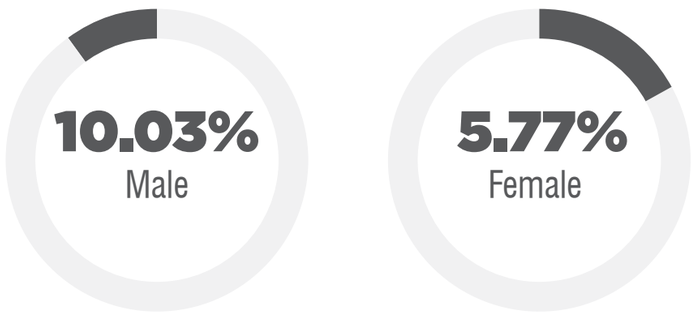


Number of Employee turnover **126** ratio: **15.8%**

By age group



By Gender



GRI 401-2: Benefits provided to full-time employees

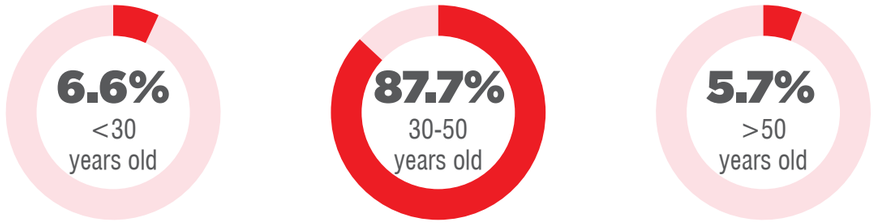
THE SOUTH	CASH **28,414,083,540** VND	
	ESOP **3,516,000** SHARE	
THE NORTH		CASH **29,332,596,524** VND
		ESOP **6,484,000** SHARE

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY

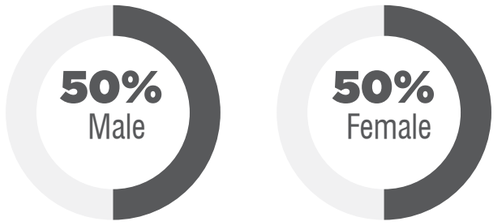
GRI 405-1: Deversity of governance boodies and employees

PC from 51 and above **122**

By Age Group

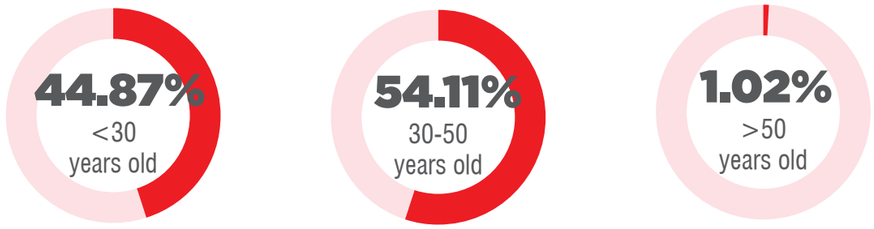


By Gender

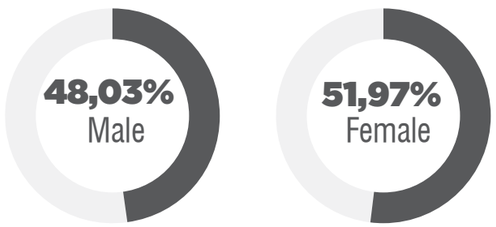


Total Employee **887**

By Age Group



By Gender



GRI 405-2: Ratio of basic salary and remuneration of woman to men

Total basic salary **144,939,759,555** VND

Male	50.29%	49.71%	Female
The South	46.26%	53.74%	The North

Total remuneration **375,003,139,961** VND

Male	50.07%	49.93%	Female
The South	56.67%	43.33%	The North



CONTRIBUTION TO THE COMMUNITY

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





Investments in education

School building projects

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

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

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

School year	Number of students	% change in the number of students	Rate of success in exam for entrance into vocational training schools	Note
	Students	%	%	
2009-2010	422		82%	36 students of 12th grade
2010-2011	455	107.82%	91%	35 students of 12th grade
2011-2012	490	107.69%	100%	70 students of 12th grade
2012-2013	489	99.80%	100%	69 students of 12th grade
2013-2014	489	100.00%	100%	69 students of 12th grade
2014-2015	491	100.41%	100%	70 students of 12th grade
2015 – 2016	487	99.18%	100%	70 students of 12th grade
2016 – 2017	487	100.00%	100%	70 students of 12th grade

NDH Scholarship Fund

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

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

Talent development and engagement

In 2017, SSI supported many programs hosted by students studying in the US to help them develop into outstanding human resources for Vietnam in the future. In addition to the funding of community engagement exchanges and activities held by Vietnamese students in the US, SSI also provided funds and sent its senior managers to panel discussions on career orientation in order to equip the youngsters with the right perception of career choices.

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

Education support for disadvantaged areas

SSI paid special attention to fostering education in difficult areas in its wish to contribute to nurturing future generations for the country. In 2017, the Company collaborated with medical practitioners at Cardiovascular Department - Bach Mai Hospital and Cardiovascular Center - Hanoi Medical University Hospital to give gifts and school supplies as well as perform medical examination and deliver free medicine to 1,195 pupils at nursery, primary and secondary schools in Hong An and Xuan Truong villages, Bao Lac rural district, Cao Bang province. SSI also donated 3.3 tons of rice and 336 liters of fish sauce to boarding and day-boarding schools of these two communes to ease difficulties of teachers and students there.

Additionally, the company coordinated with the People's Public Security Newspaper to present 100 bicycles to disadvantaged children in Thai Binh province, which helped to keep them motivated in their study.

Hunger eradication, poverty reduction and handling of challenges

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

In 2017, SSI helped the village of My Hanh Nam, Duc Hoa Rural District, Long An Province achieve one of the key objectives put forward in the National Target Program on New Rural Development by funding VND1 billion to concrete all pathways and roads within the area.

By the end of the year, 2,519 meters out of 4,567 meters of planned pathways were concreted, fulfilling 55.2%. The completion rates were 54.9% for Ap Moi 1, 54% for Ap Moi 2 and 60% for Ap Giong Lon. The newly concreted roads are expected to bring about the convenience of inter-communal transportation as well as easy access from/to the surrounding areas, thereby promoting economic and cultural development of the village.

In the past year, SSI also supported activities of the Fund for Children with Disabilities of Vietnam with an aim to improving the lives of disadvantaged children. It can be said that support to the development of younger generation is always a top priority in SSI's community activities, and special attention has been paid to create better living and study conditions for disadvantaged children to keep them motivated.

SSI also continued to follow up its sponsorship projects from the previous years. SSI started a project to donate livestock and poultry to 50 poor and near poor households in Vinh Thach village, Vinh Linh rural district, Quang Tri province in 2013. After 4 years, the original quantity of 100 cows, 40 pigs, and 3,000 chickens, being reared with good care, saw a multifold increase and generated considerable income therefrom, contributing to the economic development of the village.



2017 AUDITED CONSOLIDATED FINANCIAL REPORT

GENERAL INFORMATION

THE COMPANY

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

The Company's initial charter capital was VND 6,000,000,000. The charter capital has been supplemented from time to time in accordance with amended licenses. As at 31 December 2017, in accordance with the latest Amended License No. 10/GPDC-UBCK granted by the Chairman of State Securities Commission, which has been effective since 30 January 2018, the Company's total charter capital was VND 5,000,636,840,000.

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, District 1, Ho Chi Minh City, Vietnam. As at 31 December 2017, 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 2017, the Company has two (02) directly owned subsidiaries, one (01) indirectly owned subsidiary and three (03) associates.

BOARD OF DIRECTORS

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

Name	Title	Election
Mr. Nguyen Duy Hung	Chairman	Re-elected on 23 April 2015
Mr. Nguyen Hong Nam	Member	Re-elected on 25 April 2014
Mr. Ngo Van Diem	Member	Re-elected on 21 April 2017
Mr. Bui Quang Nghiem	Member	Re-elected on 25 April 2014
Mr. Nguyen Duy Khanh	Member	Elected 23 April 2015
Mr. Hironoki Oka	Member	Elected 23 April 2015

BOARD OF SUPERVISION

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

Name	Title	Election/Resignation
Mr. Nguyen Van Khai	Head of the Board of Supervision	Re-elected on 25 April 2016
Mr. Dang Phong Luu	Member	Re-elected on 23 April 2015
Ms. Ho Thi Huong Tra	Member	Re-elected on 21 April 2017 Resigned on 13 November 2017

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 for 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 Saigon Securities Incorporation ("the Company") is pleased to present its report and the consolidated financial statements of the Company and its subsidiaries as at and for the year ended 31 December 2017.

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 state of affairs of the Company and its subsidiaries and of the consolidated results of their operations, their consolidated cash flows and their consolidated changes in owners' equity for the year. In preparing those consolidated financial statements, Management is required to:

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

Management is responsible for ensuring that proper accounting records are kept to disclose, with reasonable accuracy at any time, the financial position of the Company and 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 2017 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 consolidated financial statements.

For and on behalf of Management:

Mr. Nguyen Duy Hung
Chief Executive Officer
Ho Chi Minh City, Vietnam
26 March 2018

INDEPENDENT AUDITORS' REPORT

Reference No.: 60755007/19508568-HN

To: The shareholders of

Saigon Securities Incorporation

We have audited the consolidated financial statements of Saigon Securities Incorporation (the "Company") and its subsidiaries, as prepared on 26 March 2018 and set out on pages 6 to 85 which comprise the consolidated statement of financial position as at 31 December 2017, 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 the consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and statutory requirements relevant to preparation and presentation of the consolidated financial statements, and for such internal control as the Management determines is necessary to enable the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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

Auditors' opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Company and its subsidiaries as at 31 December 2017, the consolidated results of their operations, their consolidated changes in cash flows and owners' equity for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and statutory requirements relevant to preparation and presentation of consolidated financial statements.

Emphasis of matter

We draw attention to Note 4.1 – Changes in accounting policies and Note 43.8 – Restatement of corresponding figures. On 20 November 2015, the National Assembly promulgated the Law on Accounting No. 88/2015/QH13 ("the Accounting Law 2015") which has taken effect since 1 January 2017. The Accounting Law 2015 allows certain assets and liabilities whose value frequently varies in line with market fluctuation to be subsequently measured following fair value basis, provided that the fair value of these assets and liabilities can be reliably determined. The Company applied the fair value basis retrospectively and restated the corresponding figures accordingly.

Our audit opinion is not modified in respect of this matter.

Ernst & Young Vietnam Limited

Dang Phuong Ha
Deputy General Director Audit Practising Registration
Certificate No. 2400-2018-004-1

Tran Mai Thao
Auditor
Audit Practising Registration
Certificate No. 2466-2018-004-1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2017 | B01-CTCK/HN

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
100	**A. CURRENT ASSETS**		**17,227,983,148,329**	**12,663,850,207,470**
110	***I. Financial assets***		***17,092,445,491,929***	***12,565,346,534,003***
111	1. Cash and cash equivalents	5	345,985,713,191	308,564,964,314
111.1	*1.1. Cash*		*231,504,310,415*	*201,151,935,146*
111.2	*1.2. Cash equivalents*		*114,481,402,776*	*107,413,029,168*
112	2. Financial assets at fair value through profit and loss (FVTPL)	7.1	1,431,143,096,100	1,549,046,274,503
113	3. Held-to-maturity (HTM) investments	7.3	7,882,154,213,938	5,243,743,725,184
114	4. Loans	7.4	5,764,072,330,098	3,779,178,042,796
115	5. Available-for-sale (AFS) financial assets	7.2	1,534,863,599,300	1,615,308,476,241
116	6. Provision for impairment of financial assets and mortgage assets	8	(23,071,577,500)	(28,431,004,933)
117	7. Receivables		27,842,003,070	53,619,347,570
117.1	*7.1. Receivables from disposal of financial assets*	*9*	*26,678,453,070*	*53,486,347,570*
117.2	*7.2. Receivables and accruals from dividend and interest income*	*9*	*1,163,550,000*	*133,000,000*
117.3	*7.2.1. Receivables from due dividend and interest income*		-	*133,000,000*
117.4	*7.2.2. Accruals for undue dividend and interest income*		*1,163,550,000*	-
118	8. Advances to suppliers	9	18,082,112,403	21,135,273,595
119	9. Receivables from services provided by the Company	9	55,404,562,922	36,101,403,942
122	10. Other receivables	9	71,271,331,370	3,002,523,445
129	11. Provision for impairment of receivables	9	(15,301,892,963)	(15,922,492,654)
130	***II. Other current assets***	***10***	***135,537,656,400***	***98,503,673,467***
131	1. Advances		9,001,649,610	9,231,952,863
132	2. Office supplies, tools and materials		53,710,015	-
133	3. Short-term prepaid expenses		10,575,869,709	7,665,228,021
134	4. Short-term deposits, collaterals and pledges		931,717,910	893,430,260
137	5. Other current assets		114,974,709,156	80,713,062,323

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
200	**B. NON-CURRENT ASSETS**		**1,536,392,023,519**	**1,342,980,181,165**
210	***I. Long-term financial assets***		***943,369,693,465***	***750,343,966,349***
212	1. Long-term investments	11	943,369,693,465	750,343,966,349
212.1	*1.1. HTM investments*		*130,424,472,600*	*41,007,379,429*
212.3	*1.2. Investment in associates*		*812,945,220,865*	*709,336,586,920*
220	***II. Fixed assets***		***161,101,323,414***	***131,416,882,683***
221	1. Tangible fixed assets	12	32,942,324,482	12,569,448,484
222	*1.1. Cost*		*115,198,707,424*	*89,953,237,422*
223a	*1.2. Accumulated depreciation*		*(82,256,382,942)*	*(77,383,788,938)*
227	2. Intangible fixed assets	13	128,158,998,932	118,847,434,199
228	*2.1. Cost*		*186,932,181,501*	*173,208,004,861*
229a	*2.2. Accumulated amortisation*		*(58,773,182,569)*	*(54,360,570,662)*
230	***III. Investment properties***	***14***	***218,230,726,962***	***261,341,171,964***
231	1. Cost		272,917,757,575	314,275,801,824
232a	2. Accumulated depreciation		(54,687,030,613)	(52,934,629,860)
240	***IV. Construction in progress***	***15***	***47,154,474,755***	***46,777,509,012***
250	***V. Other long-term assets***		***166,535,804,923***	***153,100,651,157***
251	1. Long-term deposits, collaterals and pledges		19,416,533,466	19,105,729,716
252	2. Long-term prepaid expenses	16	35,571,900,952	25,895,763,102
253	3. Deferred income tax assets	17	76,547,370,505	88,099,158,339
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	-
270	**TOTAL ASSETS**		**18,764,375,171,848**	**14,006,830,388,635**

Code	ITEMS	Notes	Ending balance VND	Opening balance (restated) VND
300	**C. LIABILITIES**		**10,148,125,475,946**	**6,100,018,520,642**
310	***I. Current liabilities***		***9,354,274,432,825***	***5,841,951,456,398***
311	1. Short-term borrowings and financial leases	20	8,503,887,663,684	4,819,340,678,085
312	*1.1. Short-term borrowings*		*8,503,887,663,684*	*4,819,340,678,085*
316	2. Short-term bonds	21	199,871,666,661	376,000,000,000
318	3. Payables for securities trading activities	22	-	39,617,787,653
320	4. Short-term trade payables	23	7,858,964,987	9,261,510,278
321	5. Short-term advance to customers		5,119,599,349	4,141,733,170
322	6. Statutory obligation	24	131,662,750,256	73,816,803,238
323	7. Payables to employees		39,122,549,261	4,726,744,169
324	8. Employee benefits		8,662,352	168,596,552
325	9. Short-term accrued expenses	25	93,014,814,252	62,998,576,869
327	10. Short-term unearned revenue		-	244,986,666
329	11. Other short-term payables	26	188,798,899,963	300,115,900,807
331	12. Bonus and welfare fund		184,928,862,060	151,518,138,911
340	***II. Non-current liabilities***		***793,851,043,121***	***258,067,064,244***
346	1. Long-term bonds	21	569,300,000,000	199,651,666,665
351	2. Long-term unearned revenue	27	33,511,108,968	33,511,108,968
352	3. Long-term deposits received		-	230,577,141
356	4. Deferred income tax payable	17	191,039,934,153	24,673,711,470
400	**D. OWNERS' EQUITY**	**28**	**8,616,249,695,902**	**7,906,811,867,993**
410	***I. Owners' equity***		***8,616,249,695,902***	***7,906,811,867,993***
411	1. Share capital		5,027,878,981,200	4,927,409,917,200
411.1	*1.1. Capital contribution*		*5,000,636,840,000*	*4,900,636,840,000*
411.1a	*a. Ordinary shares*		*5,000,636,840,000*	*4,900,636,840,000*
411.2	*1.2. Share premium*		*29,482,756,034*	*29,265,860,000*
411.5	*1.3. Treasury shares*		*(2,240,614,834)*	*(2,492,782,800)*
412	2. Difference from revaluation of assets at fair value	40	637,896,244,067	652,792,875,375
413	3. Foreign exchange rate differences		33,179,513,213	34,056,420,954
414	4. Charter capital supplementary reserve		355,412,398,796	311,560,605,893
415	5. Operational risk and financial reserve		270,904,804,112	227,053,011,209
417	6. Undistributed profit	28.1	2,212,624,960,292	1,674,837,853,150
417.1	*6.1. Realized profit*		*2,235,685,451,553*	*1,727,170,255,230*
417.2	*6.2. Unrealized profit*		*(23,060,491,261)*	*(52,332,402,080)*
418	7. Non-controlling interests		78,352,794,222	79,101,184,212
440	**TOTAL LIABILITIES AND OWNERS' EQUITY**		**18,764,375,171,848**	**14,006,830,388,635**

OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	Ending balance	Opening balance
	A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS			
005	Foreign currencies	29.1		
	USD		*5,163,658,21*	*5,028,241,29*
	EUR		*84,352,36*	*57,765,13*
	GBP		*38,197,09*	-
006	Outstanding shares (number of shares)	28.4	499,849,370	489,825,250
007	Treasury shares (number of shares)	28.4	214,314	238,434
008	Financial assets listed/registered for trading at Vietnam Securities Depository ("VSD") of the Company (VND)	29.2	892,517,220,000	959,988,530,000
009	Non-traded financial assets deposited at VSD of the Company (VND)	29.3	10,485,780,000	10,552,040,000
010	Awaiting financial assets of the Company (VND)	29.4	5,520,000	4,660,000
012	Financial assets which have not been deposited at VSD of the Company (VND)	29.5	380,192,020,000	461,520,310,000
013	Entitled financial assets of the Company (VND)		660,000	2,430,000
	B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS			
021	Financial assets listed/registered for trading at VSD of investors (VND)	29.6	33,276,995,380,000	26,872,935,050,000
021.1	*Unrestricted financial assets*		*27,586,903,680,000*	*22,283,452,350,000*
021.2	*Restricted financial assets*		*572,565,500,000*	*682,966,010,000*
021.3	*Mortgaged financial assets*		*4,435,948,560,000*	*3,600,644,250,000*
021.4	*Blocked financial assets*		*30,525,850,000*	*15,664,600,000*
021.5	*Financial assets awaiting for settlement*		*651,051,790,000*	*290,207,840,000*

Code	ITEMS	Notes	Ending balance VND	Opening balance VND
022	Non-traded financial assets deposited at VSD of the Company	29.7	1,537,141,910,000	1,652,187,760,000
022.1	*Unrestricted and non-traded financial assets deposited at VSD*		*1,382,746,250,000*	*1,447,750,000,000*
022.2	*Restricted and non-traded financial assets deposited at VSD*		*52,256,010,000*	*102,298,110,000*
022.3	*Mortgaged and non-traded financial assets deposited at VSD*		*102,139,650,000*	*102,139,650,000*
023	Financial assets awaiting for arrival of investors	29.8	558,055,700,000	277,151,500,000
024b	Financial assets unlisted/unregistered at VSD of investors	29.9	587,746,830,000	40,192,750,000
025	Entitled financial assets of investors	29.10	20,760,290,000	49,722,960,000
026	Investors' deposits		4,016,678,482,634	1,630,987,771,952
027	Investors' deposits for securities trading activities managed by the Company	29.11	3,834,955,125,947	1,616,354,145,533
027.1	Investors' deposits at VSD	29.11	145,075,049,045	-
028	Investors' synthesizing deposits for securities trading activities	29.11	17,567,220,094	5,034,657,285
030	Deposits of securities issuers	29.12	19,081,087,548	9,598,969,134
031	Payables to investors - investors' deposits for securities trading activities managed by the Company	29.13	3,980,030,174,992	1,616,354,145,533
031.1	*Payables to domestic investors for securities trading activities managed by the Company*		*3,834,932,579,377*	*1,509,185,425,722*
031.2	*Payables to foreign investors for securities trading activities managed by the Company*		*145,097,595,615*	*107,168,719,811*
032	Payables to securities issuers	29.14	17,697,679,784	8,894,522,160
034	Dividends, bond principals and interest payables	29.15	1,383,407,764	704,446,974

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
26 March 2018

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December 2017 | B02-CTCK/HN

Code	ITEMS	Note	Current year VND	Previous year (restated) VND
	I. OPERATING INCOME			
01	1. Gain from financial assets at fair value through profit and loss (FVTPL)		668,205,714,750	684,049,420,960
01.1	*1.1. Gain from disposal of financial assets at FVTPL*	*30.1*	*258,242,105,970*	*285,136,192,295*
01.2	*1.2. Gain from revaluation of financial assets at FVTPL*	*30.2*	*363,520,691,804*	*357,627,439,480*
01.3	*1.3. Dividend, interest income from financial assets at FVTPL*	*30.3*	*46,442,916,976*	*41,285,789,185*
02	2. Gain from held-to-maturity (HTM) investments	*30.3*	450,841,549,874	344,890,502,306
03	3. Gain from loans and receivables	30.3	519,650,863,341	429,400,211,341
04	4. Gain from available-for-sale (AFS) financial assets	30.3	259,243,270,357	342,218,316,379
06	5. Revenue from brokerage services		779,655,966,567	381,169,657,999
07	6. Revenue from underwriting and issuance agency services		6,970,000,000	11,238,000,000
08	7. Revenue from securities investment advisory services		25,112,954,614	33,282,441,007
09	8. Revenue from securities custodian services		13,106,660,608	9,582,231,035
10	9. Revenue from financial advisory services		104,386,740,785	95,374,902,451
11	10. Revenue from other operating activities	32	70,904,085,725	114,524,308,025
20	**Total operating revenue**		**2,898,077,806,621**	**2,445,729,991,503**
	II. OPERATING EXPENSES			
21	1. Loss from financial assets at fair value through profit and loss (FVTPL)		486,473,323,551	367,918,742,008
21.1	*1.1 Loss from disposal of financial assets at FVTPL*	*30.1*	*157,754,346,488*	*131,714,435,266*
21.2	*1.2 Loss from revaluation of financial assets at FVTPL*	*30.2*	*328,000,178,020*	*235,235,780,472*
21.3	*1.3 Transaction costs of acquisition of financial assets at FVTPL*		*718,799,043*	*968,526,270*
23	2. Loss from revaluation of AFS financial assets arising from reclassification		1,468,135,635	1,233,535,166
24	3. Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans	31	(50,808,499,167)	177,853,152,433
26	4. Expenses for proprietary trading activities		6,529,060,758	3,031,991,259
27	5. Expenses for brokerage services	33	515,662,908,804	302,635,295,291
28	6. Expenses for underwriting and issuance agency services	33	448,237,668	
29	7. Expenses for securities investment advisory services	33	17,339,245,420	14,205,710,814
30	8. Expenses for securities custodian services	33	18,364,941,338	14,217,781,607
31	9. Expenses for financial advisory services	33	62,842,511,908	26,015,542,418
32	10. Other operating expenses	33, 34	79,077,162,741	82,252,708,235
40	**Total operating expenses**		**1,137,397,028,656**	**989,364,459,231**

Code	ITEMS	Note	Current year VND	Previous year (restated) VND
	III. FINANCE INCOME			
41	1. Realized and unrealized gain from changes in foreign exchange rates		498,596,335	146,819,024
42	2. Dividend, interest income from demand deposits		39,095,125,630	21,595,000,566
44	3. Other interest income (Share of profit in associates)	11	105,518,563,847	73,457,661,737
50	**Total finance income**	**35**	**145,112,285,812**	**95,199,481,327**
	IV. FINANCE EXPENSES			
51	1. Realized and unrealized loss from changes in foreign exchange rates		1,868,541,862	188,578,824
52	2. Borrowing costs		343,581,229,539	269,221,826,624
60	**Total finance expenses**	**36**	**345,449,771,401**	**269,410,405,448**
62	**V. GENERAL AND ADMINISTRATIVE EXPENSES**	**37**	**168,028,766,259**	**140,593,608,205**
70	**VI. OPERATING PROFIT**		**1,392,314,526,117**	**1,141,560,999,946**
	VII. OTHER INCOME AND EXPENSES			
71	Other income		13,087,665,727	2,628,448,016
72	Other expenses		380,782,811	126,449,020
80	**Total other operating profit**	**38**	**12,706,882,916**	**2,501,998,996**
90	**VIII. PROFIT BEFORE TAX**		**1,405,021,409,033**	**1,144,062,998,942**
91	Realized profit		1,369,674,291,631	1,021,671,339,934
92	Unrealized profit		35,347,117,402	122,391,659,008
100	**IX. CORPORATE INCOME TAX (CIT) EXPENSES**	**39**	**243,916,813,210**	**199,398,763,392**
100.1	Current CIT expense	39.1	227,147,912,674	220,703,920,528
100.2	Deferred CIT expense	39.2	16,768,900,536	(21,305,157,136)
200	**X. PROFIT AFTER TAX**		**1,161,104,595,823**	**944,664,235,550**
201	1. Profit after tax attributable to the Parent Company's owners		1,161,852,985,813	946,703,413,703
202	2. Profit after tax attributable to reserves		79,628,651,193	61,392,510,064
203	3.Profit after tax attributable to non-controlling interest		(748,389,990)	(2,039,178,153)
300	**XI. OTHER COMPREHENSIVE INCOME AFTER TAX**			
301	1. (Loss)/gain from revaluation of AFS financial assets	41	(14,896,631,308)	6,229,932,314
400	**TOTAL OTHER COMPREHENSIVE INCOME**		**(14,896,631,308)**	**6,229,932,314**
401	Other comprehensive income attributable to the Parent Company's owners		(14,843,959,968)	6,215,218,974
402	Other comprehensive income attributable to non-controlling interest		(52,671,340)	14,713,340
500	**XII. NET INCOME APPROPRIATED TO ORDINARY SHAREHOLDERS**		**1,082,224,334,621**	**885,310,903,644**
501	1. Earnings per share (VND/share)	42	2,208	1,843

Ms. Hoang Thi Minh Thuy
Chief Accountant

Ms. Nguyen Thi Thanh Ha
Chief Financial Officer

CÔNG TY CỔ PHẦN CHỨNG KHOÁN SÀI GÒN

Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam
26 March 2018

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2017 | B03b-CTCK/HN

Code	ITEMS	Notes	Current year VND	Previous year (restated) VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	**1. Profit before tax**		**1,405,021,409,033**	**1,144,062,998,942**
02	**2. Adjustments for:**		**(730,566,500,836)**	**(547,985,279,914)**
03	Depreciation and amortization expense		20,947,213,144	18,206,356,391
04	Provisions		(620,599,691)	12,491,380,694
05	Unrealized loss from changes in foreign exchange rates		173,396,382	-
06	Interest expenses		343,901,229,535	269,313,493,289
07	Gain from investment activities		(495,229,118,735)	(303,523,403,257)
08	Accrued interest income		(599,043,514,417)	(545,379,920,119)
09	Other adjustments		(695,107,054)	906,813,088
10	**3. Increase in non-monetary expenses**		**324,108,886,222**	**264,900,320,571**
11	Loss from revaluation of financial assets at FVTPL		328,000,178,020	235,235,780,472
13	(Reversal of provision)/Loss from impairment of loans		(5,359,427,433)	28,431,004,933
14	Loss from revaluation of AFS financial assets arising from reclassification		1,468,135,635	1,233,535,166
18	**4. Decrease in non-monetary income**		**(589,814,228,061)**	**(624,835,482,381)**
19	Gain from revaluation of financial assets at FVTPL		(363,520,691,804)	(357,627,439,480)
20	Gain from revaluation of AFS financial assets arising from reclassification		(226,293,536,257)	(267,208,042,901)
30	**5. Operating profit before changes in working capital**		**408,749,566,358**	**236,142,557,218**
31	Decrease/(Increase) in financial assets at FVTPL		379,032,638,757	(36,166,095,029)
32	(Increase)/Decrease in HTM investments		(491,170,678,200)	699,738,982,082
33	Increase in loans		(1,984,894,287,302)	(145,105,474,216)
34	Decrease/(Increase) in AFS financial assets		226,707,855,613	(167,207,209,943)
35	Decrease/(Increase) in receivables from disposal of financial assets		26,807,894,500	(50,954,500,000)
37	Increase in receivables from services provided by the Company		(19,296,504,894)	(26,918,424,600)
39	(Increase)/Decrease in other receivables		(26,310,583,847)	6,678,953,787
40	(Increase)/Decrease in other assets		(49,085,053,601)	147,298,363,103
41	Increase in payable expenses (excluding interest expenses)		8,403,545,245	14,475,876,517
42	Increase prepaid expenses		(12,588,940,046)	(27,603,968,238)
43	Current income tax paid		(194,330,165,299)	(244,437,916,359)
44	Interest expenses paid		(321,966,912,179)	(284,596,104,749)
46	(Decrease)/Increase in trade payables		(3,610,395,170)	4,420,863,801
47	(Decrease)/Increase in welfare benefits		(159,934,200)	2,990,600
48	Increase in statutory obligations		25,027,050,340	5,702,846,752
49	Increase in payables to employees		34,395,805,093	818,241,764
51	Decrease in other payables		(151,380,652,608)	(171,623,597,740)
52	Other receipts from operating activities		598,129,706,117	575,402,759,035
	- Interest received		*598,012,964,417*	*561,567,025,235*
	- Other receipts		*116,741,700*	*13,835,733,800*
53	Other payments for operating activities		(28,447,874,665)	(39,743,402,871)
60	**Net cash flows (used in)/ from operating activities**		**(1,575,987,919,988)**	**496,325,740,914**
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
61	Purchase and construction of fixed assets, investment properties and other long-term assets		(35,106,376,598)	(63,666,232,151)
62	Proceeds from disposal and sale of fixed assets, investment properties and other long-term assets		541,299,081	3,545,455
63	Cash payments for investment in subsidiaries, associates, joint ventures and other investments		(6,253,000,320,400)	(3,944,187,436,000)
64	Cash receipt from capital withdrawal from subsidiaries, associates, joint ventures and other investments		4,028,100,000,000	2,421,100,000,000
65	Dividends from long-term investments received		383,362,668,183	239,913,927,673
70	**Net cash flow used in investing activities**		**(1,876,102,729,734)**	**(1,346,836,195,023)**
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
71	Cash receipt from issuance of shares, or capital contributed by shareholders		100,469,064,000	99,980,000,000
72	Repayment of capital contributed by shareholders, repurchase of issued shares		-	(2,322,300,400)
73	Drawdown of borrowings		49,501,155,932,980	32,403,034,307,330
73.2	*- Other borrowings*		*49,501,155,932,980*	*32,403,034,307,330*
74	Repayment of borrowings		(45,623,408,947,381)	(31,609,041,596,782)
74.3	*- Other repayment of borrowings*		*(45,623,408,947,381)*	*(31,609,041,596,782)*
76	Dividends, profit distributed to shareholders		(488,704,651,000)	(478,935,287,000)
80	**Net cash flow from financing activities**		**3,489,511,398,599**	**412,715,123,148**
90	**NET INCREASE/(DECREASE) IN CASH DURING THE YEAR**		**37,420,748,877**	**(437,795,330,961)**
101	**CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR**	5	**308,564,964,314**	**746,360,295,275**
101.1	Cash		200,205,959,021	505,442,808,091
101.2	Cash equivalents		107,413,029,168	235,000,000,000
102	Foreign exchange rate differences		945,976,125	5,917,487,184
103	**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR**	5	**345,985,713,191**	**308,564,964,314**
103.1	Cash		231,375,853,648	200,205,959,021
103.2	Cash equivalents		114,481,402,776	107,413,029,168
104	Foreign exchange rate differences		128,456,767	945,976,125

Cash flows from brokerage and trust activities of the customers

Code	ITEMS	Notes	Current year VND	Previous year (restated) VND
	I. Cash flows from brokerage and trust activities of the customers			
01	1. Cash receipts from disposal of brokerage securities of customers		158,362,644,597,181	76,974,085,890,096
02	2. Cash payments for acquisition of brokerage securities of customers		(151,564,405,275,980)	(82,179,697,180,977)
07	3. Cash receipts for settlement of securities transactions of customers		(4,094,047,857,546)	7,335,183,804,235
07.1	4. Investors' deposits at VSD		145,075,049,043	-
09	5. Cash payments for custodian fees of customers		(11,620,149,721)	(9,562,903,693)
12	6. Cash receipt from securities issuers		1,893,296,516,813	177,843,005,200
13	7. Cash payment to securities issuers		(2,345,252,169,108)	(1,910,914,649,800)
20	**Net increase in cash during the year**		**2,385,690,710,682**	**386,937,965,061**
30	**II. Cash and cash equivalents of customers at the beginning of the year**		**1,630,987,771,952**	**1,244,049,806,891**
31	Cash at banks at the beginning of the year:		1,630,987,771,952	1,244,049,806,891
32	- Investors' deposits managed by the Company for securities trading activities		1,616,354,145,533	1,239,463,316,338
33	- Investors' synthesizing deposits for securities trading activities		5,034,657,285	2,192,903,193
35	- Deposits of securities issuers		9,598,969,134	2,393,587,360
40	**III. Cash and cash equivalents of the customers at the end of the year (40 = 20 + 30)**		**4,016,678,482,634**	**1,630,987,771,952**
41	Cash at banks at the end of the year:		4,016,678,482,634	1,630,987,771,952
42	- Investors' deposits managed by the Company for securities trading activities	29.11	3,980,030,174,992	1,616,354,145,533
	In which: Investors' deposits at VSD		*145,075,049,043*	-
43	- Investors' synthesizing deposits for securities trading activities	29.11	17,567,220,094	5,034,657,285
45	- Deposits of securities issuers	29.12	19,081,087,548	9,598,969,134

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
26 March 2018

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

for the year ended 31 December 2017 | B04-CTCK/HN

ITEMS	Notes	Opening balance (restated)		Increase/(Decrease)				Ending balance	
				Previous year (restated)		Current year			
		01/01/2016	01/01/2017	Increase	Decrease	Increase	Decrease	31/12/2016 (restated)	31/12/2017
		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		4,825,142,703,161	4,927,409,917,200	106,289,284,881	(4,022,070,842)	100,290,896,034	178,167,966	4,927,409,917,200	5,027,878,981,200
1.1. Ordinary share	*28.2*	*4,800,636,840,000*	*4,900,636,840,000*	*100,000,000,000*	-	*100,000,000,000*	-	*4,900,636,840,000*	*5,000,636,840,000*
1.2. Share premium		*29,285,860,000*	*29,265,860,000*	-	*(20,000,000)*	*290,896,034*	*(74,000,000)*	*29,265,860,000*	*29,482,756,034*
1.3. Other capital		*(4,609,514,439)*	-	*8,611,585,281*	*(4,002,070,842)*	-	-	-	-
1.4. Treasury share		*(170,482,400)*	*(2,492,782,800)*	*(2,322,300,400)*	-	-	*252,167,966*	*(2,492,782,800)*	*(2,240,614,834)*
2. Charter capital supplementary reserve		268,076,952,217	311,560,605,893	43,483,653,676	-	43,851,792,903	-	311,560,605,893	355,412,398,796
3. Operational risk and financial reserve		183,569,357,533	227,053,011,209	43,483,653,676	-	43,851,792,903	-	227,053,011,209	270,904,804,112
4. Difference from revaluation of financial assets at fair value		646,562,943,061	652,792,875,375	565,836,067,959	(559,606,135,645)	607,628,548,568	(622,525,179,876)	652,792,875,375	637,896,244,067
5. Foreign exchange rate differences		31,013,180,718	34,056,420,954	3,043,240,236	-	-	(876,907,741)	34,056,420,954	33,179,513,213
6. Undistributed profit		1,370,885,005,982	1,674,837,853,150	1,181,939,194,177	(877,986,347,009)	1,505,851,030,724	(968,063,923,582)	1,674,837,853,150	2,212,624,960,292
6.1. Realized profit	*28.1*	*1,528,039,483,892*	*1,727,170,255,230*	*841,881,337,875*	*(642,750,566,537)*	*1,147,456,542,194*	*(638,941,345,871)*	*1,727,170,255,230*	*2,235,685,451,553*
6.2. Unrealized profit	*28.1*	*(157,154,477,910)*	*(52,332,402,080)*	*340,057,856,302*	*(235,235,780,472)*	*358,394,488,530*	*(329,122,577,711)*	*(52,332,402,080)*	*(23,060,491,261)*
7. Non-controlling interest		81,140,362,365	79,101,184,212	-	(2,039,178,153)	-	(748,389,990)	79,101,184,212	78,352,794,222
TOTAL		**7,406,390,505,037**	**7,906,811,867,993**	**1,944,075,094,605**	**(1,443,653,731,649)**	**2,301,474,061,132**	**(1,592,036,233,223)**	**7,906,811,867,993**	**8,616,249,695,902**
II. OTHER COMPREHENSIVE INCOME									
Gain/(loss) from revaluation of AFS financial assets	40	646,562,943,061	652,792,875,375	565,836,067,959	(559,606,135,645)	607,628,548,568	(622,525,179,876)	652,792,875,375	637,896,244,067
TOTAL		**646,562,943,061**	**652,792,875,375**	**565,836,067,959**	**(559,606,135,645)**	**607,628,548,568**	**(622,525,179,876)**	**652,792,875,375**	**637,896,244,067**

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
26 March 2018

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2017 and for the year then ended | B05-CTCK/HN

1. CORPORATE INFORMATION

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

The Company's initial charter capital was VND 6,000,000,000. The charter capital has been supplemented from time to time in accordance with amended licenses. As at 31 December 2017, in accordance with the latest Amended License No. 10/GPDC-UBCK granted by the Chairman of State Securities Commission, which has been effective since 30 January 2018, the Company's total charter capital was VND 5,000,636,840,000.

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 services and derivatives trading. The Company's Head Office is located at 72 Nguyen Hue Boulevard, District 1, Ho Chi Minh City, Vietnam. As at 31 December 2017, 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 2017 was 887 persons (31 December 2016: 720 persons).

Company's operation

Capital

As at 31 December 2017, total charter capital of the Company is VND 5,000,636,840,000, owners' equity including non-controlling interests is VND 8,616,249,695,902 and total assets are VND 18,764,375,171,848.

Investment objectives

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

Investment restrictions

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

- Securities company is not allowed to purchase, contribute capital to invest in real-estate assets except for the purpose of use for head office, branches, and transaction offices directly serving professional business activities of the securities company.
- Securities company may invest in real-estate investment and fixed assets on the principle that the carrying value of the fixed assets and real-estate investment should not exceed fifty percent (50%) of the total value of assets of the securities company.
- Securities company is not allowed to use more than seventy percent (70%) of its owners' equity to invest in corporate bonds. Securities company, licensed to engage in self-trading activity, is allowed to trade listed bonds in accordance with relevant regulation on trading Government bonds.
- Securities company must not by itself, or authorize another organization or individuals to: Invest in shares or contribute capital to companies that owned more than fifty percent (50%) of the charter capital of the securities company, except for purchasing of odd lots at the request of customers; Make joint investment with an affiliated person of five percent (5%) or more in the charter capital of another securities company; Invest more than twenty percent (20%) in the total currently circulating shares or fund certificates of a listing organization; Invest more than fifteen percent (15%) in the total currently circulating shares or fund certificates of an unlisted organization, this provision shall not apply to member fund certificates; Invest or contribute capital of more than ten percent (10%) in the total paid-up capital of a limited liability company or of a business project; Invest more than fifteen percent (15%) of its owners' equity in a single organization or of a business project; Invest more than seventy percent (70%) of its total equity in shares, capital contribution and a business project, specifically invest more than twenty percent (20%) of its total owners' equity in unlisted shares, capital contribution and a business project.
- Securities company is allowed to establish or purchase an asset management company as a subsidiary. In that case, securities company is not required to follow the above restrictions.

Subsidiaries

As at 31 December 2017, the Company had two (02) directly owned subsidiaries as follows:

Company name	Established under	Business sector	Charter capital	% holding
SSI Asset Management Company Ltd. (SSIAM)	Operating License No.19/UBCK- GP dated 03 August 2007	Investment fund management and investment portfolio management	VND30 billion	100%
SSI Investment Member Fund (SSI IMF)	Approval Letter of Member Fund Foundation No.130/TB-UBCK dated 27 July 2010	Investments in securities and other investible assets, including real estates	VND390 billion	80%

In addition, as at 31 December 2017, the Company had one (01) indirectly owned by SSI IMF subsidiary named SSI International Corporation.

Associates

As at 31 December 2017, the Company had three (03) associates presented on the consolidated financial statements as follows:

Name	Business establishment	Sector	Charter capital (VND)
The Pan Group (PAN)	Business Registration No. 0301472704 dated 23 March 2016 issued by Ho Chi Minh City Department of Planning and Investment (13th amended license). At the initial stage, the company operated under Business Registration No. 4103003790 dated 31 August 2005. The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.	Cultivation, farming; Livestock services; Post-harvest services; Cultivation services activities; House cleaning services; Investment advisory services (except for financial advisory); Management advisory services (except for finance, economics and law); Market research services.	1,177,236,300,000
Vietnam Fumigation Joint Stock Company (VFG)	Vietnam Fumigation Joint Stock Company is transformed from a State - owned enterprise, so called Vietnam Fumigation Company under Ministry of Agriculture and Rural Development, in accordance with Decision No. 70/QD-TTG dated 3 May 2001 issued by Prime Minister of the Socialist Republic of Vietnam. The company operates under the first Business Registration No. 0302327629 dated 31 December 2001 issued by Ho Chi Minh City Department of Planning and Investment and the amended license nearest dated 24 July 2017. The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.	Production, processing, carton boxes, packaging: plant protection products and fumigating materials; Rendering of fumigating services, eradication of harmful animals for agricultural and forestry products, and other materials; Trading of pesticide, plan protection materials, fumigation materials; Trading of materials and chemicals for agricultural production (except for toxic substances); Fertilizer wholesale; Handling, maintenance, sanitation in factories, warehouses, offices services; Anti – termite service; Anti-termite service for construction works; Renting office, warehouse; Goods inspection; Caring service for agricultural products; Wholesale corn and other grains	237,701,890,000
Dong Nai Port Joint Stock Company (PDN)	The company was initially a State-owned enterprise, so called Dong Nai Port Company under Dong Nai Department of Transport, privatised under Decision No. 3004 dated 24 August 2005 issued by People's Committee of Dong Nai Province. The company operates under the first Business Registration No. 4703000301 dated 4 January 2006 and subsequent amended Business Registration No. 3600334112 dated 27 October 2009, 27 December 2010 and 19 March 2016 issued by Dong Nai Department of Planning and Investment. The company's shares have been officially listed on Ho Chi Minh City Stock Exchange.	Warehouses and wharf services; Loading and unloading, transportation of goods in and out of the port; Loading and unloading equipment and vehicles repairs services; Agents and maritime services; Fuel supply services; Building materials trading; Entertainment services for ship's crews; Infrastructure and real estate investment and business.	123,479,870,000

Key characteristics of the Company's operation

The Company's profit after tax in 2017 was VND 1,161,104,595,823, which made an increase of 22.9% (amounted to VND 216,440,360,273) in comparison with 2016 owing to the following reasons:

- Due to the expansion of the Company's brokerage market share, securities brokerage revenue increased by 104.5%, equivalent to VND 398,486,308,568. Besides, interest income from loans increased by 21%, equivalent to VND 90,250,652,000. Such increases are higher than the rise of brokerage expenses which was 70.4%, equivalent to VND 213,027,613,513.
- Growth rate of interest income from held-to-maturity investments was 30.7%, corresponding to VND 105,951,047,568, higher than the growth rate of interest expenses, which was 27.6%, corresponding to VND 74,359,402,915.
- Dividend income, interest from demand deposits rose by 81%, equivalent to VND 17,500,125,064, thanks to the increase of dividends received from subsidiaries and associates in comparison with the previous year.
- Interest from available-for-sale (AFS) financial assets decreased by 24.2%, corresponding to VND 82,975,046,022, mainly due to: i) decrease in dividends and interests from AFS financial assets and ii) gain from revaluation of AFS financial assets arising from reclassification decreased in comparison with the previous year.
- Provision expense for diminution in value and impairment of financial assets, doubtful debts and borrowing costs of loans decreased sharply due to the reversal of provision for impairment of the investments awaiting for payback as market price of the collateral assets increased and the reversal of provision for impairment of loans. The total reversed amount amounted to approximately VND 50.8 billion whereas provision expense in the previous year was VND 177.8 billion.

2. BASIS OF PRESENTATION

2.1 Applied accounting standards and system

The consolidated financial statements of the Company expressed in Vietnam dong ("VND") are prepared and presented in accordance with Vietnamese Enterprise Accounting System, the accounting regulation and guidance applicable to securities companies as set out in Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular No. 334/2016/TT-BTC dated 27 December 2016 amending, supplementing and replacing Appendices No. 02 and No. 04 of Circular No. 210/2014/TT-BTC, Circular No. 146/2014/TT-BTC dated 6 October 2014 providing guidance on financial regime applicable to securities companies and asset management companies and other Vietnamese Accounting Standards promulgated by the Ministry of Finance as per:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 5).

2.2 Basis on consolidation

The consolidated financial statements comprise the financial statements of Saigon Securities Incorporation (the parent company) and its subsidiaries as at 31 December 2017.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the parent company obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the parent company and subsidiaries are prepared for the same reporting period using the consistent accounting policies.

All intra-company balances, incomes and expenses, and unrealized gains or losses resulting from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries which are not held by the Company, and are presented separately in the consolidated income statement and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

2.3 Registered accounting documentation system

The Company's registered accounting documentation system is the General Journal Voucher system.

2.4 Fiscal year

The Company's fiscal year starts on 1 January and ends on 31 December.

The Company also prepares its interim financial statements for the six-month period from 1 January to 30 June and its quarterly financial statements for the three-month periods ended 31 March, 30 June, 30 September and 31 December each year.

2.5 Accounting currency

The consolidated financial statements are prepared in Vietnam dong ("VND"), which is the accounting currency of the Company.

3. STATEMENT ON COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEMS

Management confirms that the Company has complied with Vietnamese Accounting Standards and Vietnamese Enterprise Accounting Systems in preparing the consolidated financial statements.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Changes in accounting policies and disclosures

On 20 November 2015, the National Assembly of Vietnam promulgated the Law on Accounting No. 88/2015/QH13 ("the Accounting Law 2015"). The Accounting Law 2015 allows certain assets and liabilities whose value frequently varies in line with the market fluctuation to be subsequently measured following fair value basis, provided that the fair value of these assets and liabilities can be reliably measured. The Accounting Law 2015 has taken effective since 1 January 2017.

Accordingly, certain financial assets are subsequently recognized as follow:

- Financial assets at fair value through profit and loss (FVTPL): are initially recognized at cost. After initial recognition, financial assets at FVTPL will be recognised at fair value. Any difference (gain or loss) arising from the revaluation of financial assets at FVTPL shall be recognised into the consolidated income statement.
- Available-for-sale (AFS) financial assets: are initially recognized at cost. After initial recognition, AFS financial assets will be recognised at fair value. Any difference arising from the revaluation of AFS financial assets (other comprehensive income) will be directly recognised in owners' equity – "Difference from revaluation of assets at fair value" item of the consolidated statement of financial position and the consolidated statement of changes in owners' equity, except for provision expenses for impairment of AFS financial assets which is recognised into the consolidated income statement.

The Company applied the fair value basis in accordance with the Accounting Law 2015 retrospectively and restated the corresponding figures accordingly for certain items as presented in Note No. 43.8.

4.2 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.

4.3 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 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.

4.4 Held-to-maturity investments (HTM)

Held-to-maturity investments are non-derivative financial assets with determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity other than:

a) those that the entity upon initial recognition designates as at fair value through profit or loss;

b) those that the entity designates as available-for-sale; and

c) those meet the definition of loans and receivables.

Held-to-maturity investments are initially recognized at cost (acquisition cost of the assets plus (+) transaction costs which are directly attributable to the investments such as brokerage fee, trading fee, issuance agency fee and banking transaction fee). After initial recognition, held-to-maturity financial investments are subsequently measured at amortized cost using the effective interest rate ("EIR").

Amortized cost of HTM financial investments is the amount at which the financial asset is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or irrecoverability (if any).

The effective interest rate method is a method of calculating the cost allocation on interest income or interest expense in the period of a financial 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 unrecoverable 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 investment, 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 income statement under "Provision expense for diminution in value and impairment of financial assets and doubtful receivables, and borrowing costs of loans".

4.5 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 income statement under "Provision expense for diminution in value and impairment of financial assets and doubtful receivables, and borrowing costs of loans".

4.6 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 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 is recognized under "Gain/(loss) from revaluation of AFS financial assets" in "Other comprehensive income after tax" which is a part of the consolidated income statement.

As at the consolidated financial statement date, the Company assessed whether there is any objective evidence that an AFS financial asset is impaired. Any increase/decrease in the balance of provision is recognized in the income statement under "Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans".

- Where an equity instrument is classified as available-for-sale, evidence of impairment 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.

4.7 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 securities registered for trading on UPCOM, their market prices are their average closing prices on the trading day preceding the date of setting up the revaluation.
- For the delisted securities and suspended trading securities from the sixth day afterward, their prices are the book value at the latest financial report date.
- The market price for unlisted securities and securities unregistered for trading on 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.

4.8 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.

4.9 Reclassification of financial assets

Reclassification when selling financial assets other than FVTPL

When selling financial assets other than FVTPL, securities companies are required to reclassify those financial assets to financial assets at FVTPL. The difference arising from the revaluation of financial assets AFS which was recognized in "Gain/(loss) from revaluation of AFS financial assets" will be recognized as corresponding revenue or expenses at the date of reclassification of financial assets AFS for selling purpose.

4.9 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. The difference arising from revaluation between carrying value and fair value are recognized in the income statement under "Difference from revaluation of assets at fair value" in Owners' equity.

4.10 Investments in associates

An associate is an entity in which the Company has significant influence but that is neither subsidiaries nor joint ventures. The Company generally deems they have significant influence if they have over 20% of the voting rights.

The Company's investments in associates are accounted for using the equity method of accounting.

Under the equity method, the investment is initially carried in the consolidated statement of financial position at cost. In term of the acquisition, the difference between cost of the investment and the determinable net asset fair value in correspondence with the Company's shares in associate at the acquisition date is defined as goodwill. Negative goodwill is recognized in "Other investment revenue (share of profits/(loss) in associates)" of the consolidated income statement. Positive goodwill will be reflected in the value of investment in associate of the consolidated statement of 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 qualification in the auditors' report in the audited financial statements of associates is determined as zero (0); and
- Fair value of other immaterial assets and debts is determined as their carrying value.

After the initial recognition, the investment is adjusted to changes of the Company's share in associates' post-acquisition net assets. The consolidated income statement reflects the share of the post-acquisition results of operation of the associates. Changes in net asset value of associates, including changes arisen from revaluation of fixed assets and investments, foreign exchange differences and differences arisen from consolidation of associates are not reflected in the consolidated income statement, but recognized directly in "Undistributed profit" in the consolidated statement of financial position.

The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend receivable from associates is deducted from the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period as the Company, using the same accounting policies. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

4.11 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.

4.12 Receivables

Receivables are initially recorded at cost and subsequently always presented at cost.

Receivables are subject to review for impairment based on their overdue status or estimated loss arising from undue debts of corporate debtors who have bankruptcy or are under liquidation; or of individual debtors who are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased. Increases or decreases to the provision balance are recorded as "Provision expenses for diminution in value and impairment of financial assets and doubtful debts and borrowing costs of loans" in the consolidated income statement.

The Company has made provision for doubtful receivables in accordance with Circular No. 228/2009/TT-BTC dated 7 December 2009 issued by the Ministry of Finance. Accordingly, the provision rates for overdue receivables are as follows:

Overdue period	Provision rate
From over six (6) months to less than one (1) year	30%
From one (1) year to less than two (2) years	50%
From two (2) years to less than three (3) years	70%
From three (3) years and above	100%

4.13 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.

4.14 Intangible fixed assets

Intangible assets are stated at cost less accumulated amortization.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and other expenditures are charged to the 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.

4.15 Depreciation and amortisation

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

Buildings and architectures	6 years
Office machineries	3 - 5 years
Means of transportation	6 years
Office equipment	3 - 5 years
Software	3 - 5 years
Land use rights with indefinite life	not amortised
Other intangible fixed assets	2 - 5 years

4.16 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.

4.17 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.

4.18 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) years in three (3) years to the consolidated income statement:

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

4.19 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.

4.20 Borrowings and bonds issuance

Borrowings and bonds issued by the Company are recorded and stated at cost of the balance at the end of the accounting period.

4.21 Payables and accrued expenses

Payables and accrued expenses are recognized for amounts to be paid in the future for bonds interest payables, goods and services received, whether or not billed to the Company.

4.22 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 18% of an employee's basic salary on a monthly basis. From 1 June 2017, the Company is required to pay a social insurance premium at the rate of 17.5% of an employee's basic monthly 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-BLĐTBXH 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.

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 period, monetary balances denominated in foreign currencies are determined as follows:

- Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly.
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred during the period and arisen from the revaluation of monetary accounts denominated in foreign currencies at the end of the period are taken to the consolidated income statement.

4.24 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 in the consolidated income statement upon purchase, sale, issue or cancellation of the Company's own 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 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 consolidated 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 statements 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 period expenses; payable debts which are now recorded as revenue increase as their owners no longer exist; collected tax amounts which now are reduced and reimbursed; and other revenues.

Interest income

Revenue is recognized on accrual basis (taking into account the effective yield on the asset) unless collectability is in doubt.

Dividends

Income is recognized when the Company's entitlement as an investor to receive the dividends is established, except for dividend received in shares in which only the number of shares is updated.

Properties leasing revenue

Properties leasing revenue is recognized into operational result on a straight-line basis over the leasing contract life.

Other revenues from rendering services

Where the contract outcome can be reliably measured, revenue is recognised by reference to the stage of completion.

Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent of the expenses recognised which are recoverable.

4.27 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 equity securities sold and specific identification method to calculate cost of debt securities sold.

4.29 Corporate income tax

Current income tax

Current income tax assets and liabilities for the current and prior period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the report date.

Current income tax is charged or credited to the income statement, except when it relates to items recognized directly to 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 each reporting date and reduced to a certain extent that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Previously unrecognized deferred income tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset 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 equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxable entity and the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

4.30 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 of the year is the difference between gain and loss arisen from revaluation of financial assets at FVTPL or other financial assets through profit and loss in the consolidated income statement, and the deferred income tax related to the increase in revaluation of FVTPL.
- 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 334/2016/TT-BTC dated 27 December 2016 and Circular No. 146/2014/TT-BTC dated 6 October 2014 issued by the Ministry of Finance that are not shown in these financial statements indicate nil balances.

5. CASH AND CASH EQUIVALENTS

	Ending balance VND	Opening balance VND
Cash	231,504,310,415	201,151,935,146
- Cash on hand	*329,526,695*	*286,126,343*
- Cash at banks	*231,174,783,720*	*200,865,808,803*
Cash equivalents	114,481,402,776	107,413,029,168
TOTAL	**345,985,713,191**	**308,564,964,314**

6. VALUE AND VOLUME OF TRADING DURING THE YEAR

	Volume of trading during the year (Unit)	Value of trading during the year (VND)
a. The Company	215,533,308	22,123,739,326,800
- Shares	*13,813,308*	*366,150,376,800*
- Bonds	*201,720,000*	*21,757,588,950,000*
- Other securities	-	-
b. Investors	15,309,867,247	383,814,729,731,563
- Shares	*15,281,614,417*	*381,138,505,026,063*
- Bonds	*24,660,000*	*2,630,426,250,000*
- Other securities	*3,592,830*	*45,798,455,500*
TOTAL	**15,525,400,555**	**405,938,469,058,363**

7. FINANCIAL ASSETS

Concepts of financial assets

Cost

Cost of a financial asset is the amount of cash or cash equivalents paid, disbursed or payable of such financial asset at its initial recognition. The transaction costs incurred directly from the purchase of financial asset might be included in the cost of the financial asset or not depending on the category that the financial asset is classified in.

Fair value/market value

The fair value or market value of a financial asset is the price at which the financial asset would be traded voluntarily between knowledgeable parties on an arm's length basis.

The fair value/market value of securities is determined using the method described in Note 4.7.

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 statement of financial position.

Carrying amount

Carrying amount of a financial asset is the amount at which the financial asset is recognized in the statement of financial position. Carrying amount of a financial asset might be recognised at 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. FINANCIAL ASSETS (continued)

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

	Ending balance		Opening balance (restated)	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Listed shares and fund certificates (1)	**1,112,681,613,424**	**1,138,043,211,380**	**1,192,233,668,924**	**1,182,661,089,550**
HPG	21,461,319,460	30,578,713,900	62,389,734,766	62,883,142,250
SSC	89,052,898,063	99,322,819,200	165,218,161,649	116,537,119,900
FPT	66,533,044,267	65,851,317,300	183,082,847,113	183,665,416,000
PVS	11,267,734	16,921,200	77,970,999,907	63,439,447,600
DBC	251,330,479,988	254,267,187,300	251,288,227,278	291,843,753,000
ELC	204,171,484,764	128,615,243,800	206,857,447,945	235,373,954,000
PET	497,178	578,200	45,060,789,684	31,305,912,700
LAS	466,693,191	335,520,000	41,063,264,511	43,837,664,000
VAF	66,339,779,235	35,692,880,000	67,766,775,917	45,253,072,700
FMC	177,875,499,093	176,062,033,200	194,750	192,000
VCG	32,961,896,579	26,601,515,400	20,828,986	25,717,500
PLX	180,274,333,463	290,288,850,000	-	-
Other listed shares and fund certificates	22,202,420,409	30,409,631,880	91,514,396,418	108,495,697,900
Unlisted shares and fund certificates	**105,931,465,352**	**88,374,404,720**	**82,191,081,939**	**64,047,684,853**
Viglacera Dap Cau Sheet Glass JSC.	15,200,000,000	-	15,200,000,000	-
SSIBF fund certificates	40,000,000,000	41,600,600,000	-	-
Descon Construction Corporation JSC.	17,456,571,492	8,182,129,000	17,456,571,492	9,337,620,500
SSISCA fund certificates	26,500,000,000	38,567,128,950	7,500,000,000	10,647,746,309
Sunway Investment JSC.	-	-	15,000,000,000	44,021,457,129
Other unlisted shares	6,774,893,860	24,546,770	27,034,510,447	40,860,915
Unlisted bonds	**204,725,480,000**	**204,725,480,000**	**302,337,500,100**	**302,337,500,100**
Total	**1,423,338,558,776**	**1,431,143,096,100**	**1,576,762,250,963**	**1,549,046,274,503**

(1) As at 31 December 2017, among the listed shares classified as financial assets at FVTPL, there are 15,586,000 shares with par value of VND 155,860,000,000 used as collaterals for bond issuance by the Company in phase 1 of 2016, and 2,781,088 shares with par value of VND 27,810,880,000 used as collaterals for short-term borrowings of the Company.

7.2 Available-for-sale (AFS) financial assets

	Ending balance		Opening balance (restated)	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Listed shares (1)	**573,611,017,959**	**1,355,733,972,000**	**814,610,060,866**	**1,450,302,936,241**
VSC	44,725,223,998	50,970,695,000	175,885,933,796	204,374,352,000
TMS	107,326,574,160	211,426,560,000	113,028,048,762	246,273,781,100
OPC	113,376,260,629	233,773,800,000	113,218,396,107	151,464,696,600
DHC	48,060,985,032	102,335,269,400	42,189,091,850	64,455,037,500
SGN	188,296,511,801	673,461,151,200	204,116,454,286	562,729,138,440
HAH	26,089,630,020	19,228,100,000	26,089,635,366	24,868,239,300
SGC	1,514,960,064	4,670,640,000	1,524,936,566	4,622,340,000
CTD	21,309,357,211	31,435,255,500	107,474,155,061	127,765,695,000
Other listed shares	22,911,515,044	28,432,500,900	31,083,409,072	63,749,656,301
Unlisted shares	**162,207,227,300**	**179,129,627,300**	**147,905,540,000**	**165,005,540,000**
Vietnam Engine and Agriculture Machinery Corporation JSC.	37,725,600,000	54,648,000,000	142,900,000,000	160,000,000,000
PAN Farm JSC.	53,408,921,300	53,408,921,300	-	-
Pharmaceutical Cosmetics CVI JSC.	27,924,100,000	27,924,100,000	-	-
ConCung JSC.	28,109,556,000	28,109,556,000	-	-
Other unlisted shares	15,039,050,000	15,039,050,000	5,005,540,000	5,005,540,000
Total	**735,818,245,259**	**1,534,863,599,300**	**962,515,600,866**	**1,615,308,476,241**

(1) As at 31 December 2017, among the listed shares classified as AFS financial assets, there are 6,489,600 shares with par value of VND 64,896,000,000 used as collaterals for bond issuance by the Company in phase 2 of 2017 and phase 1 of 2016, and 2,809,818 shares with par value of VND 28,098,180,000 used as collaterals for short-term borrowings of the Company.

7.3 Held-to-maturity investments (HTM)

	Ending balance VND	Opening balance VND
Unlisted bonds	-	11,603,575,929
- TMS convertible bonds	-	*11,603,575,929*
Term deposits with maturity of over 3 months to 1 year	7,882,154,213,938	5,232,140,149,255
Total	**7,882,154,213,938**	**5,243,743,725,184**

As at 31 December 2017, there are term deposits with maturity of over 3 months to 1 year and balances of VND 2,048 billion and VND 5,784 billion that are used as collaterals for bank overdrafts and short-term borrowings of the Company respectively.

7. FINANCIAL ASSETS *(continued)*

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)	5,632,705,629,670	5,609,634,052,170	3,564,875,010,978	3,536,444,006,045
Advances to investors (2)	126,735,539,319	126,735,539,319	214,303,031,818	214,303,031,818
Advances under securities brokerage contract (3)	4,631,161,109	4,631,161,109	-	-
Total	**5,764,072,330,098**	**5,741,000,752,598**	**3,779,178,042,796**	**3,750,747,037,863**

(1) Securities under margin transaction are used as collaterals for the loans granted by the Company to investors. As at 31 December 2017 and 31 December 2016, the par value of those securities that are used as collaterals for margin trading was VND 6,040,499,840,000 and VND 5,207,197,455,000 respectively, (the market value of those securities that are used as collaterals for margin trading was VND16,549,831,922,670 and VND10,152,327,220,100 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 contracts for selling 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 and receivables is measured at cost less provision for doubtful debts.

7.5 Change in market values of financial assets

Financial assets	Ending balance				Opening balance (restated)			
		Revaluation difference				Revaluation difference		
	Cost (VND)	Increase (VND)	Decrease (VND)	Revaluated value (VND)	Cost (VND)	Increase (VND)	Decrease (VND)	Revaluated value (VND)
FVTPL	**1,423,338,558,776**	**154,500,481,381**	**(146,695,944,057)**	**1,431,143,096,100**	**1,576,762,250,963**	**123,378,771,491**	**(151,094,747,951)**	**1,549,046,274,503**
Listed shares and fund certificates	1,112,681,613,424	140,832,752,940	(115,471,154,984)	1,138,043,211,380	1,192,233,668,924	91,209,567,971	(100,782,147,345)	1,182,661,089,550
Unlisted shares and fund certificates	105,931,465,352	13,667,728,441	(31,224,789,073)	88,374,404,720	82,191,081,939	32,169,203,520	(50,312,600,606)	64,047,684,853
Unlisted bonds	204,725,480,000	-	-	204,725,480,000	302,337,500,100	-	-	302,337,500,100
AFS	**735,818,245,259**	**805,931,474,854**	**(6,886,120,813)**	**1,534,863,599,300**	**962,515,600,866**	**655,482,365,518**	**(2,689,490,143)**	**1,615,308,476,241**
Listed shares	573,611,017,959	789,009,074,854	(6,886,120,813)	1,355,733,972,000	814,610,060,866	638,382,365,518	(2,689,490,143)	1,450,302,936,241
Unlisted shares	162,207,227,300	16,922,400,000	-	179,129,627,300	147,905,540,000	17,100,000,000	-	165,005,540,000
Total	**2,159,156,804,035**	**960,431,956,235**	**(153,582,064,870)**	**2,966,006,695,400**	**2,539,277,851,829**	**778,861,137,009**	**(153,784,238,094)**	**3,164,354,750,744**

8. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND MORTGAGE ASSETS

	Ending balance VND	Opening balance VND
Provision for impairment of loans	(23,071,577,500)	(28,431,004,933)

The provision is made for impairment of loans from margin activities.

9. OTHERS FINANCIAL ASSETS

	Ending balance VND	Opening balance VND
1. Receivables from disposal of investments	26,678,453,070	53,486,347,570
In which: doubtful debts	*2,531,847,570*	*2,531,847,570*
2. Receivables and accruals from dividends and interest income	1,163,550,000	133,000,000
In which: doubtful debts	-	*133,000,000*
3. Advances to suppliers	18,082,112,403	21,135,273,595
4. Receivables from services provided by the Company	55,404,562,922	36,101,403,942
In which: doubtful debts	*12,248,527,916*	*12,971,609,076*
5. Other receivables	71,271,331,370	3,002,523,445
In which: doubtful debts	*521,517,477*	*388,517,477*
6. Provision for impairment of receivables	(15,301,892,963)	(15,922,492,654)
TOTAL	**157,298,116,802**	**97,936,055,898**

Details of provision for impairment of receivables

	Ending balance of doubtful debts VND	Opening balance of provision VND	Addition VND	Reversal VND	Ending balance of provision VND	Opening balance of doubtful debts VND
Provision for doubtful receivables from disposal of financial assets	2,531,847,570	2,531,847,570	-	-	2,531,847,570	2,531,847,570
- Dang Van Sy	*2,531,847,570*	*2,531,847,570*	-	-	*2,531,847,570*	*2,531,847,570*
Provision for doubtful dividend, interest income receivables	-	133,000,000	-	-	-	133,000,000
Doubtful receivables from services provided by the Company	12,248,527,916	12,869,127,607	119,498,819	740,098,510	12,248,527,916	12,971,609,076
- Pyramid New Technology Trade Corporation – advisory fee	*525,000,000*	*525,000,000*	-	-	*525,000,000*	*525,000,000*
- Thai Hoa JSC.	*80,000,000*	*80,000,000*	-	-	*80,000,000*	*80,000,000*
- Eloge France Vietnam JV Pharmaceuticals Company	*80,000,000*	*80,000,000*	-	-	*80,000,000*	*80,000,000*
- Saigon Maritime JSC.	*270,000,000*	*270,000,000*	-	-	*270,000,000*	*270,000,000*
- VIGLACERA Dong Trieu JSC.	-	*101,000,000*	-	*101,000,000*	-	*101,000,000*
- Vietnam Electricity Construction Joint-stock Corporation	*150,000,000*	*150,000,000*	-	-	*150,000,000*	*150,000,000*
- Que Phong Hydropower JSC.	-	*42,898,229*	*28,598,819*	*71,497,048*	-	*142,994,095*
- KSA POLYMER Hanoi JSC.	-	-	*30,000,000*	*30,000,000*	-	-
- Deo Ca Investment JSC.	-	-	*60,900,000*	*60,900,000*	-	-
- Overdue receivables from margin activities – retail investors	*11,143,527,916*	*11,620,229,378*	-	*476,701,462*	*11,143,527,916*	*11,622,614,981*
Other doubtful receivables	521,517,477	388,517,477	-	-	521,517,477	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*	-
- Other receivables	*78,996,055*	*78,996,055*	-	-	*78,996,055*	*78,996,055*
Total	**15,301,892,963**	**15,922,492,654**	**119,498,819**	**740,098,510**	**15,301,892,963**	**16,024,974,123**

10. OTHER SHORT-TERM ASSETS

	Ending balance VND	Beginning balance VND
Advances	9,001,649,610	9,231,952,863
Office supplies, tools and materials	53,710,015	-
Short-term prepaid expenses	10,575,869,709	7,665,228,021
- Prepayment for office tools	*1,506,651,233*	*1,694,143,977*
- Prepayment for services	*9,069,218,476*	*5,971,084,044*
Short-term deposits, collaterals and pledges	931,717,910	893,430,260
Other current assets	114,974,709,156	80,713,062,323
- Investment of which pay-back receipt is in progress (1)	*111,806,519,156*	*80,305,580,600*
- Derivative custody of the Company	*2,446,190,000*	-
- Other	*722,000,000*	*407,481,723*
TOTAL	**135,537,656,400**	**98,503,673,467**

(1) These represent short-term cost of investment relating to the contract between the Company and its customers for selling the shares of Hoang Anh Gia Lai International Agriculture JSC, previously known as Hoang Anh Gia Lai Rubber JSC. Accordingly, the customer will make payments to the Company in accordance with the payment schedule specified in the contract. The control of shares will be transferred to the buyer in line with the payment schedule. The underlying shares after transfer will be blocked and used as collateral assets for the contract. The value of investment awaiting for payback is determined as the difference between original costs of the investment sold, awaiting for payback and the provision for diminution in value of collaterals based on their fair value at reporting date.

11. LONG-TERM INVESTMENTS

	Voting right of the Company	Ownership rate of the Company	Ending balance VND	Beginning balance VND
Held-to-maturity investments			130,424,472,600	41,007,379,429
- Term deposits with maturity of more than 1 year (1)			*80,407,742,840*	*41,007,379,429*
- Sunway Investment JSC bond			*50,016,729,760*	-
Investments in associates (2)			812,945,220,865	709,336,586,920
- Pan Group (PAN)	*20.10%*	*20.02%*	*559,300,480,680*	*478,275,257,353*
- Dong Nai Port JSC. (PDN)	*20.01%*	*20.00%*	*83,455,067,730*	*74,703,544,923*
- Vietnam Fumigation JSC. (VFG)	*20.01%*	*20.00%*	*170,189,672,455*	*156,357,784,644*
TOTAL			**943,369,693,465**	**750,343,966,349**

(1) As at 31 December 2017, among the term deposits which have remaining term of more than one year, there was VND 70 billion used as collaterals for bank overdrafts of the Company.

(2) As at 31 December 2017, among the investments in associates, 13,905,666 shares with par value of VND 139,056,660,000 are used as collaterals for bond issuance in phase 2 of 2017 and 7,987,271 shares with par value of VND 79,872,710,000 are used as collaterals for short-term borrowings of the Company.

Movements of investments in associates of the Company for the year ended 31 December 2017 and 31 December 2016 are as follows:

	Current year VND	Previous year VND
Beginning balance	709,336,586,920	637,417,114,391
Purchase	320,400	25,087,436,000
Adjustment made due to change in ownership rate of associates in their subsidiaries	14,509,242,199	(3,891,899,609)
Difference arising from changes in outstanding shares of associates	-	(7,811,526,899)
Gain from associates recognized in the consolidated income statement during the year	105,518,563,847	73,457,661,737
- Share of profit during the year	*105,518,563,847*	*73,457,661,737*
Dividend received	(16,419,492,501)	(14,922,198,700)
Ending balance	**812,945,220,865**	**709,336,586,920**

12. TANGIBLE FIXED ASSETS

	Buildings and architectures VND	Office machineries VND	Means of transportation VND	Office equipment VND	Total VND
Cost					
1 January 2017	2,609,391,520	71,546,030,857	14,504,261,403	1,293,553,642	89,953,237,422
Increase	-	22,348,505,705	5,241,004,000	-	27,589,509,705
Purchases	-	*22,348,505,705*	*5,241,004,000*	-	*27,589,509,705*
Decrease	-	(150,191,000)	(2,193,848,703)	-	(2,344,039,703)
Disposals	-	*(150,191,000)*	*(2,193,848,703)*	-	*(2,344,039,703)*
31 December 2017	2,609,391,520	93,744,345,562	17,551,416,700	1,293,553,642	115,198,707,424
Accumulated depreciation					
1 January 2017	2,609,391,520	62,871,311,680	10,728,739,431	1,174,346,307	77,383,788,938
Increase	-	5,795,045,186	1,360,381,186	61,207,335	7,216,633,707
Depreciation	-	*5,795,045,186*	*1,360,381,186*	*61,207,335*	*7,216,633,707*
Decrease	-	(150,191,000)	(2,193,848,703)	-	(2,344,039,703)
Disposals	-	*(150,191,000)*	*(2,193,848,703)*	-	*(2,344,039,703)*
31 December 2017	2,609,391,520	68,516,165,866	9,895,271,914	1,235,553,642	82,256,382,942
Net book value					
1 January 2017	-	8,674,719,177	3,775,521,972	119,207,335	12,569,448,484
31 December 2017	-	25,228,179,696	7,656,144,786	58,000,000	32,942,324,482

Additional information on tangible fixed assets:

	Ending balance VND	Beginning balance VND
Cost of tangible fixed assets which are fully depreciated but still in active use	66,733,888,938	64,947,047,965

13. INTANGIBLE FIXED ASSETS

	Software VND	Land use rights VND	Other intangible fixed assets VND	Total VND
Cost				
1 January 2017	56,887,231,019	109,671,558,000	6,649,215,842	173,208,004,861
Increase	13,649,176,640	-	75,000,000	13,724,176,640
Purchases	*13,649,176,640*	-	*75,000,000*	*13,724,176,640*
Decrease	-	-	-	-
31 December 2017	70,536,407,659	109,671,558,000	6,724,215,842	186,932,181,501
Accumulated amortisation				
1 January 2017	50,188,404,092	-	4,172,166,570	54,360,570,662
Increase	3,420,374,684	-	992,237,223	4,412,611,907
Amortisation	*3,420,374,684*	-	*992,237,223*	*4,412,611,907*
Decrease	-	-	-	-
31 December 2017	53,608,778,776	-	5,164,403,793	58,773,182,569
Net book value				
1 January 2017	6,698,826,927	109,671,558,000	2,477,049,272	118,847,434,199
31 December 2017	16,927,628,883	109,671,558,000	1,559,812,049	128,158,998,932

Additional information on intangible fixed assets:

	Ending balance VND	Beginning balance VND
Land use rights used as collaterals for bond issuance	109,671,558,000	109,671,558,000
Cost of intangible fixed assets which are fully depreciated but still in active use	49,423,625,651	48,118,076,411
TOTAL	**159,095,183,651**	**157,789,634,411**

14. INVESTMENT PROPERTIES

	Buildings and lands VND
Cost	
Opening balance	314.275.801.824
Decrease	(41.358.044.249)
- Disposal	*(40.615.165.225)*
- Exchange rate difference arising from conversion of subsidiary's financial statements	*(742.879.024)*
Closing balance	272.917.757.575
Accumulated amortisation	
Opening balance	52.934.629.860
Depreciation	9.317.967.530
Decrease	(7.565.566.777)
- Disposal	*(7.432.446.420)*
- Exchange rate difference arising from conversion of subsidiary's financial statements	*(133.120.357)*
Closing balance	54.687.030.613
Net book value	
Opening balance	261.341.171.964
Closing balance	218.230.726.962

14. INVESTMENT PROPERTIES *(continued)*

Investment properties are buildings in the United States of America which were bought by SSI International Company for leasing purpose. As at 31 December 2017, 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 Fund maintains bank account. Difference arising from the conversion is to be presented in the "Foreign exchange difference" item in Owners' equity. In the year, the Company sold a part of investment properties.

15. CONSTRUCTION IN PROGRESS

	Ending balance VND	Beginning balance VND
Software development	21,147,664,427	20,770,698,684
Others (machineries and equipments)	26,006,810,328	26,006,810,328
TOTAL	**47,154,474,755**	**46,777,509,012**

16. LONG-TERM PREPAID EXPENSES

	Ending balance VND	Beginning balance VND
Long-term prepaid expenses	35,571,900,952	25,895,763,102

Long-term prepaid expenses 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 INCOME TAX ASSETS

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

	Ending balance VND	Beginning balance (restated) VND
Deferred income tax asset		
Provision for impairment of unlisted shares arising from temporary non-deductible taxable in the year	3,970,000,000	7,567,907,481
Provision for diminution in value of the temporary non-deductible taxable investment awaiting for payback	30,641,602,244	39,731,416,589
Provision for impairment of temporary non-deductible taxable loans	6,414,053,999	8,010,246,862
Temporary taxable income incurred in 2015	25,774,769,047	27,131,335,840
Temporary taxable expense incurred in 2017	4,088,693,648	-
Unrealised revenue resulting from consolidated financial statement	5,658,251,567	5,658,251,567
TOTAL	**76,547,370,505**	**88,099,158,339**
Deferred income tax payable		
Deferred income tax payable from income of subsidiaries	(800,808,029)	57,285,850
Deferred income tax arising from the assessment of FVTPL and AFS financial assets	191,840,742,182	24,616,425,620
TOTAL	**191,039,934,153**	**24,673,711,470**

18. PAYMENT FOR SETTLEMENT ASSISTANCE FUND

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

According to Decision No. 57/QD-VSD dated 28 May 2012 issued by the General Director of the Vietnam Securities Depository, Decision No. 87/2007/QĐ-BTC dated 22 October 2007 by the Minister of Finance regarding the issuance of regulations on registration, custody, clearing and settlement of securities, Circular No. 43/2010/TT-BTC dated 25 March 2010 amending and supplementing the regulations on registration, custody, clearing and settlement of securities, Decision No. 27/QD-VSD dated 13 March 2015 on the promulgation of regulations on management and use of the settlement assistance fund by the General Director of the Vietnam Securities Depository; the Company must deposit an initial amount of VND120 million at the Vietnam Securities Depository and pay an addition of 0.01% of the total amount of brokered securities in the previous year, but not over VND 2.5 billion per annum. The maximum contribution of each custody member which is a securities company providing brokerage service 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	Beginning 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 these consolidated financial statements, the following assets have been used as collaterals for borrowings:

Assets	Ending balance VND	Beginning balance VND	Purposes
Short-term			
- Financial assets at FVTPL (par value)	183,670,880,000	130,810,880,000	Collaterals for bond issuance and short-term borrowings
- AFS financial assets (par value)	92,994,180,000	98,494,180,000	Collaterals for bond issuance and short-term borrowings
- Term deposits with maturity of over 3 months to 1 year	7,832,000,000,000	5,168,100,000,000	Collaterals for short-term borrowings and bank overdraft
Long-term			
- Term deposits with maturity of more than 1 year	70,000,000,000	41,000,000,000	Collaterals for bank overdraft and short-term borrowings
- Investments in associates (par value)	218,929,370,000	185,139,370,000	Collaterals for bond issuance and short-term borrowings
- Intangible fixed assets	109,671,558,000	109,671,558,000	Collaterals for bond issuance
Total	**8,507,265,988,000**	**5,733,215,988,000**	

20. SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES

	Interest rate % per annum	Beginning balance VND	Addition during the year VND	Repayment during the year VND	Ending balance VND
Short-term borrowings		**4,819,340,678,085**	**48,901,455,932,980**	**45,216,908,947,381**	**8,503,887,663,684**
Bank overdrafts	0.8 - 7	1,254,340,678,085	33,327,925,932,980	32,648,908,947,381	1,933,357,663,684
Short-term borrowings from banks	1.5 - 7.7	3,565,000,000,000	15,573,530,000,000	12,568,000,000,000	6,570,530,000,000
- JS Commercial Bank for Foreign Trade of Vietnam (Vietcombank)		*2,971,000,000,000*	*8,332,000,000,000*	*8,204,000,000,000*	*3,099,000,000,000*
- Vietnam International Commercial JS Bank (VIB)		*247,000,000,000*	*670,000,000,000*	*627,000,000,000*	*290,000,000,000*
- Petrolimex Group Commercial JS Bank (PG Bank)		*347,000,000,000*	*1,690,000,000,000*	*1,587,000,000,000*	*450,000,000,000*
- Sinopac – HongKong (1)		-	*136,530,000,000*	-	*136,530,000,000*
- CTBC Bank Ho Chi Minh Branch		-	*110,000,000,000*	-	*110,000,000,000*
- Techcombank JSC.		-	*3,705,000,000,000*	*1,420,000,000,000*	*2,285,000,000,000*
- National Citizen Bank JSC.		-	*400,000,000,000*	*200,000,000,000*	*200,000,000,000*
- HD Bank JSC.		-	*530,000,000,000*	*530,000,000,000*	-
Short-term finance lease liabilities		-	-	-	-
Total		**4,819,340,678,085**	**48,901,455,932,980**	**45,216,908,947,381**	**8,503,887,663,684**

(1) This is the borrowing from Bank Sinopac of Hong Kong under contract No. BFL/HK/161019/238 with a total value of USD 6,000,000, initial interest rate of 2.97% and contractual term of 3 months. As at 31 October 2017, this borrowing was rolled forward with the new term from 31 October 2017 to 31 January 2018 and interest rate of 3.18%. 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 as at 31 October 2017 with a total contract value of USD 6,048,771. The difference between forward rate and spot rate is allocated over the duration of the contract and is recognized as an unrealized loss during the year.

21. BOND ISSUANCE

	Ending balance VND	Beginning balance VND
Short-term bond issuance	**199,871,666,661**	**376,000,000,000**
SSIBOND012015	-	76,000,000,000
SSIBOND022015	-	300,000,000,000
SSIBOND012016	200,000,000,000	-
Cost to issue SSIBOND012016 bonds	(128,333,339)	-
Long-term bond issuance	**569,300,000,000**	**199,651,666,665**
SSIBOND012016	-	200,000,000,000
SSIBOND012017	269,500,000,000	-
SSIBOND022017	300,000,000,000	-
Cost to issue SSIBOND012016	-	(348,333,335)
Cost to issue SSIBOND022017	(200,000,000)	-
Total	**769,171,666,661**	**575,651,666,665**

SSIBOND012016 are ordinary bonds, which were issued in phase 1 in August 2016 under Resolution No. 03/2016/NQ/HDQT dated 28 July 2016 with a quantity of 200 bonds and par value of VND 1 billion per bond. These bonds are collateralized using the Company's listed shares in accordance with the bond contracts. These bonds are secured in 2 years which bear interest at rate which is maximum of 1.2% per year and the average interest rate of 12 months savings deposit dominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam International Commercial Joint Stock Bank (Ly Thuong Kiet branch, Hanoi).

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. Bond yields, in the first 12 months from the date of issue, are fixed at 8.5% per annum. For the remaining term of the bonds, they bears interest at rate which is maximum of 2% per year and the average interest rate of 12 months savings deposit dominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch) and Vietnam Bank for Agriculture and Rural Development (operation center). On the Interest Determination date, if any Reference Bank does not announce the Reference Interest rate, the Bond interest rate will be calculated on the basis of the average of the Reference Interest Rates from the remaining Reference Banks. In the year, the Company bought 61 bonds and par value of VND 30.5 billion.

SSIBOND022017 are ordinary bonds, which were issued in phase 2 in April 2017 under Resolution No. 05/2017/NQ/HDQT dated 21 April 2017 with a quantity of 600 bonds and par value of VND 500 million per bond. These bonds are collateralized using the Company's listed shares and land use rights in accordance with the bond contracts. These bonds have maturities of 2 years and interest at rate which is maximum of 1.2% per year and the average interest rate of 12 months savings deposit dominated in VND, published by JSC Bank for Foreign Trade of Vietnam (operation center), JSC Bank for Investment and Development of Vietnam (operation center branch No. 1), JSC Bank for Industry and Trade of Vietnam (Hanoi branch), Vietnam Bank for Agriculture and Rural Development (operation center) and Vietnam International Commercial Joint Stock Bank (Head Office).

22. PAYABLES FOR SECURITIES TRADING ACTIVITIES

	Ending balance VND	Beginning balance VND
Payables to Stock Exchange (payables for purchases of financial assets)	-	39,617,787,653

23. PAYABLES TO SUPPLIERS

	Ending balance VND	Beginning balance VND
Services fee payables	-	2,261,250,000
TTT Trading and Construction JSC.	-	2,418,020,814
Vietnam Technology Trading Limited	2,209,448,340	-
Other payables	5,649,516,647	4,582,239,464
Total	**7,858,964,987**	**9,261,510,278**

24. TAXATION AND STATUTORY OBLIGATIONS

	Ending balance VND	Beginning balance VND
Value added tax	8,686,432,893	5,482,965,448
Corporate income tax	84,299,155,217	51,481,407,842
Personal income tax	34,307,983,524	14,280,175,092
Foreign contractors withholding tax	4,369,178,622	2,572,254,856
Total	**131,662,750,256**	**73,816,803,238**

ITEMS	Beginning balance VND	Payable in the year VND	Paid in the year VND	Ending balance VND
I Tax	**73,816,803,238**	**488,862,548,373**	**431,016,601,355**	**131,662,750,256**
1 Value added tax on domestic goods or services	5,482,965,448	11,972,006,385	8,768,538,940	8,686,432,893
2 Corporate income tax *(Note 39.1)*	51,481,407,842	227,147,912,674	194,330,165,299	84,299,155,217
3 Other taxes	16,852,429,948	249,742,629,314	227,917,897,116	38,677,162,146
Personal income tax	*4,453,852,735*	*51,324,108,517*	*44,276,969,720*	*11,500,991,532*
Personal income tax on behalf of investors	*9,826,322,357*	*169,498,375,243*	*156,517,705,608*	*22,806,991,992*
Business registration tax	-	*15,000,000*	*15,000,000*	-
Others	*2,572,254,856*	*28,905,145,554*	*27,108,221,788*	*4,369,178,622*
II Other obligatory payables	**-**	**105,892,182**	**105,892,182**	**-**
Total	**73,816,803,238**	**488,968,440,555**	**431,122,493,537**	**131,662,750,256**

25. ACCRUED EXPENSES

	Ending balance VND	Beginning balance VND
Accrued payable to Stock Exchange and Vietnam Securities Depository	15,590,197,526	6,468,105,688
Interest payable for bonds issued by the Company	44,326,050,038	28,295,676,827
Interest payable for borrowings	11,252,507,067	5,667,044,384
Accrued expenses on securities brokerage contracts	602,246,575	981,350,992
Accrued services fee	760,000,000	630,000,000
Commission payable to counter parties	10,173,691,278	2,212,907,642
Others	10,310,121,768	18,743,491,336
Total	**93,014,814,252**	**62,998,576,869**

26. OTHER SHORT-TERM PAYABLES

	Ending balance VND	Beginning balance VND
Deposits from customers for purpose of purchasing (1)	180,000,000,000	262,800,421,276
Dividend payables to the Company's shareholders	6,264,934,750	5,490,560,750
Coupon payables for bonds issued by the Company	700,120,490	701,639,024
Payables to customers relating for the proceeds from purchase/sale of securities	-	28,354,700,000
Other payables	1,833,844,723	2,768,579,757
Total	**188,798,899,963**	**300,115,900,807**

(1) Deposits from customers for purpose of purchasing represent cash deposits of customers related to securities brokerage and securities purchase contracts. The Company has commitment to use these deposits for purchasing securities as requested by customers

27. LONG-TERM 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 other shares to associates	4,491,927,766	4,491,927,766
Total	**33,511,108,968**	**33,511,108,968**

Unrealised profit is recorded when the Company sells shares to an associate. The above figures are presented in correspondence to the Company's ownership rate in the associates which purchased those shares.

28. OWNERS' EQUITY

28.1 Undistributed profit

	Ending balance VND	Beginning balance (restated) VND
Realized profit	2,235,685,451,553	1,727,170,255,230
Unrealized profit	(23,060,491,261)	(52,332,402,080)
Total	**2,212,624,960,292**	**1,674,837,853,150**

28. OWNERS' EQUITY (continued)

28.2 Changes in owners' equity

	Share capital VND	Share premium VND	Treasury shares VND	Difference from revaluation of assets at fair value VND	Foreign exchange rate differences VND	Charter capital supplementary reserve VND	Operational and financial reserve VND	Undistributed profit VND	Non-controlling interests VND	Total VND
Beginning balance *(restated)*	4,900,636,840,000	29,265,860,000	(2,492,782,800)	652,792,875,375	34,056,420,954	311,560,605,893	227,053,011,209	1,674,837,853,150	79,101,184,212	7,906,811,867,993
Profit after tax	-	-	-	-	-	-	-	1,161,104,595,823	-	1,161,104,595,823
Share issuance to employees under Resolution of General Shareholders Meeting	100,000,000,000	-	-	-	-	-	-	-	-	100,000,000,000
Cash dividends in 2016 (10%)	-	-	-	-	-	-	-	(489,845,250,000)	-	(489,845,250,000)
Other increase	-	-	-	-	-	-	-	366,225,000	-	366,225,000
Cost to issue share in 2016 and Charge for exercising rights	-	(74,000,000)	-	-	-	-	-	-	-	(74,000,000)
Selling treasury shares	-	290,896,034	252,167,966	-	-	-	-	-	-	543,064,000
Revaluation of AFS financial assets	-	-	-	(14,896,631,308)	-	-	-	-	-	(14,896,631,308)
Charter capital supplementary reserve	-	-	-	-	-	43,851,792,903	-	(43,851,792,903)	-	-
Operational and financial reserve	-	-	-	-	-	-	43,851,792,903	(43,851,792,903)	-	-
Bonus, welfare, and charity funds under Resolution of the General Meeting of Shareholders	-	-	-	-	-	-	-	(61,392,510,064)	-	(61,392,510,064)
Foreign exchange rate differences arising from conversion of subsidiary's financial statements	-	-	-	-	(876,907,741)	-	-	-	-	(876,907,741)
Difference arising from associates' changes of investment portion in their subsidiaries	-	-	-	-	-	-	-	14,509,242,199	-	14,509,242,199
Non-controlling interest	-	-	-	-	-	-	-	748,389,990	(748,389,990)	-
Ending balance	**5,000,636,840,000**	**29,482,756,034**	**(2,240,614,834)**	**637,896,244,067**	**33,179,513,213**	**355,412,398,796**	**270,904,804,112**	**2,212,624,960,292**	**78,352,794,222**	**8,616,249,695,902**

28. OWNERS' EQUITY (continued)

28.3 Profit distribution to shareholders

	Current year VND	Previous year (restated) VND
1. Undistributed realized profit at the beginning of the year (as at 1/1/2017 and 1/1/2016)	1,727,170,255,230	1,528,039,483,892
2. Unrealized loss at the end of the year (as at 31/12/2017 and 31/12/2016)	(146,869,340,452)	(151,094,747,873)
3. Realized profit of the year	1,147,456,542,194	841,881,337,875
4. Undistributed profit belonging to shareholders at the end of the year ((4) = (1) + (2) + (3))	2,727,757,456,972	2,218,826,073,894
5. Reserve appropriated from undistributed profit	(149,096,095,870)	(162,913,648,537)
- Charter capital supplementary reserve	*(43,851,792,903)*	*(43,483,653,676)*
- Operational and financial reserve	*(43,851,792,903)*	*(43,483,653,676)*
- Bonus, welfare and charity funds	*(61,392,510,064)*	*(59,633,400,253)*
- Others	-	*(16,312,940,932)*
6. Profit distributed to shareholders during the year in accordance with Resolution of General Shareholders Meeting	(489,845,250,000)	(479,836,918,000)
Maximal profit available for distribution to shareholders (1)	**2,088,816,111,102**	**1,576,075,507,357**

(1) Including realized profit and unrealized loss at the end of the year as presented in Notes 7.5, 28.1 and 36.

28.4 Shares

	Ending balance (shares)	Beginning balance (shares)
Authorized shares	**500,063,684**	**490,063,684**
Issued shares	**500,063,684**	**490,063,684**
Shares issued and fully paid	500,063,684	490,063,684
- Ordinary shares	*500,063,684*	*490,063,684*
- Preference shares	-	-
Treasury shares	**(214,314)**	**(238,434)**
Treasury shares held by the Company	(214,314)	(238,434)
- Ordinary shares	*(214,314)*	*(238,434)*
- Preference shares	-	-
Outstanding shares	**499,849,370**	**489,825,250**
- Ordinary shares	*499,849,370*	*489,825,250*
- Preference shares	-	-

29. DISCLOSURE ON OFF-BALANCE SHEET ITEMS

29.1 Foreign currencies

	Ending balance	Beginning balance
USD	5,163,658,21	5,028,241,29
EUR	84,352,36	57,765,13
GBP	38,197,09	-

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

	Ending balance VND	Beginning balance VND
Unrestricted financial assets	395,764,690,000	495,544,100,000
Mortgage financial assets	495,594,430,000	414,444,430,000
Financial assets awaiting settlement	1,158,100,000	50,000,000,000
Total	**892,517,220,000**	**959,988,530,000**

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

	Ending balance VND	Beginning balance VND
Unrestricted and non-traded financial assets deposited at VSD	9,485,780,000	9,552,040,000
Restricted and non-traded financial assets deposited at VSD	1,000,000,000	1,000,000,000
Total	**10,485,780,000**	**10,552,040,000**

29.4 Awaiting financial assets of the Company

	Ending balance VND	Beginning balance VND
Shares	5,520,000	4,660,000

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

	Ending balance VND	Beginning balance VND
Fund certificates	59,459,920,000	7,425,740,000
Shares	70,732,100,000	143,199,470,000
Bonds	250,000,000,000	310,895,100,000
Total	**380,192,020,000**	**461,520,310,000**

29.6 Financial assets listed/registered for trading at VSD of investors

	Ending balance VND	Beginning balance VND
Unrestricted financial assets	27,586,903,680,000	22,283,452,350,000
Restricted financial assets	572,565,500,000	682,966,010,000
Mortgage financial assets	4,435,948,560,000	3,600,644,250,000
Blocked financial assets	30,525,850,000	15,664,600,000
Financial assets awaiting for settlement	651,051,790,000	290,207,840,000
Financial assets awaiting for lending	-	-
Total	**33,276,995,380,000**	**26,872,935,050,000**

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

29.7. Non-traded financial assets deposited at VSD of investors

	Ending balance VND	Beginning balance VND
Unrestricted and non-traded financial assets deposited at VSD	1,382,746,250,000	1,447,750,000,000
Restricted and non-traded financial assets deposited at VSD	52,256,010,000	102,298,110,000
Mortgaged and non-traded financial assets deposited at VSD	102,139,650,000	102,139,650,000
Total	**1,537,141,910,000**	**1,652,187,760,000**

29.8 Awaiting financial assets of investors

	Ending balance VND	Beginning balance VND
Shares	558,055,700,000	277,151,500,000

29.9 Financial assets unlisted/unregistered at VSD of investors

	Ending balance VND	Beginning balance VND
Shares	587,746,830,000	40,192,750,000

29.10 Entitled financial assets of investors

	Ending balance VND	Beginning balance VND
Shares	20,760,290,000	49,722,960,000

29.11 Investors' deposits

	Ending balance VND	Beginning balance VND
Investors' deposits for securities trading activities managed by the Company	3,834,955,125,947	1,616,354,145,533
-Domestic investors' deposits for securities trading activities managed by the Company	*3,689,941,868,332*	*1,509,185,425,722*
-Foreign investors' deposits for securities trading activities managed by the Company	*145,013,257,615*	*107,168,719,811*
Investors' deposits at VSD	145,075,049,045	-
Investors' synthesizing deposits for securities trading activities	17,567,220,094	5,034,657,285
Total	**3,997,597,395,086**	**1,621,388,802,818**

29.12 Deposits of securities issuers

	Ending balance VND	Beginning balance VND
Deposits for securities underwriting and issuance agency services	17,697,679,784	8,894,522,160
Deposits for dividends, bond principals and interest payments	1,383,407,764	704,446,974
Total	**19,081,087,548**	**9,598,969,134**

29.13 Payables to investors

	Ending balance VND	Beginning balance VND
Payables to investors - investors' deposits for securities trading activities managed by the Company	3,980,030,174,992	1,616,354,145,533
- Domestic investors	*3,834,932,579,377*	*1,509,185,425,722*
- Foreign investors	*145,097,595,615*	*107,168,719,811*
Total	**3,980,030,174,992**	**1,616,354,145,533**

29.14 Payables to securities issuers

	Ending balance VND	Beginning balance VND
Other payables to securities issuers	17,697,679,784	8,894,522,160

29.15 Dividend, bond principal and interest payables

	Ending balance VND	Beginning balance VND
Dividends, bond principals and interest payables to securities issuers	1,383,407,764	704,446,974

30. GAIN/(LOSS) FROM FINANCIAL ASSETS

30.1. Gain/(loss) from disposal of financial assets at FVTPL

No.	Financial assets	Quantity Unit	Selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Gain from disposal in the current year VND	Gain from disposal in the previous year (restated) VND
I	**Gain from disposal**						
1	**Listed shares**	**28,037,058**		**1,103,297,245,800**	**973,524,700,903**	**129,772,544,897**	**216,200,228,212**
	LAS	3,349,500	13,259	44,410,818,476	40,524,944,196	3,885,874,280	1,870,522,042
	FPT	5,326,740	48,943	260,708,824,312	239,768,838,937	20,939,985,375	9,960,801,842
	CTD	561,280	232,556	130,529,044,000	116,746,240,000	13,782,804,000	-
	PVS	3,868,477	18,257	70,627,522,800	65,465,357,265	5,162,165,535	-
	HPG	4,907,410	39,344	193,078,604,441	167,684,985,789	25,393,618,652	53,545,199,311
	PLX	1,976,930	64,161	126,842,434,195	106,220,466,574	20,621,967,621	-
	VSC	681,420	62,094	42,312,046,828	39,121,669,184	3,190,377,644	3,639,277,390
	ABC	171,200	48,014	8,220,050,000	5,564,000,000	2,656,050,000	101,180,000
	Other listed shares	7,194,101		226,567,900,748	192,428,198,958	34,139,701,790	147,083,247,627
2	**Unlisted shares and others**	**5,996,398**		**242,283,448,200**	**210,890,670,201**	**31,392,777,999**	**57,500,000**
	VEAM	4,490,000	23,765	106,703,400,000	84,323,400,000	22,380,000,000	-
	SSIR	1,499,999	15,000	22,499,985,000	15,000,000,000	7,499,985,000	-
	Viet Tin JSC	6,299	1,250,000	7,873,750,000	6,654,826,400	1,218,923,600	-
	Certificates of deposit	100		105,206,313,200	104,912,443,801	293,869,399	-
	Other unlisted shares	-		-	-	-	57,500,000
3	**Listed bonds**	**79,610,000**		**8,595,989,140,000**	**8,554,906,299,726**	**41,082,840,274**	**68,529,512,783**
	TP_TD1727397	5,500,000	102,469	563,578,000,000	554,760,500,000	8,817,500,000	-
	TP_TD1520267	3,000,000	108,074	324,222,000,000	318,297,000,000	5,925,000,000	-
	TP_TD1724415	2,500,000	101,543	253,858,500,000	249,278,500,000	4,580,000,000	-
	TP_TD1732404	1,000,000	108,863	108,863,000,000	106,464,000,000	2,399,000,000	-
	TP_TD1727396	1,000,000	104,386	104,386,000,000	102,093,000,000	2,293,000,000	-
	TP_TD1631461	1,000,000	100,113	100,113,000,000	98,000,000,000	2,113,000,000	5,659,000,000
	TP_TD1621451	1,000,000	110,531	110,531,000,000	108,774,000,000	1,757,000,000	-
	TP_TP4A0206	1,900,000	115,551	219,546,900,000	217,973,700,000	1,573,200,000	-
	Other listed bonds	62,710,000		6,810,890,740,000	6,799,265,599,726	11,625,140,274	62,870,512,783
4	**Unlisted bonds**	**2,500**		**729,080,246,300**	**673,724,368,500**	**55,355,877,800**	**348,951,300**
	TP_VNCMBOND14_19	200	1,024,003,546	204,800,709,200	170,826,868,400	33,973,840,800	-
	TP_BHS BOND 2016	300	1,065,397,330	319,619,199,100	302,337,500,100	17,281,699,000	-
	Other unlisted bonds	2,000		204,660,338,000	200,560,000,000	4,100,338,000	348,951,300
5	**Gain from derivative contracts**	**-**		**-**	**-**	**638,065,000**	**-**
	Total	**113,645,956**		**10,670,650,080,300**	**10,413,046,039,329**	**258,242,105,970**	**285,136,192,295**

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

30.1. Gain/(loss) from disposal of financial assets at FVTPL (continued)

No.	Financial assets	Quantity Unit	Selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Gain from disposal in the current year VND	Gain from disposal in the previous year (restated) VND
II	**Loss from disposal**						
1	**Listed shares**	**16,348,991**		**443,530,517,491**	**530,014,391,889**	**(86,483,874,398)**	**(84,780,041,909)**
	PET	3,039,490	10,185	30,957,745,700	45,061,607,396	(14,103,861,696)	-
	PVS	3,860,000	16,800	64,848,000,000	77,810,665,580	(12,962,665,580)	(33,035,519,290)
	SGN	597,902	121,611	72,711,311,000	85,510,664,200	(12,799,353,200)	-
	ABC	1,161,302	19,836	23,035,240,000	36,275,250,000	(13,240,010,000)	-
	VSC	1,890,570	54,928	103,844,381,480	113,381,579,893	(9,537,198,413)	-
	VNS	545,900	13,085	7,142,958,500	15,503,944,987	(8,360,986,487)	-
	Other listed shares	5,253,827		140,990,880,811	156,470,679,833	(15,479,799,022)	(51,744,522,619)
2	**Unlisted shares**	**3,400,618**		**60,200,961,800**	**83,593,611,000**	**(23,392,649,200)**	**-**
	VEAM	2,870,000	20,957	60,147,900,000	70,258,900,000	(10,111,000,000)	-
	Other unlisted shares	530,618		53,061,800	13,334,711,000	(13,281,649,200)	-
3	**Listed Bonds**	**18,750,000**		**1,996,306,659,701**	**2,000,849,017,124**	**(4,542,357,423)**	**(16,934,393,357)**
	TP_BVDB15207	250,000	98,981	24,745,262,840	25,502,250,000	(756,987,160)	(5,051,956,863)
	TP_TD1520269	500,000	101,390	50,695,126,132	51,779,500,000	(1,084,373,868)	(3,298,000,000)
	TP_TD1518357	3,000,000	102,855	308,566,270,729	311,195,000,000	(2,628,729,271)	(3,417,205,106)
	TP_TD1621455	2,000,000	103,655	207,310,000,000	207,521,643,836	(211,643,836)	-
	TP_VDB110029	500,000	116,978	58,489,000,000	58,593,623,288	(104,623,288)	-
	Other listed bonds	12,500,000		1,346,501,000,000	1,346,257,000,000	244,000,000	(5,167,231,388)
4	**Unlisted Bonds**			**409,000,000,000**	**451,783,545,467**	**(42,783,545,467)**	**(30,000,000,000)**
5	**Loss from derivative contracts**	**-**		**-**	**-**	**(551,920,000)**	**-**
	Total	**38,503,209**		**2,909,038,138,992**	**3,066,240,565,480**	**(157,754,346,488)**	**(131,714,435,266)**

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

30.2 Gain/(loss) from revaluation of financial assets

No.	Financial assets	Cost VND	Carrying value VND	Revaluation difference at the end of the year VND	Revaluation difference at the beginning of the year (restated) VND	Gain/(loss) recorded this year VND	Increase VND	Decrease VND
I	**FVTPL**	**1,423,338,558,776**	**1,431,143,096,100**	**7,804,537,324**	**(27,715,976,460)**	**35,520,513,784**	**363,520,691,804**	**(328,000,178,020)**
1	***Listed shares***	***1,112,681,613,424***	***1,138,043,211,380***	***25,361,597,956***	***(9,572,579,374)***	***34,934,177,330***	***327,560,540,169***	***(292,626,362,839)***
	DBC	*251,330,479,988*	*254,267,187,300*	*2,936,707,312*	*40,555,525,722*	*(37,618,818,410)*	*8,926,995,312*	*(46,545,813,722)*
	ELC	*204,171,484,764*	*128,615,243,800*	*(75,556,240,964)*	*28,516,506,055*	*(104,072,747,019)*	*816,030,000*	*(104,888,777,019)*
	PLX	*180,274,333,463*	*290,288,850,000*	*110,014,516,537*	*-*	*110,014,516,537*	*141,654,924,972*	*(31,640,408,435)*
	FMC	*177,875,499,093*	*176,062,033,200*	*(1,813,465,893)*	*(2,750)*	*(1,813,463,143)*	*92,400*	*(1,813,555,543)*
	SSC	*89,052,898,063*	*99,322,819,200*	*10,269,921,137*	*(48,681,041,749)*	*58,950,962,886*	*65,680,064,086*	*(6,729,101,200)*
	FPT	*66,533,044,267*	*65,851,317,300*	*(681,726,967)*	*582,568,887*	*(1,264,295,854)*	*2,947,331,034*	*(4,211,626,888)*
	VAF	*66,339,779,235*	*35,692,880,000*	*(30,646,899,235)*	*(22,513,703,217)*	*(8,133,196,018)*	*6,857,813,582*	*(14,991,009,600)*
	VCG	*32,961,896,579*	*26,601,515,400*	*(6,360,381,179)*	*4,888,514*	*(6,365,269,693)*	*17,094,600*	*(6,382,364,293)*
	HPG	*21,461,319,460*	*30,578,713,900*	*9,117,394,440*	*493,407,484*	*8,623,986,956*	*22,684,860,407*	*(14,060,873,451)*
	Other listed shares	*22,680,878,512*	*30,762,651,280*	*8,081,772,768*	*(8,530,728,320)*	*16,612,501,088*	*77,975,333,776*	*(61,362,832,688)*
2	***Unlisted shares***	***105,931,465,352***	***88,374,404,720***	***(17,557,060,632)***	***(18,143,397,086)***	***586,336,454***	***35,960,151,635***	***(35,373,815,181)***
	DCC	*17,456,571,492*	*8,182,129,000*	*(9,274,442,492)*	*(8,118,950,992)*	*(1,155,491,500)*	*-*	*(1,155,491,500)*
	Other unlisted shares	*88,474,893,860*	*80,192,275,720*	*(8,282,618,140)*	*(10,024,446,094)*	*1,741,827,954*	*35,960,151,635*	*(34,218,323,681)*
3	***Unlisted Bonds***	***204,725,480,000***	***204,725,480,000***	*-*	*-*	*-*	*-*	*-*
II	**AFS**	**735,818,245,259**	**1,534,863,599,300**	**799,045,354,041**	**652,792,875,369**	**146,252,478,672**	**607,628,548,568**	**(461,376,069,896)**
1	***Listed shares***	***573,611,017,959***	***1,355,733,972,000***	***782,122,954,041***	***635,692,875,369***	***146,430,078,672***	***535,538,548,568***	***(389,108,469,896)***
	VSC	*44,725,223,998*	*50,970,695,000*	*6,245,471,002*	*28,488,418,205*	*(22,242,947,203)*	*21,813,718,199*	*(44,056,665,402)*
	TMS	*107,326,574,160*	*211,426,560,000*	*104,099,985,840*	*133,245,732,338*	*(29,145,746,498)*	*81,347,232,178*	*(110,492,978,676)*
	OPC	*113,376,260,629*	*233,773,800,000*	*120,397,539,371*	*38,246,300,493*	*82,151,238,878*	*82,162,912,000*	*(11,673,122)*
	CTD	*21,309,357,211*	*31,435,255,500*	*10,125,898,289*	*20,291,539,939*	*(10,165,641,650)*	*26,375,182,289*	*(36,540,823,939)*
	DHC	*48,060,985,032*	*102,335,269,400*	*54,274,284,368*	*22,265,945,650*	*32,008,338,718*	*40,691,508,800*	*(8,683,170,082)*
	HAH	*26,089,630,020*	*19,228,100,000*	*(6,861,530,020)*	*(1,221,396,066)*	*(5,640,133,954)*	*320,536,196*	*(5,960,670,050)*
	SGN	*188,296,511,801*	*673,461,151,200*	*485,164,639,399*	*358,612,684,154*	*126,551,955,245*	*273,837,484,460*	*(147,285,529,215)*
	Other listed shares	*24,426,475,108*	*33,103,140,900*	*8,676,665,792*	*35,763,650,656*	*(27,086,984,864)*	*8,989,974,446*	*(36,076,959,410)*
2	***Unlisted shares***	***162,207,227,300***	***179,129,627,300***	***16,922,400,000***	***17,100,000,000***	***(177,600,000)***	***72,090,000,000***	***(72,267,600,000)***
	Vietnam Engine and Agriculture Machinery Corporation JSC.	*37,725,600,000*	*54,648,000,000*	*16,922,400,000*	*17,100,000,000*	*(177,600,000)*	*72,090,000,000*	*(72,267,600,000)*
	Other unlisted shares	*124,481,627,300*	*124,481,627,300*	*-*	*-*	*-*	*-*	*-*
	Total	**2,159,156,804,035**	**2,966,006,695,400**	**806,849,891,365**	**625,076,898,909**	**181,772,992,456**	**971,149,240,372**	**(789,376,247,916)**

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

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

	Current year VND	Previous year (restated) VND
From financial assets at FVTPL	46,442,916,976	41,285,789,185
From HTM financial assets	450,841,549,874	344,890,502,306
From loans and receivables	519,650,863,341	429,400,211,341
From AFS financial assets	259,243,270,357	342,218,316,379
Dividends, interests arising from AFS financial assets	*32,949,734,100*	*75,010,273,478*
Difference arising from revaluation of AFS financial assets at fair value when reclassification for selling purpose	*226,293,536,257*	*267,208,042,901*
- VSC	*21,138,434,758*	*10,078,647,212*
- TMS	*21,002,076,949*	*111,791,980,359*
- VEAM	*49,435,600,000*	*-*
- VHL	*32,744,864,591*	*45,244,669,541*
- CTD	*30,578,534,400*	*-*
- SGN	*69,636,835,238*	*27,285,714,286*
- Others	*1,757,190,321*	*72,807,031,503*
Total	**1,276,178,600,548**	**1,157,794,819,211**

31. PROVISION FOR IMPAIRMENT OF FINANCIAL ASSETS AND DOUBTFUL DEBTS

	Current year VND	Previous year (restated) VND
(Reversal of provision)/Provision expense for impairment of loans and receivables	(5,359,427,433)	28,431,004,933
(Reversal of provision)/Provision expense for impairment of financial assets used as collaterals for investment awaiting for payback *(Note 10)*	(45,449,071,734)	148,662,593,229
Provision for impairment of receivables from disposal of financial assets	-	759,554,271
Total	**(50,808,499,167)**	**177,853,152,433**

32. OTHER OPERATING REVENUE

	Current year VND	Previous year VND
Revenue from leasing assets	1,530,275,781	5,669,726,960
Revenue from other financial services	4,809,505,651	17,705,387,252
Revenue from interest on investment awaiting for payback due to late payment	20,874,932,183	62,426,057,476
Revenue from fund management	25,289,258,984	21,039,162,204
Revenue from trusted portfolio management	14,745,752,904	5,083,293,581
Other revenues (include fee from trading securities services)	3,654,360,222	2,600,680,552
Total	**70,904,085,725**	**114,524,308,025**

33. EXPENSES FOR OPERATING ACTIVITIES

	Current year VND	Previous year (restated) VND
Expenses for securities brokerage activities (payables to Stock Exchanges, employees and others)	515,662,908,804	302,635,295,291
Expenses for securities underwriting activities and securities issuance agency services	448,237,668	-
Expenses for financial advisory activities	62,842,511,908	26,015,542,418
Expenses for securities investment advisory activities	17,339,245,420	14,205,710,814
Expenses for securities custodian activities	18,364,941,338	14,217,781,607
Other operating expenses *(Note 34)*	79,077,162,741	82,252,708,235
Total	**693,735,007,879**	**439,327,038,365**

TOTAL EXPENSES FOR OPERATING ACTIVITIES BY ITEMS TYPES EXPENSES

	Current year VND	Previous year (restated) VND
Expenses for securities brokerage activities	195,949,196,141	99,814,335,761
Expenses for custodian services	18,364,941,338	14,217,781,607
Expenses on payroll and other employees' benefits	288,034,494,754	155,958,636,514
Expenses for health insurance, union fee and unemployment insurance	12,677,950,250	10,510,079,800
Expenses for office supplies	922,255,305	669,554,542
Expenses for tools	5,678,473,772	3,525,633,902
Expenses from depreciation	14,556,393,310	12,707,695,202
Provision expenses /(Reversal) provision	(620,599,691)	11,731,826,423
Expenses for external services	87,679,974,942	72,021,499,851
Capital expense	42,629,931,820	32,411,727,700
Expenses from shared income of fund management activities	11,249,260,866	9,550,015,073
Other expenses	16,612,735,072	16,208,251,990
Total	**693,735,007,879**	**439,327,038,365**

34. OTHER OPERATING EXPENSES

	Current year VND	Previous year (restated) VND
Expenses for funds management activities	9,846,347,855	7,241,357,682
Expense for trusted portfolios management activities	1,591,704,538	655,340,414
Expense for securities investment advisory services	16,111,085,374	16,834,510,565
Expenses for securities repurchase agreements	-	3,257,372,332
Expenses for deposits of investors for securities brokerage activities	31,250,733,623	22,724,288,034
(Reversal)/Provision for doubtful debts:	(620,599,691)	11,731,826,423
- (Reversal)/Provision for receivables from services provided by the Company	*(620,599,691)*	*11,708,127,607*
- Other provision for doubtful debts	-	*23,698,816*
Expense for leasing investment properties	16,335,277,110	16,232,449,138
Other expenses	4,562,613,932	3,575,563,647
Total	**79,077,162,741**	**82,252,708,235**

35. FINANCE INCOME

	Current year VND	Previous year VND
Realized foreign exchange rate differences	498,596,335	146,819,024
Interest income from demand deposits	39,095,125,630	21,595,000,566
Share of profit in associates	105,518,563,847	73,457,661,737
Total	**145,112,285,812**	**95,199,481,327**

36. FINANCE EXPENSES

	Current year VND	Previous year VND
Loss from foreign exchange rate difference	1,868,541,862	188,578,824
- Unrealized	*173,396,382*	-
- Realized	*1,695,145,480*	*188,578,824*
Borrowing costs	343,581,229,539	269,221,826,624
- Interest for bond issuance	*60,132,088,237*	*48,299,852,509*
- Interest for short-term borrowings	*283,449,141,302*	*220,921,974,115*
Total	**345,449,771,401**	**269,410,405,448**

37. GENERAL AND ADMINISTRATIVE EXPENSES

	Current year VND	Previous year VND
Exposure on payroll and other employees' benefits	72,869,124,545	67,534,013,496
Social security, health insurance, union fee and unemployment insurance	4,163,590,000	3,871,949,939
Office supplies	1,119,248,715	947,538,632
Tools	1,590,682,992	1,943,753,742
Depreciation expenses	6,219,544,556	5,404,422,834
External service expenses	73,517,938,500	51,098,854,494
Other expenses	8,548,636,951	9,793,075,068
Total	**168,028,766,259**	**140,593,608,205**

38. OTHER INCOME AND EXPENSES

	Năm nay VND	Previous year VND
Other incomes	13,087,665,727	2,628,448,016
Gain from disposal of fix assets and investment properties	*10,736,775,468*	*8,136,364*
Other incomes	*2,350,890,259*	*2,620,311,652*
Other expenses	(380,782,811)	(126,449,020)
Total	**12,706,882,916**	**2,501,998,996**

39. CORPORATE INCOME TAX

39.1 Corporate income tax ("CIT")

The tax returns filed by the Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the financial statements could change later upon final determination by the tax authorities.

The current tax payable is based on taxable profit for the year. The taxable profit of the Company for the year differs from the profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the reporting date. The Company is required to fulfil its corporate income tax obligation with the current tax rate of 20% on the total taxable profit according to Circular No. 78/2014/TT-BTC dated 02 August 2014.

The estimated current corporate income tax in this year and prior year is represented in the table below:

	Current year VND	Previous year (restated) VND
Profit before tax	**1,405,021,409,033**	**1,144,062,998,942**
Adjustments to increase/(decrease) accounting profit	***(373,135,522,238)***	***(118,764,771,219)***
Adjustments to increase accounting profit	554,626,869,263	548,177,521,454
- Provision for diminution in value of unlisted shares at the end of year	*19,850,000,000*	*37,839,537,400*
- Provision for impairment of investment awaiting for payback at the end of the year	*153,208,011,211*	*198,657,082,945*
- Provision for securities in the year	*314,255,226*	*35,488,053,203*
- Decrease in difference from revaluation of financial assets at FVTPL	*328,000,178,020*	*235,235,780,472*
- Provision for impairment of loans at the end of year	*32,070,269,995*	*40,051,234,311*
- Temporary taxable difference during the year	*20,443,468,238*	*-*
- Non-deductibles expenses during the year	*740,686,573*	*905,833,123*
Adjustments to decrease accounting profit	(927,762,391,501)	(666,942,292,673)
- Income from tax exempted activities – dividends	*(75,789,439,826)*	*(77,276,999,500)*
- Reversal of provision for diminution in value of unlisted shares at the beginning of the year	*(37,839,537,400)*	*(40,956,993,400)*
- Reversal of provision for impairment of investment awaiting for payback at the beginning of the year	*(198,657,082,945)*	*(49,994,489,716)*
- Reversal of provision for impairment of loans at the beginning of the year	*(40,051,234,311)*	*-*
- Increase in differences from revaluation of FVTPL financial assets	*(363,520,691,804)*	*(357,627,439,480)*
- Taxable income of 2015 of the investment awaiting for payback	*(6,782,833,960)*	*-*
- Earnings before tax from subsidiaries	*(99,603,007,408)*	*(67,074,882,903)*
- Earnings shared by associates	*(105,518,563,847)*	*(73,457,661,737)*
- Tax-deductible expenses from previous year	*-*	*(553,825,937)*
Estimated current taxable income	**1,031,885,886,795**	**1,025,298,227,723**
Corporate income tax rate	20%	20%
Estimated CIT expenses	**206,377,177,359**	**205,059,645,545**
Estimated CIT expenses in subsidiaries	**20,541,749,229**	**15,462,957,711**
CIT payable at the beginning of the year	51,481,407,842	75,215,403,673
CIT adjustment in accordance with tax finalization	37,959,054	181,317,272
CIT adjustment in accordance with tax inspection decision	191,027,032	-
CIT paid in the year	(194,330,165,299)	(244,437,916,359)
CIT payable at the end of the year	**84,299,155,217**	**51,481,407,842**

39.2 Deferred corporate income tax

Movement of deferred CIT assets during the year is as follows:

	Current year VND	Previous year (restated) VND
Deferred income tax assets		
Opening balance	88,099,158,339	50,979,884,031
Decrease of non-deductible provision for diminution in value of unlisted shares in the year	(3,597,907,480)	(623,491,200)
(Reversal)/Provision for impairment of investment awaiting for payback	(9,089,814,347)	29,732,518,646
Revenue of which pay-back receipt is in progress in 2015	(1,356,566,792)	-
Provision for impairment of non-deductible taxable loans in the year	(1,596,192,863)	8,010,246,862
Temporary taxable from expense difference	4,088,693,648	-
Ending balance	**76,547,370,505**	**88,099,158,339**
Deferred income tax payables		
Opening balance	24,673,711,470	8,859,594,297
Temporary non-taxable income from subsidiary	(858,093,879)	(1,755,466,008)
Positive difference arising from revaluation of financial assets at FVTPL and AFS	167,224,316,562	17,569,583,181
Ending balance	**191,039,934,153**	**24,673,711,470**

The Company recognized the deferred income tax expense in the consolidated income statement for the year ended 31 December 2017 and 31 December 2016 as follows:

	Current year VND	Previous year (restated) VND
Deferred CIT expense arising from non-deductible provision for diminution in value of unlisted shares	3,597,907,480	623,491,200
Deferred CIT expense arising from provision for impairment of investment awaiting for payback	9,089,814,347	(29,732,518,646)
Deferred CIT expense arising from the revenue of which pay-back receipt is in progress in 2015	1,356,566,792	-
Deferred CIT expense/(income) arising from provision for impairment of loans	1,596,192,863	(8,010,246,862)
Deferred CIT income arising from temporary taxable difference of which tax has been paid in previous year	(4,088,693,648)	-
Temporary non-taxable income from subsidiary	(858,093,879)	(1,755,466,008)
Deferred CIT expense relating to positive difference arising from increase revaluation of financial assets at FVTPL	6,075,206,581	17,569,583,181
Deferred income tax expense/(income)	**16,768,900,536**	**(21,305,157,136)**

40.ACCUMULATED OTHER COMPREHENSIVE INCOME

Items	Beginning balance (restated)	Movement during the year	Changes in owners' equity recorded in income statement	Ending balance
Gain/(loss) from revaluation of AFS finance assets	652,792,875,375	209,928,769,314	(224,825,400,622)	637,896,244,067

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

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

	Ending balance VND	Beginning balance (restated) VND
Income recorded directly to owners' equity	14,875,467,199	6,229,932,310
- Gain from revaluation of AFS financial assets and reclassified as selling	-	*6,229,932,310*
- Gain arising from associates change the proportion of investment in subsidiaries	*14,509,242,199*	-
- Other gain recorded directly to owners' equity	*366,225,000*	-
Expense recorded directly to owners' equity	(14,970,631,308)	(16,332,940,936)
- Loss from revaluation and reclassification of AFS financial assets	*(14,896,631,308)*	-
- Loss arising from associates change the number of outstanding shares	-	*(12,421,041,327)*
- Loss arising from associates change the proportion of investment in subsidiaries	-	*(3,891,899,609)*
- Other loss recorded directly to owners' equity	*(74,000,000)*	*(20,000,000)*
Total	**(95,164,109)**	**(10,103,008,626)**

42. EARNINGS PER SHARE

Earnings per share is calculated by dividing the net profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the year. After tax profit attributable to ordinary shareholders of the Company for the year ended 31 December 2017 is calculated as after-tax profit after deduction for setting up non-shareholder reserves according to the actual appropriation ratio of 2016. For the purpose of compiling consolidated financial statements, other comprehensive incomes not yet included in the net profit after tax to calculate the earnings per share (EPS) indicator since there is no guidance detail.

	Current year	Previous year (restated)
Net profit attributable to ordinary shareholders (VND)	1,082,224,335,018	885,310,903,639
Weighted average number of ordinary shares for calculation of earnings per share	490,089,282	480,436,945
Earnings per share (VND/share)	2,208	1,843

43. OTHER INFORMATION

43.1 Transactions with related parties

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

Related parties	Relationships
NDH Investment Ltd. and its subsidiaries	SSI's Chairman is the owner of NDH Investment Ltd.
Daiwa Securities Group Inc.	Strategic shareholder
The PAN Group JSC. and its subsidiaries	Chairman of SSI is also the Chairman of the PAN Group, associate company
Vietnam Fumigation Joint Stock Company	Associate company
Dong Nai Port Joint Stock Company	Associate company
Saigon Dan Linh Real Estate Co., Ltd	Deputy CEO of SSI is also the Chairman of Saigon Dan Linh Real Estate Co.,Ltd
Nguyen Saigon Co., Ltd	The Chairman of Nguyen Saigon Co., Ltd is the brother of SSI's Chairman

43. OTHER INFORMATION (continued)

43.1 Transactions with related parties (continued)

Significant balances and transactions with related parties as at 31 December 2017 and for the year then ended are as follows:

Parties	Transaction	Receivables/(Pay-				Revenues/ (Expenses) VND
		Beginning VND	Increases VND	Decrease VND	Ending VND	
The PAN Group JSC and its subsidiaries	Advance for selling securities fee, securities transaction fee and custodian fee	-	527,881,802	(527,881,802)	-	527,881,802
	Revenue from consultant contract	82,000,000	6,200,000,000	(6,082,000,000)	200,000,000	6,190,000,000
	Securities purchase transactions		(123,640,310,200)	123,640,310,200	-	-
	Storage fee and service fee	(20,887,924)	(1,023,617,201)	975,271,125	(69,234,000)	(1,023,617,201)
	Office rental deposit	41,741,700	-	(41,741,700)	-	-
	Deposit for securities brokerage services	(256,050,421,276)	(2,567,199,784,154)	2,643,250,205,430	(180,000,000,000)	-
	Deposit interest payable	(981,350,992)	(23,559,893,042)	23,938,997,459	(602,246,575)	(23,559,893,042)
	Expense for commodity purchase	-	(5,979,273,935)	5,979,273,935	-	(5,979,273,935)
	Payables on behalf from securities selling transaction	-	(4,759,238,443)	4,759,238,443	-	-
	Capital contribution under the equity method	464,903,434,634	93,993,716,256	(12,968,492,930)	545,928,657,960	66,515,981,129
NDH investment Company Ltd. and its subsidiaries	Advance for selling securities fee and securities transaction fee	-	165,078,300	(165,078,300)	-	165,078,300
	Dividends	-	(48,194,727,000)	48,194,727,000	-	-
	Portfolio management fee	8,342,566	95,924,955	(92,022,496)	12,245,025	95,924,955
	Securities selling transaction	-	640,809,000,000	(640,809,000,000)	-	(1,123,812,591)
	Securities purchasing transaction	-	(369,955,000,000)	369,955,000,000	-	-
	Consultant revenue, Service	719,495,000	1,857,358,875	(2,576,853,875)	-	1,688,508,068
	Advisory services expense	-	(474,375,000)	474,375,000	-	(474,375,000)
Daiwa Securities Group INC	Service fee	-	610,001,372	(610,001,372)	-	560,886,922
	Dividends	-	(85,606,601,000)	85,606,601,000	-	-
	Fund management fee	3,731,144,743	3,466,645,090	(2,928,413,473)	4,269,376,360	3,462,376,302
Nguyen Saigon Co., Ltd	Advance for selling securities fee, securities transaction fee and custodian fee	-	567,044,766	(567,044,766)	-	567,040,766
	Dividends	-	(18,002,000)	18,002,000	-	-
	Margin receivables	-	47,013,895,899	(47,013,895,899)	-	101,064,367
Saigon Dan Linh Real Estate Co., Ltd	Advance for selling securities, securities transaction fee and custodian fee	-	159,856,959	(159,856,959)	-	159,854,559
	Dividends	-	(29,554,063,000)	29,554,063,000	-	-
Vietnam Fumigation Joint Stock Company	Capital contribution under the equity method	152,976,041,909	24,075,752,808	(10,243,865,000)	166,807,929,717	24,075,432,408
Dong Nai Port Joint Stock Company	Capital contribution under the equity method	74,703,544,922	14,927,150,310	(6,175,627,500)	83,455,067,732	14,927,150,310
Other parties	Purchase of bonds issued by SSI	(12,500,000,000)	(60,000,000,000)	12,500,000,000	(60,000,000,000)	-
	Payables for bond interest issued by SSI	(986,396,875)	(4,956,588,541)	1,041,318,750	(4,901,666,666)	(4,956,588,541)

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

	Current year (VND)	Previous year (VND)
Salary and bonus	12,405,200,000	12,097,800,000

43. OTHER INFORMATION (continued)

43.2 Segment information

Division reporting 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
For the year ended 31 December 2017						
1. Direct income	1,328,228,530,233	1,060,765,430,586	487,409,573,498	54,625,596,781	122,377,391,349	3,053,406,522,447
2. Direct expenses	576,680,904,667	499,054,518,576	320,741,963,916	6,887,284,443	79,482,128,456	1,482,846,800,058
3. Depreciation and allocated expenses	96,012,221,747	23,589,209,653	13,243,065,069	7,863,069,883	24,830,747,004	165,538,313,356
Profit before tax	**655,535,403,819**	**538,121,702,357**	**153,424,544,513**	**39,875,242,455**	**18,064,515,889**	**1,405,021,409,033**
Ending balance						
1. Direct segment assets	5,776,122,886,608	4,207,210,509,095	8,102,293,359,554	39,473,731,563	74,514,003,173	18,199,614,489,993
2. Allocated segment assets	162,693,458,911	39,972,099,819	22,440,477,091	13,324,033,273	42,075,894,546	280,505,963,640
3. Unallocated assets	-	-	-	-	-	284,254,718,215
Total assets	**5,938,816,345,519**	**4,247,182,608,914**	**8,124,733,836,645**	**52,797,764,836**	**116,589,897,719**	**18,764,375,171,848**
4. Direct segment liabilities	512,609,362,438	363,305,228,278	8,696,615,934,198	3,729,106,053	7,034,487,831	9,583,294,118,798
5. Allocated segment liabilities	134,319,418,768	33,000,891,680	18,526,816,382	11,000,297,227	34,737,780,716	231,585,204,773
6. Unallocated liabilities	-	-	-	-	-	333,246,152,375
Total liabilities	**646,928,781,206**	**396,306,119,958**	**8,715,142,750,580**	**14,729,403,280**	**41,772,268,547**	**10,148,125,475,946**

(1) Income mainly from brokerage, margin and custodian services

Division reporting information by geographic area

Company's activities are mainly in the territory of Vietnam.

The Company has a wholly-owned US subsidiary, SSI International Incorporated ("SSIIC"), which operates in the US real estate business. However, SSIIC's total revenue, expenses and total assets are very low compared to its total revenue, expense and total assets (about 2% to 4%). As a result, the Company does not present segmental reports by geographical area in the notes to the consolidated financial statements

43.3 Operating lease commitments

The Company leases office under operating lease arrangements. As at 31 December 2017 and 31 December 2016, the committed future rental payments under the operating lease agreements are as follows:

	Ending balance VND	Beginning balance VND
Less than 1 year	43,171,957,322	37,582,831,346
From 1 - 5 years	76,154,577,298	93,343,925,550
Total	**119,326,534,620**	**130,926,756,896**

43. OTHER INFORMATION (continued)

43.4 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 of 31 December 2017 and 31 December 2016 are as follows:

	Ending balance VND	Beginning balance VND
Head Office (in Ho Chi Minh City)	139,943,335,987	456,914,659,106
Hanoi	93,155,071,328	301,433,357,447
Hai Phong	5,631,539,372	19,025,748,969
Nguyen Cong Tru	23,976,923,313	131,219,566,031
Nha Trang	3,682,377,040	12,224,989,162
Vung Tau	3,920,953,710	7,587,362,729
My Dinh	15,840,641,665	45,096,690,596
Total	**286,150,842,415**	**973,502,374,040**

43.5 Purposes and policies of financial risk management

The Company's financial liabilities comprise mostly loans and borrowings, payables to suppliers and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company has loans, trade and other receivables, cash and short-term deposits that arise directly from its operations. The Company does not hold or issue derivative financial instruments.

The Company is exposed to market risk, credit risk and liquidity risk.

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to maintain an acceptable balance between the cost arisen from risks and the cost of managing the risks. The Management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Management reviews and agrees policies for monitoring each of these risks which are summarized below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. There are four types of market risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and available-for-sale investments.

The Company manages market risk by analysing financial sensitivity of the Company as at 31 December 2017 and 31 December 2016. 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 2017 and 31 December 2016.

Interest rate risk

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

The Company manages interest rate risk by looking at the competitive structure of the market to identify a proper interest rate policy which is favourable for its purposes within its risk management limits.

No analysis on interest sensitivity is performed since the Company's exposure to risk of changes in interest rate is insignificant.

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities in which revenue or expense is denominated in a different currency from the Company's accounting currency and its investments in 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 2,493,777,183,380. The 10% increase (or decrease) in market index would possibly result in a corresponding increase (or decrease) in profit after tax of the Company, depending on its magnitude and length as well as the Company's ownership position of securities which have significant influence on market index.

Credit risk

Credit risk is the risk that counterparty would not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for loans and receivables) and from its financing activities, including deposits with banks, foreign exchanges activities and other financial instruments.

Receivables

Customer credit risk is managed by the Company based on its established policies, procedures and control relating to customer credit risk management. Credit quality of customers is evaluated on the basis of Management's assessment.

Outstanding customer receivables are regularly monitored. Customer credit quality's impairment is analysed at each reporting date on an individual basis for major clients. The Company closely monitors outstanding receivables and operates a credit control unit to mitigate credit risk. Due to the fact that the Company's receivables relate to a large number of diversified customers and corresponding collateral assets, there is no significant concentration of credit risk.

Bank deposits

The Company's bank balances are mainly maintained with high credit rating banks in Vietnam. Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the statement of financial position at each reporting date is the carrying value as presented in Notes 5, 7.3 and 11. The Company evaluates the concentration of credit risk 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 assesses customers to determine their credit limits and margin rates before lending margin and advances to customers and periodically reassesses the financial position of customers to adjust the credit limits and margin rates accordingly. The credit limits are measured based on value of collateral assets, customer's credit rating and other indicators.

The following loans are considered as overdue as at 31 December 2017 (excluding of contracts that was extended or liquidated before the signing date of this report). Except for financial assets which are reserved for impairment as stated in Notes 8 and 9, according to the Management's assessment, the remaining financial assets are neither overdue nor impaired as they are all liquid.

43. OTHER INFORMATION (continued)

43.5 Commitments relating to margin lending service (continued)

Credit risk (continued)

Unit: VND

	Total	The provision of amount	Neither past due nor impaired	Past due but not impaired			
				< 80 days	81–180 days	>180 days	>210 days
Beginning balance	3,779,178,042,796	28,431,004,933	3,742,333,069,060	6,699,128,102	1,714,840,701	-	-
Ending balance	5,764,072,330,098	56,063,514,700	5,705,264,586,971	2,739,630,040	2,201,503	70,390	2,326,494

Liquidity risk

The 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) 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 year VND	Over 5 years VND	Total VND
31 December 2017						
ASSETS						
Cash and cash equivalents	***-***	***231,504,310,415***	***114,481,402,776***	***-***	***-***	***345,985,713,191***
Financial assets	***2,744,228,427***	***3,092,742,234,719***	***13,516,746,776,290***	***130,424,472,600***	***812,945,220,865***	***17,555,602,932,901***
FVTPL	-	1,431,143,096,100	-	-	-	1,431,143,096,100
HTM investments	-	-	7,882,154,213,938	130,424,472,600	-	8,012,578,686,538
Loans (excluding provisions)	2,744,228,427	126,735,539,319	5,634,592,562,352	-	-	5,764,072,330,098
Available-for-sale	-	1,534,863,599,300	-	-	-	1,534,863,599,300
Long-term investments	-	-	-	-	812,945,220,865	812,945,220,865
Other assets	***15,301,892,963***	***318,594,324,556***	***109,671,558,000***	***98,584,240,169***	***218,230,726,962***	***760,382,742,650***
Deposits and mortgages	-	20,348,251,376	-	-	-	20,348,251,376
Other receivables (excluding provisions)	15,301,892,963	139,216,004,399	-	-	-	154,517,897,362
Other assets	-	159,030,068,781	-	-	-	159,030,068,781
Fixed assets	-	-	109,671,558,000	98,584,240,169	218,230,726,962	426,486,525,131
Total	**18,046,121,390**	**3,642,840,869,690**	**13,740,899,737,066**	**229,008,712,769**	**1,031,175,947,827**	**18,661,971,388,742**
LIABILITIES						
Short-term borrowings	-	1,933,357,663,684	6,570,530,000,000	-	-	8,503,887,663,684
Bond issued	-	-	199,871,666,661	569,300,000,000	-	769,171,666,661
Payables for securities transaction activities	-	-	-	-	-	-
Accrued expenses	-	48,688,764,214	44,326,050,038	-	-	93,014,814,252
Tax and payable to State	-	131,662,750,256	-	-	-	131,662,750,256
Other current liabilities	-	240,717,938,622	180,000,000,000	-	-	420,717,938,622
Total	**-**	**2,354,427,116,776**	**6,994,727,716,699**	**569,300,000,000**	**-**	**9,918,454,833,475**
Net liquidity difference	**18,046,121,390**	**1,288,413,752,914**	**6,746,172,020,367**	**(340,291,287,231)**	**1,031,175,947,827**	**8,743,516,555,267**

43. OTHER INFORMATION (continued)

43.5 Commitments relating to margin lending service (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 the term deposits as collaterals for bank overdrafts and short-term borrowings from commercial banks. As at 31 December 2017, the total carrying value of term deposits used as collaterals for bank overdrafts were VND 2,118,000,000,000, and the total carrying value of term deposits used as collaterals for short-term borrowings were VND 5,784,000,000,000.

Among financial assets at fair value through profit and loss, financial assets available-for-sale and investment in associates as at 31 December 2017, there were 13,578,177 shares with the par value of VND 135,781,770,000 used as collaterals for short-term borrowings; and 35,981,266 shares with par value of VND 359,812,660,000 used as collaterals for bond issued by the Company.

Among non-current assets, land use right with infinite useful life at cost of VND 109,671,558,000 as at 31 December 2017 was used as collaterals for bonds issuance.

The Company held securities as collateral for margin loans to customers as at 31 December 2017.

Other than that, the Company did not hold any other party's collateral at 31 December 2017 and 31 December 2016.

43.6 Off-balance sheet item of subsidiary

SSIAM, a subsidiary of the Company, conducts portfolio management activities. As at 31 December 2017 and 31 December 2016, SSIAM off-balance sheet items related to portfolio management activities of entrust investors include: deposits, portfolios, receivables and payables are as follows:

	Ending balance VND	Beginning balance VND
Investor's deposits	108,045,084,509	12,312,250,568
Portfolio of entrusted investors	510,510,041,195	168,155,956,546
Receivable of entrusted investors	3,424,824,600	3,389,973,001
Payable of entrusted investor	3,641,194,874	430,347,017

In particular, the list of securities in the portfolio of entrusted investors is reduced as follows:

	Ending balance			Beginning balance		
	Amount	Cost VND	Decrease in value (VND)	Amount	Cost VND	Decrease in value (VND)
BFC	-	-	-	189,634	6,363,925,426	(769,722,426)
HAX	304,710	13,440,811,658	(2,273,190,158)	-	-	-
VCG	1,335,400	30,279,580,039	(1,167,860,039)	-	-	-
HTL	21,890	1,386,167,760	(477,732,760)	-	-	-
HAH	59,220	1,567,804,111	(383,404,111)	-	-	-
PNJ	-	-	-	151,560	10,821,503,864	(742,763,864)
HPG	-	-	-	309,859	14,010,580,639	(640,164,789)
DGL	-	-	-	97,700	4,304,253,168	(611,193,168)
VIT	349,770	7,455,292,146	(1,159,432,146)	242,100	6,919,661,241	(528,221,241)
NT2	-	-	-	41,140	1,559,152,000	(436,030,000)
ITD	-	-	-	192,900	4,923,112,854	(428,542,854)
VNM	-	-	-	28,807	4,033,008,000	(414,848,800)
Other	880,190	26,827,039,970	(293,189,970)	770,683	31,277,459,559	(2,376,507,409)
	2,951,180	**80,956,695,684**	**(5,754,809,184)**	**2,024,383**	**84,212,656,751**	**(6,947,994,551)**

43.7 Accounting ratios

	Ratios in 2017	Ratios in 206
Assets ratios		
Current assets/ Total Assets	91.81%	90.41%
Non-current assets/ Total Assets	8.19%	9.59%
Owners' equity ratios		
Liabilities/ Total Assets	54.08%	43.55%
Owners' equity / Total Assets	45.92%	56.45%
Profitability		
Return on assets (Profit after tax/ Total assets)	6.19%	6.74%
Return on equity (Profit after tax/ Owners' equity)	13.60%	12.07%
Profit after tax / Charter capital	23.22%	19.28%
Profit after tax / Income	38.15%	37.18%
Liquidity		
Current ratio (Current assets/ Current liabilities)	1.84	2.17
Quick ratio ([Cash and cash equivalents + Short-term investment] / Current liabilities)	1.81	2.13

43.8 Restatement corresponding figures

During the year 2017, due to effects of changes in accounting policies and requirements for financial statement preparation and presentation in accordance with Circular 210 and Circular 334, certain corresponding figures in the financial statements for the previous year have been reclassified to conform to the current year's presentation.

Extract from the consolidated statement of financial position

ITEMS	Note	31 December 2016 (previously reported)	Restated	31 December 2016 (restated)
Financial assets at FVTPL	[1]	1,425,667,503,090	123,378,771,413	1,549,046,274,503
AFS financial assets	[2]	959,826,110,723	655,482,365,518	1,615,308,476,241
Deferred income tax payable	[1]	57,285,850	24,616,425,620	24,673,711,470
Difference from revaluation of financial assets at fair value	[2]	(2,689,490,143)	655,482,365,518	652,792,875,375
Undistributed profit (unrealized)	[1]	(151,094,747,873)	98,762,345,793	(52,332,402,080)

Detailed adjustments for main items are as follows:

[1] Adjust the recognition of FVTPL financial assets at fair value

[2] Adjust the recognition of AFS financial assets at fair value

Extract from the consolidated income statement

ITEMS	Note	Previous year (previously reported)	Restated	Previous year (restated)
Gain from disposal of financial assets at FVTPL	[3]	528,554,451,781	(243,418,259,486)	285,136,192,295
Gain from revaluation of financial assets at FVTPL	[3]	152,456,070,613	205,171,368,867	357,627,439,480
Gain from AFS financial assets	[3]	75,010,273,478	267,208,042,901	342,218,316,379
Loss from disposal of financial assets at FVTPL	[3]	107,924,651,851	23,789,783,415	131,714,435,266
Loss from revaluation of financial assets at FVTPL	[3]	117,301,550,432	117,934,230,040	235,235,780,472
Unrealized profit before tax	[3]	35,154,520,181	87,237,138,827	122,391,659,008
Deferred income tax	[3]	(38,874,740,316)	17,569,583,180	(21,305,157,136)
Profit after tax	[3]	874,996,679,903	69,667,555,647	944,664,235,550
Profit after tax attributable to the Parent Company's owners	[3]	877,035,858,056	69,667,555,647	946,703,413,703
Gain/(loss) from revaluation of AFS financial assets	[3]	434,267,399	5,795,664,915	6,229,932,314
Other comprehensive income attributable to the Parent Company's owners	[3]	429,360,879	5,785,858,095	6,215,218,974
Other comprehensive income attributable to non-controlling interest	[3]	4,906,520	9,806,820	14,713,340
Net income appropriated to ordinary shareholders	[3]	815,643,347,992	69,667,555,652	885,310,903,644
Earnings per share (VND/share)	[3]	1,698	145	1,843

Detailed adjustments for main items are as follows:

[3] Adjust the recognition of FVTPL and AFS financial assets at fair value

Extract from the consolidated cash flow statement

ITEMS	Note	Previous year (previously reported)	Restated	Previous year (restated)
1. Profit before tax	**[3]**	**1,056,825,860,115**	**87,237,138,827**	**1,144,062,998,942**
3. Increase in non-monetary expenses	**[3]**	**146,966,090,531**	**117,934,230,040**	**264,900,320,571**
Loss from revaluation of financial assets at FVTPL	[3]	117,301,550,432	117,934,230,040	235,235,780,472
4. Decrease in non-monetary income	**[3]**	**(152,456,070,613)**	**(472,379,411,768)**	(624,835,482,381)
Gain from revaluation of financial assets at FVTPL	[3]	(152,456,070,613)	(205,171,368,867)	(357,627,439,480)
Gain from revaluation of AFS financial assets arising from reclassification	[3]	-	(267,208,042,901)	(267,208,042,901)
6. Operating profit before changes in working capital	**[3]**	**503,350,600,119**	**(267,208,042,901)**	**236,142,557,218**
Increase in FVTPL financial assets	[3]	(303,374,137,930	267,208,042,901	(36,166,095,029)

Detailed adjustments for main items are as follows:

[3] Adjust the recognition of FVTPL and AFS financial assets at fair value

44. EVENT AFTER THE REPORTING DATE

As at 9 February 2018, the Company completed its issuance of convertible bonds with par value of VND1,150 billion, original maturities of 3 years and coupon rate of 4% per annum under Resolution No. 01/2018/NQ-HDQT dated 12 January 2018 of the General Meeting of Shareholders. These bonds have conversion right into ordinary shares, which is at the discretion of the bondholders. The amount of bonds to be converted each time is not less than 30% of the total value of bonds offered and the number of conversion times shall not exceed 3. At the time of conversion, the Company shall issue new shares in exchange for the converted bonds, resulting in the increase in the Company's charter capital corresponding to the number of issued shares.

Other than the event disclosed above, there has been no matter or circumstance that has arisen since the reporting date which is required to be disclosed in the consolidated financial statements.

Ms. Hoang Thi Minh Thuy
Chief Accountant

Ms. Nguyen Thi Thanh Ha
Chief Financial Officer

Mr. Nguyen Duy Hung
Chief Executive Officer

Ho Chi Minh City, Vietnam
26 March 2018

REVIEW OF INTERNAL AUDIT

After 10 years of establishment, SSI Internal Audit continues to closely monitor the internal audit of the Company's financial statements and assess the Company's financial and accounting activities. Internal Audit is fully independent of other divisions of the Company. The staff of Internal Audit, in addition to having in-depth experience in the field of accounting and auditing, has also been with the Company for many years, being able to understand the Company's operation.

In 2017, SSI Internal Audit conducted internal audit on:

- Financial statements and Accounting procedures through the audit of quarterly financial statements;
- Capital adequacy operation through the audit of monthly statement of liquidity;
- Anti-Money Laundering Process through the Internal Audit Report on Money Laundering in 2017.

Results showed that the Reports were published timely and in accordance with regulations. In addition, it is noted that there are a number of contents that need to be adjusted to adapt to changes in new policies, and new products are completed and updated onto the accounting software. The Accounting Department is well aware of and has taken measures to further improve based on the recommendations of the Internal Audit.

In 2018, we will continue to review the implementation progress of its recommendations in 2017. We also continue to update and improve its operational procedures to fit with actual practices and international corporate governance standards. At the same time, a risk-based approach developed and evaluated by the Risk Management will be implemented to save time and bring about efficiency.

OTHER INFORMATION

SHAREHOLDER AND MANAGEMENT INFORMATION OF 2017

BOARD OF DIRECTORS/ SUPERVISORY BOARD

- Details of members and structures of the BOD and SB are presented in section Organization Structure & Key Personnel
- Members of BOD, SB, Board of Management and employees had a corporate governance certificate:

No.	Name	Position	Certificate No.	Date of Issuance
1	Nguyen Duy Hung	Chairman cum CEO	36 QTCT 21/QĐ-TTNC	12/11/2009
2	Nguyen Hong Nam	Member of BOD	22 QTCT 122/QĐ-TTNC	29/01/2010
3	Ngo Van Diem	Deputy CEO	10 QTCT 53/QĐ-TTNC	07/05/2009
4	Bui Quang Nghiem	Member of BOD	29 QTCT 158/QĐ-TTNC	08/09/2009
5	Nguyen Van Khai	Member of BOD	22 QTCT 123/QĐ-TTNC	29/01/2010
6	Dang Phong Luu	Head of BOS	50 QTCT 248/QĐ-TTNC	19/9/2013
7	Nguyen Thi Thanh Ha	Member of BOS	38 QTCT 21/QĐ-TTNC	12/11/2009
8	Nguyen Kim Long	Chief Finance Officer	31 QTCT 96/QĐ-TTNC	30/06/2009
9	Hoang Thi Minh Thuy	Head of Legal and Internal Control	61 QTCT 96/QĐ-TTNC	30/06/2009
10	Tran Thi Thuy	Chief Account	37 QTCT 21/QĐ-TTNC	12/11/2009

In 2017, the BOD/ SB also sent representatives to attended, exchanged and also contributed their opinion on Decree No. 71/2017/ND-CP and Circular 95/2017/TT-BTC guiding corporate governance applicable to public companies and listed companies.

SHAREHOLDER INFORMATION

The shares of Saigon Securities Inc. are listed on the Ho Chi Minh Stock Exchange with the ticker SSI and are centrally deposited at the Vietnam Securities Depository – Ho Chi Minh City Branch.

Stock Information: SSI has completed the issuance of 10,000,000 ESOP shares on 22/12/2017. As at 31/12/2017, the charter capital of SSI stood at VND 5,000,636,840,000 VND and divided into 5,000,636,840 common shares with the par value of VND 10,000. The Company did not issue any other but common shares

Treasury share transaction in 2017: The number of treasury shares at 31/12/2017 was 214,314 shares, which is lower than the one at 31/12/2016 (238,434 shares). The reason was the Company bought odd lot SSI shares according to approval letter of VSD at 23/02/2017 and 01/12/2017.

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 22/03/2018.

APPENDIX 1: TRANSACTIONS OF INTERNAL PERSONS/ MAJOR SHAREHOLDERS AND RELATED PERSONS

SSI share trading of internal persons/ related persons as of 31/12/2017

No.	Transaction executor	Relationship	Number of shares owned at the beginning of the period [1]		Number of shares owned at the end of the period [2]		Reasons for increase decrease (purchase, sale, switch, reward...)
			Number	Proportion	Number	Proportion	
1	Nguyen Duy Hung	Chairman cum CEO	3,012,400	0.61%	4,884,400	0.977%	Increasing 1,872,000 shares due to purchase transaction under ESOP on 22/12/2017
2	Nguyen Hong Nam	Board member, Deputy CEO, Authorized person to disclose information	900,000	0.18%	1,000,000	0.2%	Increasing 700,000 shares due to purchase transaction under ESOP on 22/12/2017 Decreasing 600,000 shares due to sale transaction to Sai Gon Dan Linh Real Estates Co. Ltd. on 28/12/2017
3	Ngo Van Diem	Board member	150,000	0.03%	150,000	0.030%	Decreasing 50,000 shares due to sale transaction on 16/11/2017 Increasing 100,000 shares due to purchase transaction under ESOP on 22/12/2017 Decreasing 50,000 shares due to sale transaction on 28/12/2017
4	Bui Quang Nghiem	Board Member	273,174	0.06%	263,174	0.053%	Decreasing 40,000 shares due to sale transaction from 07/06/2017 to 16/06/2017 Increasing 30,000 shares due to purchase transaction under ESOP on 22/12/2017
5	Nguyen Duy Khanh	Board Member	300,000	0.06%	500,000	0.100%	Increasing 200,000 shares due to purchase transaction under ESOP on 22/12/2017
6	Hironori Oka	Board member	0	-	0	-	
7	Nguyen Van Khai	Head of SB	70,455	0.01%	100,455	0.020%	Increasing 30,000 shares due to purchase transaction under ESOP on 22/12/2017
8	Dang Phong Luu	Member of SB	89,668	0.02%	45,068	0.009%	Decreasing 59,600 shares due to sale transaction from 28/11/2017 to 15/12/2017 Increasing 15,000 shares due to purchase transaction under ESOP on 22/12/2017
9	Nguyen Thi Thanh Ha	CFO	712,200	0.15%	1,062,200	0.213%	Increasing 350,000 shares due to purchase transaction under ESOP on 22/12/2017
10	Hoang Thi Minh Thuy	Chief Accountant	120,000	0.02%	130,000	0.026%	Decreasing 30,000 shares due to sale transaction on 11/05/2017 Decreasing 30,000 shares due to sale transaction from 07/12/2017 to 15/12/2017 Increasing 70,000 shares due to purchase transaction under ESOP on 22/12/2017
11	Daiwa Securities Group Inc.	Related party of Board member – Mr. Hironori Oka	85,606,601	17.841%	85,606,601	17.47%	No change
12	Saigon Dan Linh Real Estate Co. Ltd.	Related party of Board member cum Deputy CEO Nguyen Hong Nam	29,554,063	6.16%	30,154,063	6.03%	Increasing 600,000 shares due to purchase transaction on 22/12/2017
13	Nguyen Van Hien	Related person of Head of SB Nguyen Van Khai	43,000	0.01%	66,000	0.013%	Increasing 23,000 shares due to purchase transaction under ESOP on 22/12/2017
14	Hoang Thi Khanh Duyen	Related person of Chief Accountant Hoang Thi Minh Thuy	14,000	0.003%	14,000	0.0028%	No change
15	Ho Thi Huong Tra	Member of SB	30,661	0.005%	18,661	(*)	Decreasing 12,000 shares due to sale transaction 30/10/2017

[1] As of 31/12/2016

[2] Ratio is calculated out of 500,063,684 total shares, which is equal to 100% charter capital at 31/12/2017

(*) Ms. Ho Thi Huong Tra is no longer member of SB of SSI from 13/11/2017 1

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

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.	Strategic shareholder
The PAN Group JSC.	Chairman of SSI is also the Chairman of the PAN Group
Vietnam Fumigation JSC. (VFG)	Associated Company
Dong Nai Port JSC. (PDN)	Associated Company
Saigon Dan Linh Real Estate Co., Ltd	Deputy CEO of SSI is also the Chairman of Saigon Dan Linh Real Estate Co., Ltd
Nguyen Saigon Co., Ltd	The Chairman of Nguyen Saigon Co., Ltd is the brother of SSI's Chairman

Significant balances and transactions with related parties as at 31 December 2017 and for the year then ended are as follows (according to audited separate financial statement of 2017):

Parties	Transaction	Receivables/(Payables)				Revenues/ (Expenses) VND
		Beginning VND	Increases VND	Decrease VND	Ending VND	
SSI Investment Member Fund	Capital contribution	312,000,000,000	-	-	312,000,000,000	-
SSI Assets Management Ltd.	Capital contribution	30,000,000,000	-	-	30,000,000,000	-
	Dividend	-	62,583,587,740	(62,583,587,740)	-	62,583,587,740
	Advance for selling securities, securities transaction fee and custodian fee	-	7,240,564,954	(7,240,564,954)	-	7,163,049,696
	Balance of trusted portfolio					
	Welfare benefits payables	1,394,365,802,185	794,220,135,222	(1,299,835,989,028)	888,749,948,379	-
	Portfolio management fee	-	(12,158,000,000)	11,745,000,000	(413,000,000)	-
	Consultant fee for securities investment	(7,446,854,608)	(38,610,580,780)	42,931,679,504	(3,125,755,884)	(38,610,580,780)
	Revenue from investment advisory	(3,707,900,421)	(51,258,145,477)	50,302,432,583	(4,663,613,315)	(51,258,145,477)
		-	2,135,909,867	-	2,135,909,867	2,135,909,867
NDH invest Company Ltd. and its subsidiaries	Advance for selling securities, securities transaction fee and custodian fee	-	165,078,300	(165,078,300)	-	165,078,300
	Securities selling transactions	-	640,809,000,000	(640,809,000,000)	-	(1,123,812,591)
	Securities purchasing transactions	-	(369,955,000,000)	369,955,000,000	-	-
	Dividend payment	-	(48,194,727,000)	48,194,727,000	-	-
	Revenue from advisory fee, service fee	719,495,000	1,857,358,875	(2,576,853,875)	-	1,688,508,068
	Consultant fee	-	(474,375,000)	474,375,000	-	(474,375,000)
Daiwa Securities Group Inc.	Transaction fee	-	610,001,372	(610,001,372)	-	560,886,922
	Dividend payment	-	(85,606,601,000)	85,606,601,000	-	-

Parties	Transaction	Receivables/(Payables)				Revenues/ (Expenses) VND
		Beginning VND	Increases VND	Decrease VND	Ending VND	
The PAN Group JSC. & subsidiaries	Advance for selling securities, securities transaction fee and custodian fee	-	527,881,802	(527,881,802)	-	527,881,802
	Consultant fee	82,000,000	6,200,000,000	(6,082,000,000)	200,000,000	6,190,000,000
	Advance for purchasing securities	-	(123,640,310,200)	123,640,310,200	-	-
	Storage fee and service fee	(20,887,924)	(1,023,617,201)	975,271,125	(69,234,000)	(1,023,617,201)
	Deposit for storage fee	41,741,700	-	(41,741,700)	-	-
	Deposit for securities brokerage services	(256,050,421,276)	(2,567,199,784,154)	2,643,250,205,430	(180,000,000,000)	-
	Interest payable for securities brokerage deposit	(981,350,992)	(23,559,893,042)	23,938,997,459	(602,246,575)	(23,559,893,042)
	Expense for commodity purchase	-	(5,979,273,935)	5,979,273,935	-	(5,979,273,935)
	Payables on behalf from securities selling transaction	-	(4,759,238,443)	4,759,238,443	-	-
Vietnam Fumigation JSC. (VFG)	Dividend	-	10,206,533,500	(10,206,533,500)	-	10,206,533,500
Dong Nai Port (PDN)	Dividend	-	6,167,877,500	(6,167,877,500)	-	6,167,877,500
Nguyen Saigon Co., Ltd	Advance for selling securities, securities transaction fee and custodian fee	-	567,044,766	(567,044,766)	-	567,040,766
	Receivable from margin trading	-	47,013,895,899	(47,013,895,899)	-	101,064,367
	Dividend payment	-	(18,002,000)	18,002,000	-	-
Other parties	Purchase of bonds issued by SSI	(12,500,000,000)	(60,000,000,000)	12,500,000,000	(60,000,000,000)	-
	Payables for bond interest	(986,396,875)	(4,956,588,541)	1,041,318,750	(4,901,666,666)	(4,956,588,541)

ESOP for Members of BOD and SB

In 2017, according to Article 5, Resolution number 01/2017/NQ-ĐHĐCĐ at 21/04/2017 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.

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

No.	Name	Position	Number of shares
1	Nguyen Duy Hung	Chairman cum CEO	1,872,000
2	Nguyen Hong Nam	Member of BOD/ Deputy CEO/ Spokesman	700,000
3	Ngo Van Diem	Member of BOD	100,000
4	Bui Quang Nghiem	Member of BOD	30,000
5	Nguyen Duy Khanh	Member of BOD	200,000
6	Nguyen Van Khai	Member of SB	30,000
7	Dang Phong Luu	Member of SB	15,000

APPENDIX 2: SHAREHOLDER STRUCTURE AS AT 22/03/2018

Shareholding structure on type of shareholder

No.	Subject	Number of shares	Ownership proportion (%)	Number of shareholders	Shareholding structure(*)	
					Tổ chức	Institutional
1	The State as shareholder	-	-	-	-	-
2	Founder/ FDI Shareholder	-	-	-	-	-
	- Domestic	-	-	-	-	-
	- Foreign	-	-	-	-	-
3	Major Shareholder	**167,285,611**	**33.46%**	**3**	**3**	**-**
	- Domestic	*78,348,790*	*15.67%*	*2*	*2*	*-*
	- Foreign	*88,936,821*	*17.79%*	*1*	*1*	*-*
4	Labor Union	-	-	-	-	-
	- Domestic	-	-	-	-	-
	- Foreign	-	-	-	-	-
5	Treasury shares	**214,322**	**0.04%**	**0**	**0**	**-**
6	Preferred stocks (if any)	-	-	-	-	-
7	Other shareholders	**332,563,751**	**66.50%**	**22,052**	**227**	**21,825**
	- Domestic	*160,676,829*	*32.13%*	*20,097*	*94*	*20,003*
	- Foreign	*171,886,922*	*34.37%*	*1,955*	*133*	*1,822*
	TOTAL	**500,063,684**	**100.00%**	**22,055**	**230**	*1,822*
	In which: - Domestic	***239,025,619***	***47.80%***	***20,099***	***96***	***21,825***
	- Foreign	***260,823,743***	***52.16%***	***1,956***	***134***	***20,003***
	- Treasury share	***214,322***	***0.04%***	***-***	***-***	

Shareholder structure on type of ownership

Subject	Number of transfer restriction shares (*)	Number of free transfer shares	Total	Ownership proportion (%)
I. Internal persons	**4,646,000**	**3,469,297**	**8,115,297**	**1.62%**
1. Board of Directors	495,000	418,174	913,174	0.18%
2. Board of Management(*)	3,483,500	2,400,900	5,884,400	1.18%
3. Supervisory Board	67,500	78,023	145,523	0.03%
4. CFO	500,000	562,200	1,062,200	0.21%
5. Chief Accountant	100,000	10,000	110,000	0.02%
II. Treasury share	**0**	**214,322**	**214,322**	**0.04%**
III. Labor Union	-	-	-	-
IV. Shareholders own preferred stocks (If any)	-	-	-	-
V. Other Shareholders	**10,339,000**	**481,395,065**	**491,734,065**	**98.34%**
1. Domestic	**10,171,000**	**220,739,322**	**230,910,322**	**46.18%**
1.1 Individual	10,171,000	133,249,109	143,420,109	28.68%
1.2 Institutional	0	87,490,213	87,490,213	17.50%
- In which, State Shareholders:	-	-	-	-
2. Foreign	**168,000**	**260,655,743**	**260,823,743**	**52.16%**
2.1 Individual	168,000	11,831,074	11,999,074	2.40%
2.2 Institutional	0	248,824,669	248,824,669	49.76%
TOTAL	**14,985,000**	**485,078,684**	**500,063,684**	**100.00%**

(*) Including shares of Mr. Nguyen Duy Hung, Chairman cum CEO and Mr. Nguyen Hong Nam, BOD member cum Deputy CEO

OTHER INFORMATION

List of Major Shareholders, Strategic Shareholders (own more than 5%)

NO.	Name of organization/ individual	ID/ Passport number	Date of issue	Place of issue	Number of stock	Proportional ownership (%)	Number of transfer restriction shares
A	***State shareholders***						
					-	-	-
	TOTAL A				-	-	-
B	***Major Shareholders***						
1	NDH Invest Company Limited	0104285751	30/10/2014	16th floor, ICON4 Tower, 243A De La Thanh street, Lang Thuong, Dong Da, Hanoi	48,194,727	9.64%	-
	Representative: Nguyen Duy Hung	220895567	20/06/2009	No 54, Alley 61/17, Phung Chi Kien street, Nghia Do, Cau Giay, Hanoi	48,194,727	9.64%	-
2	Daiwa Securities Group Incorporation	CS6098	03/07/2007	9-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	88,936,821	17.79%	-
	Representative: Hironori Oka	TH1551742	08/09/2006	Apartment no. 3405, Pacific Place building, Pacific Place, 88 Queensway, Hong Kong	88,936,821	17.79%	-
3	Saigon Dan Linh Real Estate Co., Ltd	0312490624	04/10/2013	236/43/2 Dien Bien Phu street, Ward 17, Binh Thanh, Hochiminh City	30,154,063	6.03%	-
	Representative: Ha Thi Thanh Van	024100737	02/03/2004	D8, no 60 Giang Van Minh, An Phu ward, District 2, Hochiminh City	30,154,063	6.03%	-
	TOTAL B				**167,285,611**	**33.46%**	**-**
C	***Strategic shareholders***						
1	Daiwa Securities Group Incorporation	CS6098	03/07/2007	9-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	88,936,821	17.79%	-
	TOTAL C				**88,936,821**	**17.79%**	**-**
D	***Founding partner/FDI Shareholder (in case Listed company is a FDI company)***						
					-	-	-
	TOTAL D				**-**	**-**	**-**
	TOTAL (A+B+C+D)				**167,285,611**	**33.46%**	**-**

Details of internal shareholders and spokesman

No.	Name	Position	Number of Transfer restriction shares (*)	Number of Free transfer shares (*)	Total (*)	Ownership Proportion (%) (*)
1	Nguyen Duy Hung	Chairman cum CEO	2,483,500	2,400,900	4,884,400	0.98%
2	Nguyen Hong Nam	Chairman cum CEO Member of BOD cum Deputy CEO Spokesman	1,000,000	0	1,000,000	0.20%
3	Ngo Van Diem	Member of BOD	150,000	0	150,000	0.03%
4	Bui Quang Nghiem	Member of BOD	45,000	218,174	263,174	0.05%
5	Hironori Oka	Member of BOD	-	-	-	-
	Daiwa Securities Group Inc.	Member of BOD			88,936,821	17.79%
6	Nguyen Duy Khanh		300,000	200,000	500,000	0.10%
7	Nguyen Van Khai	Head of BOS	45,000	55,455	100,455	0.02%
8	Dang Phong Luu	Member of BOS	22,500	22,568	45,068	0.01%
9	Nguyen Thi Thanh Ha	CFO	500,000	562,200	1,062,200	0.21%
10	Hoang Thi Minh Thuy	Chief Accountant	100,000	10,000	110,000	0.02%
	TOTAL		**4,646,000**	**3,469,297**	**8,115,297**	**1.62%**

BRANCH NETWORK

THE SOUTH

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Nguyen Thi Minh Khai Transaction Office: Level 1, Golden Tower, 6 Nguyen Thi Minh Khai, District 1, Ho Chi Minh City

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