

**Techcom Securities Joint Stock Company**

Financial statements

For the period from 01 January to 30 September 2023



# Techcom Securities Joint Stock Company

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# Techcom Securities Joint Stock Company

## GENERAL INFORMATION

### THE COMPANY

Techcom Securities Joint Stock Company ("the Company") is established and operates under the License of Securities Business No.125/GP-UBCK issued by the State Securities Commission on 30 May 2018. Techcom Securities Joint Stock Company has its legal form transferred from Techcom Securities Company Limited according to Decision No.222/QD-UBCK on 19 March 2018.

As at 30 September 2023, total charter capital of the Company is VND 2,176,994,200,000 according to the amended License No.54/GPDC-UBCK granted by the Chairman of State Securities Commission on 30 June 2023.

The principal activities of the Company include securities brokerage, proprietary trading, securities investment advisory and underwriting services.

The Company's Head Office is located at 27<sup>th</sup>, 28<sup>th</sup> and 29<sup>th</sup> floor, C5 D'Capitale building, No.119 Tran Duy Hung street, Trung Hoa ward, Cau Giay district, Hanoi, according to the amended License No.60/GPDC-UBCK granted by the Chairman of State Securities Commission on 13 July 2022.

### BOARD OF DIRECTORS

Members of the Board of Directors during the period and at the date of these financial statements are as follows:

Name	Title	Appointment/Resignation date
Mr. Nguyen Xuan Minh	Chairman	Appointed on 31 May 2018
Mr. Phan Thanh Son	Member	Appointed on 31 May 2018
Ms. Nguyen Thi Thu Hien	Member	Appointed on 26 April 2019
Mr. Alexandre Charles Emmanuel Macaire	Member	Appointed on 28 April 2022
Mr. Darren Neale Buckley	Member	Appointed on 28 April 2022
Mr. Kalyanaraman	Member	Appointed on 26 April 2023
Sivaramakrishnan		
Mr. Le Huy Hoang	Member	Resigned on 26 April 2023

### BOARD OF SUPERVISION

Members of Board of Supervision during the period and at the date of these financial statements are as follows:

Name	Title	Appointment/Resignation date
Mr. Dang Van Khai	Head of the Board of Supervision	Appointed on 31 May 2018
Ms. Hoang Thi Kim Cuc	Member	Appointed on 31 May 2018
Ms. Le Thi Thu Huong	Member	Appointed on 26 April 2023
Mr. Dao Kien Trung	Member	Resigned on 26 April 2023

# Techcom Securities Joint Stock Company

## GENERAL INFORMATION (continued)

### BOARD OF EXECUTIVE OFFICERS

Members of the Board of Executive Officers during the period and at the date of these financial statements are as follows:

<i>Name</i>	<i>Title</i>	<i>Appointment date</i>
Ms. Nguyen Thi Thu Hien	Chief Executive Officer	Appointed on 27 October 2016
Ms. Pham Dieu Linh	Deputy Chief Executive Officer	Appointed on 10 October 2018
Ms. Bui Thi Thu Hang	Deputy Chief Executive Officer	Appointed on 30 June 2020
Ms. Tran Thi Thu Trang	Deputy Chief Executive Officer	Appointed on 05 November 2021
Ms. Nguyen Thi Hoat	Deputy Chief Executive Officer	Appointed on 05 November 2021
Mr. Nguyen Tuan Cuong	Deputy Chief Executive Officer	Appointed on 20 August 2022
Mr. Ngo Hoang Ha	Deputy Chief Executive Officer	Appointed on 04 May 2023

### LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of these financial statements is Mr. Nguyen Xuan Minh, Chairman of the Board of Directors.

Ms. Nguyen Thi Thu Hien, Chief Executive Officer is authorised by Mr. Nguyen Xuan Minh to sign the accompanying financial statements in accordance with the Letter of Authorization 010/2018/UQ-CT dated 14 August 2018.

**STATEMENT OF FINANCIAL POSITION**  
as at 30 September 2023

Code	ITEMS	Notes	30 September 2023 VND	31 December 2022 VND
<b>100</b>	<b>A. CURRENT ASSETS (100=110+130)</b>		<b>35,232,644,443,871</b>	<b>25,948,479,990,644</b>
<b>110</b>	<b>I. Financial assets</b>		<b>35,213,085,081,576</b>	<b>25,929,858,136,745</b>
111	1. Cash and cash equivalents	5	4,171,971,642,513	2,404,813,202,406
111.1	1.1. Cash		3,936,971,642,513	2,404,813,202,406
111.2	1.2. Cash equivalents		235,000,000,000	-
113	2. Held-to-maturity ("HTM") investments	7.1	1,282,046,000,000	1,000,000,000
114	3. Loan receivables	7.2	12,826,732,400,606	9,354,605,486,589
115	4. Available-for-sale ("AFS") financial assets	7.3	16,612,201,063,080	10,511,124,650,851
116	5. Provision for impairment of financial assets and mortgaged assets		-	(3,599,620)
117	6. Receivables	8	223,552,367,169	183,085,158,587
117.2	6.1. Receivables and accruals from dividend and interest income of financial assets		223,552,367,169	183,085,158,587
117.3	6.1.1. Receivables for due dividend and interest income		1,454,068,001	26,781,966,648
117.4	6.1.2. Accruals for undue dividend and interest income		222,098,299,168	156,303,191,939
118	7. Advances to suppliers	8	1,923,612,146	1,512,267,704
119	8. Receivables from services provided by the Company	8	94,508,809,940	23,877,481,391
122	9. Other receivables	8	270,186,122	3,450,110,238,837
129	10. Provision for impairment of receivables	8	(121,000,000)	(266,750,000)
<b>130</b>	<b>II. Other current assets</b>		<b>19,559,362,295</b>	<b>18,621,853,899</b>
131	1. Advances		275,000,000	11,248,150,250
132	2. Tools and supplies		571,020,000	-
133	3. Short-term prepaid expenses	12	18,713,342,295	7,373,703,649
<b>200</b>	<b>B. NON-CURRENT ASSETS (200=210+220+250)</b>		<b>3,159,772,675,784</b>	<b>143,067,748,219</b>
<b>210</b>	<b>I. Long-term financial assets</b>	9	<b>3,033,431,775,000</b>	<b>-</b>
212	1. Long-term investments		3,033,431,775,000	-
212.4	1.1 Other long-term investment		3,033,431,775,000	-
<b>220</b>	<b>II. Fixed assets</b>		<b>67,072,824,532</b>	<b>84,726,784,106</b>
221	1. Tangible fixed assets	10	54,333,501,683	68,067,359,617
222	1.1. Cost		110,754,074,040	110,681,859,040
223a	1.2. Accumulated depreciation		(56,420,572,357)	(42,614,499,423)
227	2. Intangible fixed assets	11	12,739,322,849	16,659,424,489
228	2.1. Cost		61,426,279,490	61,426,279,490
229a	2.2. Accumulated amortisation		(48,686,956,641)	(44,766,855,001)
<b>250</b>	<b>III. Other long-term assets</b>		<b>59,268,076,252</b>	<b>58,340,964,113</b>
251	1. Long-term deposits, collaterals, and pledges		184,298,800	184,298,800
252	2. Long-term prepaid expenses	12	9,378,009,316	14,257,812,698
253	3. Deferred tax assets	13	23,451,275,794	20,791,943,497
254	4. Payments to Settlement Assistance Fund	14	16,254,492,342	13,106,909,118
255	5. Other non-current assets	15	10,000,000,000	10,000,000,000
<b>270</b>	<b>TOTAL ASSETS (270=100+200)</b>		<b>38,392,417,119,655</b>	<b>26,091,547,738,863</b>

STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2023

Code	ITEMS	Notes	30 September 2023 VND	31 December 2022 VND
<b>300</b>	<b>C. LIABILITIES (300=310+340)</b>		<b>15,432,362,368,902</b>	<b>15,102,289,530,963</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>14,134,335,375,259</b>	<b>13,378,593,348,270</b>
311	1. Short-term borrowings and financial leases	16	13,141,669,151,430	6,871,600,000,000
312	1.1. Short-term borrowings		13,141,669,151,430	6,871,600,000,000
318	2. Payables for securities trading activities	17	42,415,543,784	5,305,624,911,458
320	3. Short-term trade payables		140,355,545,956	240,252,940,500
322	4. Taxes and other payables to the State budget	19	362,300,102,449	316,020,156,985
323	5. Payables to employees		89,341,257,012	123,723,915,438
325	6. Short-term accrued expenses	18	160,484,098,288	132,305,599,362
327	7. Short-term unearned revenue	20	91,265,560,779	266,845,205,536
329	8. Other short-term payables	21	106,214,115,561	121,870,618,991
331	9. Bonus and welfare fund		290,000,000	350,000,000
<b>340</b>	<b>II. Non-current liabilities</b>		<b>1,298,026,993,643</b>	<b>1,723,696,182,693</b>
346	1. Long-term bonds issued	22	1,289,165,200,784	1,708,634,544,957
351	2. Long-term unearned revenue	20	8,831,239,359	15,031,084,236
355	3. Investors' protection fund		30,553,500	30,553,500
<b>400</b>	<b>D. OWNERS' EQUITY (400=410)</b>		<b>22,960,054,750,753</b>	<b>10,989,258,207,900</b>
<b>410</b>	<b>I. Owner's equity</b>	<b>23</b>	<b>22,960,054,750,753</b>	<b>10,989,258,207,900</b>
411	1. Share capital		11,368,904,200,000	1,126,140,700,000
411.1	1.1. Owners' capital contribution		2,176,994,200,000	1,126,140,700,000
411.2	1.2. Share premium		9,191,910,000,000	-
412	2. Differences from revaluation of assets at fair value		26,793,238,646	(10,561,943,926)
417	3. Undistributed profit		11,564,357,312,107	9,873,679,451,826
417.1	3.1. Realized profit after tax		11,563,523,003,621	9,872,987,551,840
417.2	3.2. Unrealized profit		834,308,486	691,899,986
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY (440=300+400)</b>		<b>38,392,417,119,655</b>	<b>26,091,547,738,863</b>

STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2023

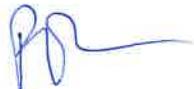
## OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	30 September 2023 VND	31 December 2022 VND
	<b>A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS</b>			
008	1. Financial assets listed/registered for trading at Vietnam Securities Depository ("VSD") of the Company	24.1	4,645,139,840,000	843,650,040,000
009	2. Non-traded financial assets deposited at VSD		11,300,000,000	-
010	3. Awaiting financial assets of the Company	24.2	192,421,700,000	9,799,131,256
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS</b>			
021	1. Financial assets listed/registered for trading at VSD of investors		185,036,996,547,500	146,560,432,630,000
021.1	1.1 <i>Unrestricted financial assets</i>		116,312,583,682,500	84,523,895,380,000
021.2	1.2 <i>Restricted financial assets</i>		377,286,370,000	139,546,850,000
021.3	1.3 <i>Mortgaged financial assets</i>		65,377,141,000,000	60,455,199,550,000
021.4	1.4 <i>Blocked financial assets</i>		905,998,450,000	735,109,450,000
021.5	1.5 <i>Financial assets awaiting settlement</i>		2,063,987,045,000	706,681,400,000
022	2. Non-traded financial assets deposited at VSD of investors		2,387,317,260,000	719,450,400,000
022.1	2.1 <i>Unrestricted and non-traded financial assets deposited at VSD</i>		2,385,035,110,000	634,486,460,000
022.2	2.2 <i>Restricted and non-traded financial assets deposited at VSD</i>		2,282,150,000	84,963,940,000
026	3. Investors' deposits		3,826,312,810,980	2,330,045,069,459
027	3.1 <i>Investors' deposits for securities trading activities managed by the Company</i>		1,505,903,302,584	855,886,234,155
029	3.2 <i>Deposits for clearing and payment of securities transactions</i>		2,288,119,760,355	1,422,239,648,556
	- <i>Domestic investors' deposits for clearing and payment of securities transactions</i>		2,288,115,420,355	1,422,239,648,556
	- <i>Foreign investors' deposits for clearing and payment of securities transactions</i>		4,340,000	-
030	3.3 <i>Deposits of securities issuers</i>		32,289,748,041	51,919,186,748

STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2023

## OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	30 September 2023 VND	31 December 2022 VND
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)</b>			
031	4. Payables to investors - investors' deposits for securities trading activities managed by the Company		3,794,023,062,939	2,278,125,882,711
031.1	4.1 Payables to domestic investors for securities trading activities managed by the Company		3,781,894,831,238	2,266,780,675,185
031.2	4.2 Payables to foreign investors for securities trading activities managed by the Company		12,128,231,701	11,345,207,526
035	5. Dividend, bond principal and interest payables		32,289,748,041	51,919,186,748

Ms. Nguyen Thi Thanh Thuy  
PreparerMs. Pham Thuy Van  
Accountant in chargeMs. Nguyen Thi Thu Hien  
Chief Executive Officer

Hanoi, 17 October 2023

# Techcom Securities Joint Stock Company

INCOME STATEMENT  
for the 9-month period ended 30 September 2023

B02a-CTCK

Code	ITEMS	Notes	Quarter 3		Accumulated to current quarter	
			Current year VND	Prior year VND	Current year VND	Prior year VND
<b>I. OPERATING INCOME</b>						
01	1. Gain from financial assets at fair value through profit and loss ("FVTPL")		668,984,977,618	267,063,428,540	1,080,537,911,957	797,384,138,816
01.1	1.1. Gain from disposal of financial assets at FVTPL		668,984,977,618	267,063,428,540	1,080,537,911,957	797,384,138,816
02	2. Gain from held-to-maturity ("HTM") investments	25.1	14,756,478,552	13,571,877,615	21,154,674,706	26,091,101,007
03	3. Gain from loans and receivables	25.2	423,531,537,734	369,807,644,314	1,095,609,436,278	1,169,668,441,133
04	4. Gain from available-for-sale ("AFS") financial assets	25.2	109,308,337,759	83,873,605,919	314,419,794,474	163,549,750,409
06	5. Revenue from brokerage services	147,575,385,334	227,518,248,167	340,312,841,092	746,501,765,989	
07	6. Revenue from underwriting and issuance agency services		288,153,344,771	190,123,338,275	736,912,552,375	1,140,475,341,571
09	7. Revenue from securities depository services	12,177,333,508	11,527,747,843	36,897,502,077	33,570,158,343	
10	8. Revenue from financial advisory services	37,165,000,000	19,773,799,132	45,476,335,617	147,212,388,175	
11	9. Other operating incomes	33,119,730	423,055,493	45,519,160,690	1,919,579,820	
20	<b>Total operating income (20=01-&gt;11)</b>		<b>1,701,685,515,006</b>	<b>1,183,682,745,298</b>	<b>3,716,840,209,266</b>	<b>4,226,372,665,263</b>
<b>II. OPERATING EXPENSES</b>						
21	1. Loss from financial assets at fair value through profit and loss ("FVTPL")		24,219,054,264	6,116,892,175	134,612,411,173	56,290,445,384
21.1	1.1. Loss from disposal of financial assets at FVTPL		24,219,054,264	6,116,892,175	134,612,411,173	56,290,445,384
24	2. (Reversals) of provision expenses for financial assets, write-off of doubtful receivables, impairment losses of financial assets and interest expenses for loans				(3,599,620)	
27	3. Expenses for brokerage services	26	62,452,008,629	34,372,831,942	121,120,249,377	129,217,047,794
30	4. Expenses for securities depository services	26	10,564,179,821	10,000,941,655	32,212,271,105	31,795,416,107
32	5. Other operating expenses	26	48,829,108,453	121,906,965,990	224,396,426,470	420,966,700,137
40	<b>Total operating expenses (40=21-&gt;32)</b>		<b>146,064,351,167</b>	<b>172,397,631,762</b>	<b>512,337,758,505</b>	<b>638,269,609,422</b>



# Techcom Securities Joint Stock Company

INCOME STATEMENT (continued)  
for the 9-month period ended 30 September 2023

B02a-CTCK

Code	ITEMS	Notes	Quarter 3			Accumulated to current quarter Current year VND	Prior year VND
			Current year VND	Prior year VND	Current year VND		
	<b>III. FINANCIAL INCOME</b>						
41	1. Realized and unrealized gain from changes in foreign exchange rates					14,002,400,000	
42	2. Dividend from investment in subsidiaries, associates and interest income from demand deposits					8,266,805,030	
44	3. Other financial income					2,761,551,057	
<b>50</b>	<b>Total financial income (50=41-&gt;44)</b>	<b>27</b>	<b>7,388,006,113</b>	<b>2,177,886,491</b>	<b>12,207,752,436</b>	<b>22,269,205,030</b>	
	<b>IV. FINANCIAL EXPENSES</b>						
51	1. Realized and unrealized loss from changes in foreign exchange rates					2,840,000,000	
52	2. Interest expenses					642,656,804,891	
55	3. Other financial expenses					89,502,982,221	
<b>60</b>	<b>Total financial expenses (60=51-&gt;55)</b>	<b>28</b>	<b>295,096,418,807</b>	<b>167,997,579,948</b>	<b>734,995,797,112</b>	<b>546,143,007,851</b>	
<b>62</b>	<b>V. GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>29</b>	<b>119,370,466,763</b>	<b>114,618,551,643</b>	<b>333,088,867,580</b>	<b>350,976,473,790</b>	
<b>70</b>	<b>VI. OPERATING PROFIT (70=20+50-60-62)</b>	<b>1,148,542,284,382</b>	<b>730,846,868,436</b>	<b>2,148,624,538,505</b>	<b>2,713,252,779,230</b>		
	<b>VII. OTHER INCOME AND EXPENSES</b>						
71	1. Other incomes					78,889,548	
72	2. Other expenses					606,902,572	
<b>80</b>	<b>Total other operating (loss)/profit (80=71-72)</b>	<b>(154,967,634)</b>	<b>(94,940,006)</b>	<b>(528,013,024)</b>	<b>24,883,564,923</b>		
<b>90</b>	<b>VIII. PROFIT BEFORE TAX (90=70+80)</b>	<b>1,148,387,316,748</b>	<b>730,751,928,430</b>	<b>2,148,093,525,481</b>	<b>2,738,136,344,153</b>		
91	Realized profit	1,148,387,316,748	730,751,928,430	2,148,093,525,481	2,738,136,344,153		
<b>100</b>	<b>IX. CORPORATE INCOME TAX ("CIT") EXPENSES</b>	<b>233,468,051,212</b>	<b>151,474,194,197</b>	<b>457,415,665,200</b>	<b>545,161,122,987</b>		
100.1	Current CIT expense	233,468,051,212	147,627,801,736	458,249,973,686	549,104,684,881		
100.2	Deferred CIT (income)/expenses		3,846,392,461	(834,308,486)	(3,943,561,894)		
<b>200</b>	<b>X. PROFIT AFTER TAX (200=90-100)</b>	<b>914,919,265,536</b>	<b>579,277,734,233</b>	<b>1,690,677,860,281</b>	<b>2,192,975,221,166</b>		

# Techcom Securities Joint Stock Company

INCOME STATEMENT (continued)  
for the 9-month period ended 30 September 2023

Code	ITEMS	Notes	Quarter 3		Accumulated to current quarter	
			Current year VND	Prior year VND	Current year VND	Prior year VND
300	XI. OTHER COMPREHENSIVE INCOME AFTER TAX					
301	Gain/(Loss) from revaluation of AFS financial assets		40,758,169,553	(8,782,371,561)	37,355,182,572	1,248,439,303
400	Total other comprehensive income (400=301)		<b>40,758,169,553</b>	<b>(8,782,371,561)</b>	<b>37,355,182,572</b>	<b>1,248,439,303</b>



Ms. Nguyen Thi Thanh Thuy  
Preparer

Ms. Pham Thuy Van  
Accountant in charge

Hanoi, 17 October 2023

**CASH FLOW STATEMENT**  
for the 9-month period ended 30 September 2023

Code	ITEMS	Notes	01 January 2023 to 30 September 2023 VND	01 January 2022 to 30 September 2022 VND
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	1. Profit before tax		2,148,093,525,481	2,738,136,344,153
02	2. Adjustments for:		438,135,330,677	239,294,977,187
03	Depreciation and amortisation expenses	10,11	17,726,174,574	16,848,870,447
04	Provisions		(149,349,620)	-
06	Interest expenses	28	642,656,804,891	460,297,867,676
08	Accrued interest income	8	(222,098,299,168)	(237,851,760,936)
30	<b>Operating (loss) before changes in working capital</b>		(9,642,593,047,066)	(1,288,156,549,724)
32	Changes in HTM investments		(1,281,046,000,000)	(624,000,000,000)
33	Changes in loan receivables		(3,472,126,914,017)	635,650,098,771
34	Changes in AFS financial assets		(4,250,546,253,468)	(1,843,531,364,541)
36	Changes in receivables and accruals from dividend and interest income of financial assets		181,631,090,586	174,963,897,182
37	Changes in receivables from services provided by the Company		(70,631,328,549)	83,778,830,031
39	Changes in other receivables		3,449,840,052,715	(1,504,822,061,182)
40	Changes in other assets		7,254,547,026	1,490,993,565
41	Changes in accrued expenses (excluding interest expenses)		40,237,172,521	-
42	Changes in prepaid expenses		(6,459,835,264)	(5,851,084,609)
43	Current corporate income tax paid	19	(437,672,854,333)	(539,319,038,728)
44	Interest expenses paid		(654,715,478,486)	(343,963,358,817)
45	Changes in payables		(100,308,738,986)	848,860,952
46	Changes in employees' welfare payables		(4,830,768)	-
47	Changes in tax and other payables to the State budget (excluding CIT paid)		25,702,826,111	(16,591,642,004)
48	Changes in payables to employees		(34,382,658,426)	(5,440,502,087)
50	Changes in other payables		(3,039,303,843,728)	2,698,629,821,743
52	Other cash outflows from operating activities		(60,000,000)	-
60	<b>Net cash flows (used in)/generated by operating activities</b>		(7,056,364,190,908)	1,689,274,771,616
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
61	Acquisition and construction of fixed assets and other assets		(72,215,000)	(18,288,984,000)
63	Capital investment in subsidiaries, joint ventures, associates and other investments		(3,033,431,775,000)	-
70	<b>Net cash flows (used in) investing activities</b>		(3,033,503,990,000)	(18,288,984,000)
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
71	Cash receipts from issuance of shares, or capital contribution by shareholders		10,242,763,500,000	1,893,900,000
73	Cash receipts from borrowings		40,812,476,032,258	11,265,337,250,826
73.2	- Other borrowings		40,812,476,032,258	11,265,337,250,826
74	Repayment of borrowings		(39,198,212,911,243)	(11,161,615,000,000)
74.3	- Other borrowings		(39,198,212,911,243)	(11,161,615,000,000)
76	Dividends, profit distributed to shareholders		-	(675,447,477,440)
80	<b>Net cash flows generated by/(used in) financing activities</b>		11,857,026,621,015	(569,831,326,614)

**CASH FLOW STATEMENT (continued)**  
for the 9-month period ended 30 September 2023

Code	ITEMS	Notes	01 January 2023 to 30 September 2023 VND	01 January 2022 to 30 September 2022 VND
<b>90</b>	<b>NET INCREASE IN CASH DURING THE PERIOD (90=60+70+80)</b>		<b>1,767,158,440,107</b>	<b>1,101,154,461,002</b>
<b>101</b>	<b>CASH AT THE BEGINNING OF THE PERIOD</b>	<b>5</b>	<b>2,404,813,202,406</b>	<b>1,125,203,259,229</b>
101.1	Cash		2,404,813,202,406	1,125,203,259,229
<b>103</b>	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (103=90+101)</b>	<b>5</b>	<b>4,171,971,642,513</b>	<b>2,226,357,720,231</b>
103.1	Cash		3,936,971,642,513	2,191,357,720,231
103.2	Cash equivalents		235,000,000,000	35,000,000,000

**CASH FLOW STATEMENT (continued)**  
for the 9-month period ended 30 September 2023

#### **CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF CUSTOMERS**

Code	ITEMS	Notes	01 January 2023 to 30 September 2023 VND	01 January 2022 to 30 September 2022 VND
	<b>I. Cash flows from brokerage and trust activities of customers</b>			
01	1. Cash receipts from disposal of brokerage securities of customers		205,058,099,898,126	233,747,602,767,588
02	2. Cash payments for purchases of brokerage securities of customers		(210,939,597,399,810)	(243,369,305,541,076)
07	3. Cash receipts for settlement of securities transactions of customers		482,296,427,179,530	237,546,008,064,269
08	4. Cash payments for securities transactions of customers		(474,830,946,058,872)	(229,813,957,198,720)
11	5. Cash payments for depository fees of customers		(39,641,847,992)	(49,505,001,871)
14	6. Cash receipts from securities issuers		108,629,124,886,111	8,184,563,563,368
15	7. Cash payments for securities issuers		(108,677,198,915,572)	(7,760,385,448,868)
20	<b>Net increase/(decrease) in cash during the period</b>		<b>1,496,267,741,521</b>	<b>(1,514,978,795,310)</b>
30	<b>II. Cash and cash equivalents of customers at the beginning of the period</b>		<b>2,330,045,069,459</b>	<b>4,577,097,273,878</b>
31	Cash at banks at the beginning of the period		2,330,045,069,459	4,577,097,273,878
32	- Investors' deposits managed by the Company for securities trading activities.		855,886,234,155	1,369,027,487,417
34	- Deposits for clearing and payment of securities transactions		1,422,239,648,556	3,206,017,544,118
35	- Deposits of securities issuers		51,919,186,748	2,052,242,343
40	<b>III. Cash and cash equivalents of customers at the end of the period (40=20+30)</b>		<b>3,826,312,810,980</b>	<b>3,062,118,478,568</b>
41	Cash at banks at the end of the period:		3,826,312,810,980	3,062,118,478,568
42	- Investors' deposits managed by the Company for securities trading activities		1,505,903,302,584	570,327,159,334
44	- Deposits for clearing and payment of securities transactions		2,288,119,760,355	2,067,613,204,734
45	- Deposits of securities issuers		32,289,748,041	424,178,114,500

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Ms. Nguyen Thi Thanh Thuy  
Preparer

Ms. Pham Thuy Van  
Accountant in charge

Ms. Nguyen Thi Thu Hien  
Chief Executive Officer

Hanoi, 17 October 2023

# Techcom Securities Joint Stock Company

## STATEMENT OF CHANGES IN OWNERS' EQUITY for the 9-month period ended 30 September 2023

B04a-CTCK

ITEMS	Opening balance		Increased/Decrease				Closing balance	
	01 January 2022		01 January 2023		Current period		30 September 2022	
	Notes	VND	VND	VND	VND	VND	VND	VND
A	B	1	2	3	4	5	6	7
I. CHANGES IN OWNERS' EQUITY								
1. Share capital	23.2	1,124,246,800,000	1,126,140,700,000	1,893,900,000	-	1,050,853,500,000	-	1,126,140,700,000
2. Share premium	23.2	-	-	-	-	9,191,910,000,000	-	9,191,910,000,000
3. Charter capital	23.2	112,424,680,000	-	-	-	-	-	-
4. Supplementary reserve	23.2	112,424,680,000	-	-	-	-	-	-
5. Financial reserve							-	-
6. Differences from revaluation of assets at fair value	23.2	(1,965,148,867)	(10,561,943,926)	1,248,439,303	(682,938,341,291)	38,878,900,499	(1,523,717,927)	(716,709,564)
7. Undistributed profit	23.1	7,898,113,477,383	9,873,679,451,826	2,200,466,085,017	(675,447,477,440)	1,690,677,860,281	-	9,415,641,221,109
6.1. Realized profit after tax		7,890,622,613,532	9,872,987,551,840	2,196,522,523,723	(7,490,863,851)	1,690,535,451,781	-	9,411,697,659,215
6.2. Unrealized profit		7,490,863,857	691,899,986	3,943,561,894	142,408,500	-	-	11,563,523,003,627
TOTAL		9,245,244,488,516	10,989,258,207,900	2,203,608,424,320	(682,938,341,291)	11,972,320,260,780	(1,523,717,927)	10,765,914,571,545
II. OTHER COMPREHENSIVE INCOME								22,960,054,750,753
1. Gain/(loss) from revaluation of AFS financial assets		(1,965,148,867)	(10,561,943,926)	1,248,439,303	-	38,878,900,499	(1,523,717,927)	(716,709,564)
TOTAL		(1,965,148,867)	(10,561,943,926)	1,248,439,303	-	38,878,900,499	(1,523,717,927)	(716,709,564)



Ms. Nguyen Thi Thu Hien

Chief Executive Officer

Ms. Pham Thuy Van  
Accountant in charge

Ms. Nguyen Thi Thanh Thuy  
Preparer

Hanoi, 17 October 2023

## NOTES TO THE FINANCIAL STATEMENTS as at 30 September 2023 and for the period then ended

### 1. CORPORATE INFORMATION

Techcom Securities Joint Stock Company ("the Company") is a joint-stock company whose legal form is transferred from Techcom Securities Company Limited according to Decision No.222/QD-UBCK on 19 March 2018, and inherits all legal rights and interests, responsible for debts and other obligations of Techcom Securities Company Limited. Techcom Securities Joint Stock Company operates under the License of Securities Business No.125/GP-UBCK issued by the State Securities Commission on 30 May 2018; and the Joint Stock Company Business Registration Certificate No. 0102935813 issued by the Hanoi Department of Planning and Investment for the first time on 30 May 2018, with the latest amendment (6<sup>th</sup>) on 11 July 2023.

The Company's Head Office is located at 27<sup>th</sup>, 28<sup>th</sup> and 29<sup>th</sup> floor, C5 D'Capitale building, No.119 Tran Duy Hung street, Trung Hoa ward, Cau Giay district, Hanoi.

The principal activities of the Company are securities brokerage, proprietary trading, securities investment advisory and underwriting services.

The number of the Company's employees as at 30 September 2023 was 472 people (as at 31 December 2022: 501 people).

#### *Main characteristics of the Company's operation*

##### *Capital size*

As at 30 September 2023, total capital contribution of the Company is VND 2,176,994,200,000, owners' equity is VND 22,960,054,750,753 and total assets are VND 38,392,417,119,655.

##### *Investment objectives*

The Company's mission are to be a trusted strategic financial consulting partner of corporate customers and to create a superior cumulative investment experience for every Vietnamese family.

##### *Investment restrictions*

The Company is required to comply with Article 28 under Circular No. 121/2020/TT-BTC dated 31 December 2020 providing guidance on establishment and operation of securities companies, and other applicable regulations on investment restrictions. The current applicable practices on investment restrictions are as follows:

- ▶ Securities company is not allowed to invest, 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 bonds; and
- ▶ 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;

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

**1. CORPORATE INFORMATION (continued)**

*Investment restrictions (continued)*

- 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, which shall not apply to member fund, ETF fund or open-end fund certificates;
- Invest or contribute capital of more than ten percent (10%) in the total paid-up capital of a limited 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; and
- Invest more than seventy percent (70%) of its total owners' 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.

**2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD**

**2.1 *Applied accounting standards and accounting regime***

The financial statements of the Company are prepared in accordance with Vietnamese Accounting Regime, accounting regulations set out for securities companies under Circular No. 210/2014/TT-BTC dated 30 December 2014 issued by the Ministry of Finance ("Circular 210"); Circular No. 334/2016/TT-BTC issued by the Ministry of Finance on 27 December 2016 amending, supplementing and replacing Appendices No. 02 and No. 04 of Circular 210; and other Vietnamese Accounting Standards issued by the Ministry of Finance under below Decisions:

- ▶ 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 *Registered accounting documentation system***

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

**2.3 *Accounting period***

The Company's financial year begins on 01 January and ends on 31 December.

The Company's accompanying financial statements are prepared for the 9-month period ended 30 September 2023.

**2.4 *Accounting currency***

The accompanying financial statements are prepared in Vietnam Dong ("VND") which is the Company's accounting currency.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended**3. STATEMENT ON COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND ACCOUNTING REGIME**

The Board of Executive Officers confirms that the Company has prepared the financial statements for the 9-month period ended 30 September 2023 in compliance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting Regime, accounting guidance applicable to securities companies and legal regulations relating financial reporting.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****4.1 *Changes in significant accounting policies***

The significant accounting policies, which have been adopted by the Company in the preparation of the financial statements for the 9-month period ended 30 September 2023, are consistent with those adopted in the preparation of the financial statements for the year ended 31 December 2022.

**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 term not exceeding three months) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash deposited by investors for securities trading activities and cash deposited by securities issuers are presented on the off-balance sheet.

**4.3 *Financial assets at fair value through profit/loss ("FVTPL")***

Financial assets FVTPL are financial assets that satisfy either of the following conditions:

- a) A financial asset is classified as held for trading if:
  - ▶ It is acquired or incurred mainly for the purpose of reselling or repurchasing in the short term;
  - ▶ There is any evidence that 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 recognizing gains or losses on a different basis.
  - ▶ 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 and subsequently recognized at fair value.

The acquisition cost of financial assets at FVTPL does not comprise transaction costs arising directly from the purchase of these financial assets. These transaction costs are recognized as purchase costs of financial assets in the income statement when incurred.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.3 *Financial assets at fair value through profit/loss ("FVTPL") (continued)***

An increase arising from revaluation of financial assets at FVTPL in comparison with the prior period is recognized into the income statement under "Gain from revaluation of financial assets at FVTPL". A decrease arising from revaluation of financial assets at fair value through profit or loss in comparison with the prior period is recognized into the income statement under "Loss from revaluation of financial assets at FVTPL".

**4.4 *Held-to-maturity investments ("HTM")***

HTM investments are non-derivative financial assets with fixed term and fixed or identifiable payments that the Company has the positive intention or ability to hold to maturity, except for:

- 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;
- c) Those satisfy the definition of loans and receivables.

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

Amortized cost of HTM investments is measured at initially recognized cost minus (-) principal repayments, plus (+) or minus (-) the accumulated amortization using the EIR method of any difference between that initial amount and the maturity amount, and minus (-) any utilization of provision for impairment or irrecoverability (if any).

The EIR method is a method of calculating the cost allocation on interest income or interest expense in the related 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.

Accrued interest is recognized under "*Receivables and accruals from dividend and interest income of financial assets*".

HTM investments are subject to impairment assessment at the reporting date. Provision is made for an HTM investment when there is any objective evidence that the investment is irrecoverable or there is uncertainty of recoverability, resulting from one or more loss events that have occurred after the initial recognition of the investment and the loss event has an impact on the estimated future cash flows of the HTM investment that can be reliably estimated. Objective evidence of impairment may include a decline in the fair value/market value (if any) of the investment, indicators that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. When there is any evidence of impairment, provision for an HTM investment is determined as the negative difference between its fair value and amortized cost at the assessment date. Any increase or decrease in the balance of provision is recognised in the income statement under "*Provision expenses for financial assets, write-off of doubtful receivables, impairment losses of financial assets and interest expenses for loans*".

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 *Loan receivables*

Loans are non-derivative financial assets with fixed or identifiable payments and not listed on the market, except for:

- a) The amount that 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 amount categorized by the Company as available-for-sale upon initial recognition; or
- c) The amount whose holders cannot recover most of the initial investment value not due to credit quality impairment and which are categorized as available-for-sale.

Loan receivables are initially recognized at cost. After initial recognition, loan receivables are subsequently measured at amortized cost using the EIR method.

Amortized cost of loan receivables is the amount at which the loan receivables are measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative amortization using the EIR method of any difference between that initial amount and the maturity amount, and minus (-) any reduction for impairment or irrecoverability (if any).

Loan receivables are subject to impairment assessment at the reporting date. Provision is made based on estimated loss which is determined by the difference between the market value of securities used as collaterals for such loan receivables and the outstanding loan receivable balance. Any increase or decrease in the balance of provision is recorded in *"Provision expenses for financial assets, write-off of doubtful receivables, impairment losses of financial assets and interest expenses for loans"* in the income statement.

Accrued interest is recognized under *"Receivables and accruals from dividend and interest income of financial assets"*.

4.6 *Available-for-sale ("AFS")*

Available-for-sale financial assets are 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;
- c) Financial assets recognized at fair value through profit or loss.

AFS financial assets are initially recognized at cost (acquisition cost plus transaction costs which are directly attributable to the purchase of these 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 prior period is recognized under *"Gain/(Loss) from revaluation of AFS financial assets"* in *"Other comprehensive income after tax"* which is a part of the income statement.

As at the reporting date, the Company assessed whether there is any objective evidence that an AFS financial asset is impaired. Any increase or decrease in the provision balance is recognized in the income statement under *"Provision expenses for financial assets, write-off of doubtful receivables, impairment losses of financial assets and interest expenses for loans"*.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.6 Available-for-sale ("AFS") (continued)**

- ▶ Where an equity instrument is classified as available-for-sale, objective 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 original cost and fair value at the assessment date.
- ▶ Where a debt instrument is classified as available-for-sale, the impairment assessment is conducted using the same criteria as those applied for HTM investments. When there is any evidence of impairment, provision is determined as the difference between fair value and amortized cost at the assessment date.

Accrued interest is recognized under "*Receivables and accruals from dividend and interest income of financial assets*".

**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 nearest trading day preceding the date of preparing the financial statements.
- ▶ For unlisted securities registered for trading on the Unlisted Public Company Market ("UPCOM") and state-owned enterprises equitized through public offering, their market prices are the average reference price within the last 30 transaction days before the date of preparing financial statements as announced by the Stock Exchange. In case the securities are not traded in 30 days before the date of preparing the financial statements, their market prices are the book value at the date of preparing the financial statements.
- ▶ For listed securities which are not traded in 30 days before the date of preparing the financial statements or are cancelled or suspended from trading, their prices are the book value at the date of preparing the financial statements.
- ▶ For corporate bonds listed and registered for trading, their market price is the nearest transaction price at the Stock Exchange within 10 days preceding the date of preparing the financial statements. If there is no transaction in 10 days before date of the financial statements, the Company will not make provision for such securities.

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.48/2019/TT-BTC and Circular 24/2022/TT-BTC amending and supplementing several articles of Circular 48.

**4.8 Derecognition of financial assets**

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

- ▶ The Company no longer has the rights to receive cash flows from the assets; or
- ▶ The Company has transferred its rights to receive cash flows from the assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a transfer arrangement; and either:

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****4.8 Derecognition of financial assets (continued)**

- 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 transfer 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 still recognized as the Company's asset. In that case, the Company also recognizes a corresponding liability. The transferred asset and the corresponding liability are measured on a basis that reflects the rights and obligations that the Company has retained.

In case the liability is a guaranteed liability, transferred assets will be recognized at the smaller value between the initial carrying value of the assets and the maximum obligation incurred by the Company.

**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 AFS financial assets which are recognized under "*Difference from revaluation of assets at fair value*" will be recognized as corresponding revenue or expenses at the date of reclassification of AFS financial assets for selling purpose.

*Reclassification due to change in purpose or ability to hold*

Securities companies are required to reclassify financial assets to their applicable categories upon changes in purpose or ability to hold, accordingly:

- ▶ 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 in special circumstances 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 intent or ability to hold, where it is not appropriate to classify an investment as held to maturity, such investment is required to be reclassified into available-for-sale financial assets and measured at fair value. The difference arising from revaluation between carrying value and fair value are recognized under "*Difference from revaluation of assets at fair value*" in owners' equity.

**4.10 Long-term financial investment***Equity investments in other entities*

Investment in equity instruments of other entities is initially recognized at cost, including acquisition cost and transaction costs which are directly attributable to the purchase.

Provision for impairment of investments is made separately for each impaired investment and is reviewed at the end of the accounting period. The Company makes provision if the investments are impaired because the investee entity incurs losses. An increase or decrease of the provision is recorded to "*Financial expenses*" in the period.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.11 ***Receivables***

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

Provision for receivables are made based on their overdue aging or estimated loss arising from undue debts but the debtor is in bankruptcy, filing for bankruptcy; or or has absconded, is 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 financial assets, write-off of doubtful receivables, impairment losses of financial assets and interest expenses for loans*" and "*Other operating expenses*" in the income statement.

The Company has made provision for doubtful receivables and handled irrecoverable receivables in accordance with guidance in Circular No. 48/2019/TT-BTC dated 08 August 2019 issued by the Ministry of Finance as below:

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

4.12 ***Tangible fixed assets***

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Costs of acquisition, upgrade and renewals are added to the carrying amount of the assets. Costs of maintenance and repairs are charged to the income statement as incurred.

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the income statement.

4.13 ***Intangible fixed assets***

Intangible fixed assets are stated at cost less accumulated amortisation.

The costs of purchased intangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Costs of acquisition, upgrade and renewals are added to the carrying amount of the assets. Other costs are charged to the income statement as incurred.

Loss or gain resulting from sales and disposals of intangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the income statement.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****4.14 Depreciation and amortisation**

Tangible fixed assets and intangible fixed assets are depreciated/amortised using straight-line method over their following estimated useful life:

	Years
Machines and equipment	3 - 7
Software	3 - 6

**4.15 Operating leases**

Whether an agreement is determined as a property lease agreement depends on the nature of such agreement at the beginning: whether the implementation of the agreement depends on the use of a certain asset and whether the agreement mentions the rights of use of the asset.

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease.

**4.16 Prepaid expenses**

Prepaid expenses, including short-term or long-term prepaid expenses in the statement of financial position, are allocated over the period for which the prepayments are paid in advance in accordance with economic benefits generated by these expenses.

**4.17 Repurchase agreements**

Securities sold under the commitment to be repurchased at a specified future date ("repos") are not derecognized from the statement of financial position. The corresponding cash received is recognized in the statement of financial position as a liability. The difference between the sale price and repurchase price is treated as interest expense and is allocated to the income statement using the straight-line method over the effective term of the repurchase agreement.

**4.18 Bonds issued**

Bonds are usually issued as long-term borrowings.

Carrying value of bonds is recorded on net basis, equal to bonds' nominal amount less (-) Bond discount plus (+) Bond premium and less (-) Costs relating to the issue of bonds.

The Company accounts for the issued bonds' discount and premium individually and recognises their amortisation for the purpose of determining borrowing costs which are recorded as expenses or capitalised during each period, as follows:

- ▶ Bond discount is amortised gradually during bonds' life, accounted for as borrowing costs;
- ▶ Bond premium is amortised gradually during bonds' life, reducing borrowing costs;

Straight-line method is applied for amortisation of costs relating to the issue of bonds and bonds' discount and premium as follows: the costs relating to the issue of bonds and the amount of discount or premium for each period is equally amortised over the bonds' life.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.19 *Employee benefits*4.19.1 *Pension allowance*

Pension allowances 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 premiums for employees in accordance with current regulations.

4.19.2 *Severance allowance*

According to the Labor Law No. 45/2019/QH14 being effective from 01 January 2021 and Decree No. 145/2020/NĐ-CP detailing and guiding the implementation of a number of articles of the Labour Law regarding working conditions and labour relations, the Company is obliged to pay a severance allowance equal to half a month's salary for each year of service to employees who voluntarily resigned in accordance with regulations. Working time serving as the basis for calculating severance allowance shall be the total actual working time subtracting the time when the employees have made unemployment insurance contributions as prescribed by law, and the working time when severance allowance has been paid to the employees. The average monthly salary used for calculation of severance allowance shall be adjusted to be the average of the 6 consecutive months nearest to the resignation date.

4.19.3 *Unemployment insurance*

According to Article 57 of the Employment Law No. 38/2013/QH13 taking effect from 01 January 2015 and the Government's Decree No. 28/2015/NĐ-CP dated 12 March 2015 detailing the implementation of some Employment Law's articles on unemployment insurance, the Company is obliged to pay unemployment insurance at the rate of 1% of the salary fund, the salary paid for unemployment insurance of the participants in unemployment insurance and deduct 1%, the monthly salary and wages on which unemployment insurance premiums are based to be paid to the Unemployment Insurance Fund at the same time.

4.20 *Foreign currency transactions*

Transactions arising in foreign currencies are translated at exchange rates of commercial banks ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated as follows:

- Monetary assets are retranslated at buying exchange rate of the commercial bank where the Company usually transacts.
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company usually transacts.

All foreign exchange differences incurred during the period and arisen from the revaluation of monetary items denominated in foreign currencies at the end of the period are recorded into the income statement.

4.21 *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of revenue can be reliably measured. Revenue is measured at the fair value of receipts or receivables less trade discounts, sales allowances and sales returns. Revenue is recognized when the following specific conditions are also satisfied:

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.21 Revenue recognition (continued)**

*Revenue from brokerage services*

When the contract outcome can be reliably measured, revenue is recognized by reference to the percentage of completion. Where the contract outcome cannot be reliably measured, revenue is recognized only to the extent of costs incurred that it is probable of recovery.

*Revenue from securities trading*

Revenue from securities trading is determined by the difference between the selling price and the weighted average cost of securities sold.

*Interest income*

Revenue is recognised on accrual basis (taking into account the effective yield on the asset) unless the collectability is in doubt.

*Dividends*

Income is recognised when the Company's right to receive payment has been established, except for dividend received in shares in which only the number of shares is updated.

*Other revenues from rendering services*

When the contract outcome can be reliably measured, revenue is recognized by reference to the percentage of completion. Where the contract outcome cannot be reliably measured, revenue is recognized only to the extent of costs incurred that it is probable of recovery.

Revenues related to multiple accounting periods are recognized according to the completion schedule or distributed on a straight-line basis during the term of service. Unallocated value is recorded as unearned revenue on the statement of financial position.

**4.22 Borrowing expenses**

Borrowing costs include interest expenses and other expenses which are directly attributable to the Company's borrowings. Borrowing costs are recognised in the income statement in the period when incurred unless they are capitalized.

**4.23 Cost of securities sold**

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

**4.24 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 reporting date.

Current income tax is recorded to the income statement, except when it relates to items recognised directly to owners' equity, in which case the current income tax is also recognised directly to owners' equity.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.24 Corporate income tax (continued)**

*Current income tax (continued)*

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 recognised 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 recognised 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 deferred income tax assets to be recovered. Previously unrecognized deferred income tax assets are reassessed 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 income statement, except when it relates to items recognized directly to owners' equity, in which case the deferred tax is also dealt with in owners' equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxable entity and the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**4.25 Owners' equity**

*Undistributed profit*

Undistributed profit comprises of realized profit after tax and unrealized profit.

Unrealized profit after tax of the period is the difference between gain and loss from revaluation of financial assets at FVTPL or other financial assets accounted in the income statement.

Realized profit during the period is the difference between total revenue and income, and total expenses in the income statement of the Company, except for gain or loss from revaluation of financial assets recognized in unrealized profit.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**4.25 Owners' equity (continued)**

*Reserves*

Reserves are appropriated in accordance with the Resolution of the General Meeting of Shareholders.

**4.25 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.

**4.26 Nil balances**

Items, that are not shown in these financial statements in accordance with Circular No. 210, Circular 334/2016/TT-BTC dated 27 December 2016 amending and supplementing Circular No. 210 issued by the Ministry of Finance, indicate nil balances.

**5. CASH AND CASH EQUIVALENTS**

	30 September 2023 VND	31 December 2022 VND
Cash at banks	3,936,971,642,513	2,404,813,202,406
Cash equivalents	235,000,000,000	-
<b>Total</b>	<b>4,171,971,642,513</b>	<b>2,404,813,202,406</b>

**6. TRADING VALUE AND VOLUME DURING THE PERIOD**

	From 01 January 2023 to 30 September 2023	
	Volume of trading during the period (Unit)	Value of trading during the period (VND)
<b>The Company</b>		
- Shares	23,812,540	984,839,265,811
- Corporate bonds	1,624,630,946	208,485,564,034,284
- Government bonds	147,040,000	15,695,552,650,000
- Certificates of deposits	4,351,532	10,423,623,526,628
<b>Investors</b>		
- Shares	20,357,292,822	367,291,425,332,400
- Corporate bonds	1,569,862,815	338,079,000,455,716
- Government bonds	40,000	5,526,140,000
- Fund certificates	24,691,108	435,870,558,020
- Covered warrants	488,249,869	421,663,483,480
<b>Total</b>	<b>24,239,971,632</b>	<b>941,823,065,446,339</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

## 7. FINANCIAL ASSETS

### Concepts of financial assets

#### Cost

Cost of a financial asset is the amount of cash or cash equivalents paid, disbursed or payable for such financial asset at its initial recognition. The transaction costs incurred directly from the purchase of financial asset might or might not be included in the cost of the financial asset, depending on the category in which the financial asset is classified.

#### 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.

#### Amortized 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 amortization 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 amortized cost (for HTM investments and loans), depending on the category that the financial asset is classified.

### 7.1 HTM investments

	30 September 2023		31 December 2022	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Term deposits with original term of more than 03 months and remaining term not exceeding 12 months (i)	1,282,046,000,000	1,282,046,000,000	1,000,000,000	1,000,000,000

(i) As at 30 September 2023, the Company had pledged a number of term deposits whose cost and fair value equal at VND 620.000.000.000 to secure for short-term borrowings as presented at Note 16.

## Techcom Securities Joint Stock Company

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

### 7. FINANCIAL ASSETS (continued)

#### 7.2 *Loan receivables*

	30 September 2023		31 December 2022	
	Cost VND	Fair value (iii) VND	Cost VND	Fair value (iii) VND
Loan receivables from margin trading (i)	12,497,083,667,696	12,497,083,667,696	8,362,096,733,669	8,362,093,134,049
Loan receivables from advances to investors (i)	329,648,732,910	329,648,732,910	992,508,752,920	992,508,752,920
<b>Total</b>	<b>12,826,732,400,606</b>	<b>12,826,732,400,606</b>	<b>9,354,605,486,589</b>	<b>9,354,601,886,969</b>

- (i) Investors' securities participating in margin activities are kept by the Company as collateral for the Investor's loan with the Company.
- (ii) Balance represents advances of proceeds from selling shares, which are awaiting to be received, to investors during the period.
- (iii) The fair value of loan receivables is measured at cost less provision for doubtful debts.

#### 7.3 *AFS financial assets*

AFS	30 September 2023			31 December 2022		
	Revaluation difference		Fair value VND	Revaluation difference		Fair value VND
	Cost VND	Increase VND		Decrease VND	Cost VND	
- Listed shares	498,257,488,581	13,812,906,054	(3,009,885)	512,067,384,750	13,043,691	4,502,691
- Unlisted shares	630,002,558,661	-	-	630,002,558,661	1,080,002,558,661	(3,006,962)
- Listed bonds	889,658,796,480	7,005,964,034	-	896,664,760,514	861,497,114,022	-
- Unlisted bonds	14,058,277,792,372	-	-	14,058,277,792,372	6,349,508,499,543	-
- Certificates of deposits	508,165,878,023	-	-	508,165,878,023	2,227,794,864,842	-
- Fund certificates	5,511,000,000	1,511,688,760	-	7,022,688,760	5,511,000,000	274,455,402
<b>Total</b>	<b>16,589,873,514,117</b>	<b>22,330,553,848</b>	<b>(3,009,885)</b>	<b>16,612,201,063,080</b>	<b>10,524,327,080,759</b>	<b>278,958,093</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

## 8. RECEIVABLES

	30 September 2023 VND	31 December 2022 VND
<b>a. Receivables and accruals from dividend and interest income of financial assets</b>		
- Receivables for due dividend and interest income	1,454,068,001	26,781,966,648
- Accruals for undue dividend and interest income	222,098,299,168	156,303,191,939
<i>Accrued interest on deposits, valuable papers</i>	20,354,400,729	7,741,556,160
<i>Accrued interest on bonds</i>	59,901,031,569	36,781,091,836
<i>Interest income from margin lending activities (Note 24.4)</i>	141,842,866,870	111,780,543,943
<b>b. Advances to suppliers</b>	<b>1,923,612,146</b>	<b>1,512,267,704</b>
<b>c. Receivables from services provided by the Company</b>	<b>94,508,809,940</b>	<b>23,877,481,391</b>
- Receivables from brokerage services	2,574,454,170	8,207,038,727
- Receivables from securities depository services	5,449,531,340	10,831,329,181
- Receivables from underwriting and issuance agency services	61,670,000,000	2,945,500,000
- Receivables from entrusting services	-	94,590,242
- Receivables from advisory services	24,236,500,000	1,628,000,000
- Receivables from other services	578,324,430	171,023,241
<b>d. Other receivables</b>	<b>270,186,122</b>	<b>3,450,110,238,837</b>
- Receivables from securities trading activities	-	3,449,676,781,730
- Other receivables	270,186,122	433,457,107
<b>e. Provision for impairment of receivables</b>	<b>(121,000,000)</b>	<b>(266,750,000)</b>
<b>Total</b>	<b>320,133,975,377</b>	<b>3,658,318,396,519</b>

## 9. LONG-TERM INVESTMENTS

	30 September 2023	31 December 2022				
	Proportion of ownership interest & Proportion of voting power held	Cost VND	Fair value VND	Proportion of ownership interest & Proportion of voting power held	Cost VND	Fair value VND
Other long-term investments						
- <i>Dream City Villas Hung Yen Investment Joint Stock Company</i>	9.9%	2,026,827,000,000	2,026,827,000,000	0%	-	-
- <i>NewCo Investment and Development Joint Stock Company</i>	9.9%	1,006,604,775,000	1,006,604,775,000	0%	-	-
<b>Total</b>		<b>3,033,431,775,000</b>	<b>3,033,431,775,000</b>		-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

#### 10. TANGIBLE FIXED ASSETS

	<i>Machines and equipment</i> VND
<b>Cost</b>	
01 January 2023	110,681,859,040
Increase during the period	<u>72,215,000</u>
<b>30 September 2023</b>	<b><u>110,754,074,000</u></b>
<b>Accumulated depreciation</b>	
01 January 2023	42,614,499,423
Charge for the period	<u>13,806,072,934</u>
<b>30 September 2023</b>	<b><u>56,420,572,357</u></b>
<b>Net book value</b>	
01 January 2023	<u>68,067,359,617</u>
<b>30 September 2023</b>	<b><u>54,333,501,683</u></b>

#### 11. INTANGIBLE FIXED ASSETS

	<i>Software</i> VND
<b>Cost</b>	
01 January 2023	61,426,279,490
<b>30 September 2023</b>	<b><u>61,426,279,490</u></b>
<b>Accumulated amortisation</b>	
01 January 2023	44,766,855,001
Charge for the period	<u>3,920,101,640</u>
<b>30 September 2023</b>	<b><u>48,686,956,641</u></b>
<b>Net book value</b>	
01 January 2023	<u>16,659,424,489</u>
<b>30 September 2023</b>	<b><u>12,739,322,849</u></b>

#### 12. PREPAID EXPENSES

	30 September 2023 VND	31 December 2022 VND
<b>Short-term</b>		
Tools and supplies issued for consumption	18,713,342,295	7,373,703,649
Prepaid service fees	32,156,664	-
	<u>18,681,185,631</u>	<u>7,373,703,649</u>
<b>Long-term</b>		
Tools and supplies issued for consumption	9,378,009,316	14,257,812,698
Prepaid service fees	3,054,524,399	5,950,472,845
	<u>6,323,484,917</u>	<u>8,307,339,853</u>
<b>Total</b>	<b>28,091,351,611</b>	<b>21,631,516,347</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

## 13. DEFERRED TAX ASSETS

	30 September 2023 VND	31 December 2022 VND
Deferred tax assets arising from the revaluation of AFS financial assets	3,066,773,760	2,640,485,982
Deferred tax assets related to deductible temporary differences	<u>20,384,502,034</u>	<u>18,151,457,515</u>
<b>Total</b>	<b><u>23,451,275,794</u></b>	<b><u>20,791,943,497</u></b>

## 14. PAYMENTS TO SETTLEMENT ASSISTANCE FUND

	30 September 2023 VND	31 December 2022 VND
Initial payments	120,000,000	120,000,000
Accumulated additional payments	14,902,379,488	11,542,028,752
Distributed interest during the period/year	<u>1,232,112,854</u>	<u>1,444,880,366</u>
<b>Total</b>	<b><u>16,254,492,342</u></b>	<b><u>13,106,909,118</u></b>

Payments to Settlement Assistance Fund represent the amounts deposited at Vietnam Securities Depository ("VSD").

According to prevailing regulations of VSD, the Company must deposit an initial amount of VND 120 million at VSD and pay yearly an addition of 0.01% of the total amount of brokered securities incurred in prior year, but not exceeding VND 2.5 billion per annum. The maximum contribution to the Settlement Assistance Fund is VND 20 billion, applying for depository members being securities company with trading securities and brokerage activities.

## 15. OTHER LONG-TERM ASSETS

Reflects payments to the derivatives transaction clearing fund. According to the regulations on management and usage of derivative securities transaction clearing funds issued together with Decision No. 97/QD-VSD dated 23 March 2017 of the Vietnam Securities Depository, the initial minimum contribution is VND 10 billion, applying for direct clearing members.

	30 September 2023 VND	31 December 2022 VND
Payments to the derivatives transaction clearing fund		
- <i>Initial payments</i>	<u>10,000,000,000</u>	<u>10,000,000,000</u>
<b>Total</b>	<b><u>10,000,000,000</u></b>	<b><u>10,000,000,000</u></b>

## Techcom Securities Joint Stock Company

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

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### 16. SHORT-TERM BORROWINGS AND FINANCIAL LEASES

	Interest rate %/year	31 December 2022 VND	Increase during the period VND	Decrease during the period VND	30 September 2023 VND
<b>Short-term borrowings in USD (i)</b>					
TaiShin International Bank Co., Ltd.	4.85% - 12.7%	<b>6,871,600,000,000</b>	<b>5,366,231,176,470</b>	<b>5,808,270,000,000</b>	<b>6,429,561,176,470</b>
HSBC Bank		6,871,600,000,000	2,769,231,176,470	3,921,600,000,000	5,719,231,176,470
DBS Bank Limited		-	2,126,940,000,000	1,416,610,000,000	710,330,000,000
			470,060,000,000	470,060,000,000	
<b>Short-term borrowings in VND (ii)</b>					
Tien Phong Commercial Joint Stock Bank	4% - 10.5%	-	<b>7,985,000,000,000</b>	<b>5,561,000,000,000</b>	<b>2,424,000,000,000</b>
Vietnam Prosperity Joint Stock Commercial Bank		-	800,000,000,000	-	800,000,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Tay Ho Branch		-	2,300,000,000,000	2,000,000,000,000	300,000,000,000
Vietnam International Commercial Joint Stock Bank		-	270,000,000,000	-	270,000,000,000
KEB Hana Bank - Ho Chi Minh Branch		-	500,000,000,000	250,000,000,000	250,000,000,000
Ho Chi Minh City Development Joint Stock Commercial Bank		-	170,000,000,000	170,000,000,000	170,000,000,000
An Binh Commercial Joint Stock Bank		-	350,000,000,000	200,000,000,000	150,000,000,000
DaeGu Bank - Ho Chi Minh Branch		-	150,000,000,000	-	150,000,000,000
CTBC Bank - Ho Chi Minh Branch		-	120,000,000,000	-	120,000,000,000
Indovina Bank Ltd.		-	570,000,000,000	456,000,000,000	114,000,000,000
Vietnam Maritime Commercial Joint Stock Bank		-	300,000,000,000	200,000,000,000	100,000,000,000
			1,645,000,000,000	1,645,000,000,000	
Vietnam Export Import Commercial Joint Stock Bank		-	420,000,000,000	420,000,000,000	
Joint Stock Commercial Bank for Investment and Development of Vietnam		-	390,000,000,000	390,000,000,000	
Other short-term borrowings (iii)		-	<b>61,107,210,993,332</b>	<b>56,819,103,018,372</b>	<b>4,288,107,974,960</b>
<b>Total short-term borrowings</b>		<b>6,871,600,000,000</b>	<b>74,458,442,169,802</b>	<b>68,188,373,018,372</b>	<b>13,141,669,151,430</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

- (i) As at 30 September 2023, the Company had unsecured syndicated loans at foreign banks with a total original currency value of USD 273,000,000. The Company has hedged interest rate risk by cross-currency swap contracts and forward contracts in foreign currencies with Vietnam Technological and Commercial Joint Stock Bank and other commercial banks for the above-mentioned loans.
- (ii) As at 30 September 2023, a number of term deposits had been pledged to secure for some short-term bank loans as presented at Note 7.1.
- (iii) From 24 May 2023, the Company incurred loans with customers participating in high profitable iSave program.

## 17. PAYABLES FOR SECURITIES TRADING ACTIVITIES

	30 September 2023 VND	31 December 2022 VND
Payables to customers for securities trading activities (i)	18,517,686,387	5,284,485,167,173
Payables to the Stock Exchanges	20,029,156,448	7,516,270,435
Payables to the Vietnam Securities Depository	3,868,700,949	13,623,473,850
<b>Total</b>	<b>42,415,543,784</b>	<b>5,305,624,911,458</b>

- (i) Closing balance as at 31 December 2022 reflects payables to investors managed by the Company under high interest gold safe program. Such program ended at 24 May 2023.

## 18. SHORT-TERM ACCRUED EXPENSES

	30 September 2023 VND	31 December 2022 VND
Accruals of interest expenses	119,037,662,329	49,993,773,329
Accruals of bond interest expenses	35,767,103,783	45,484,640,987
Accrued operating expenses	5,679,332,176	-
Payables to customers for securities trading activities (i)	-	36,827,185,046
<b>Total</b>	<b>160,484,098,288</b>	<b>132,305,599,362</b>

- (i) Closing balance as at 31 December 2022 reflects payables to investors managed by the Company under high interest gold safe program. Such program ended at 24 May 2023.

**19. TAXES AND OTHER PAYABLES TO THE STATE BUDGET**

Movement of taxes and other payables to the State budget for the 9-month period ended 30 September 2023 is as below:

No	Items	31 December 2022 VND		Payable amount VND		Paid amount VND	30 September 2023 VND
		239,041,585,743 73,921,626,918 8,956,795,167		458,249,973,686 593,687,127,685 42,931,969,675			
1	Corporate income tax	64,964,831,751		550,755,158,010		(522,926,270,496)	92,793,719,265
2	Personal income tax	165,862,563		8,273,440,609		(6,181,053,818)	2,258,249,354
	- Personal income tax payable on behalf of investors	2,891,081,761		26,274,984,591		(24,585,660,379)	4,580,405,973
3	Value added tax				3,000,000	(3,000,000)	-
4	Other taxes					(24,582,660,379)	4,580,405,973
	- License tax						
	- Foreign contractors withholding tax						
	<b>Total</b>	<b>316,020,156,985</b>		<b>1,086,485,526,571</b>		<b>(1,040,205,581,107)</b>	<b>362,300,102,449</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

## 20. UNEARNED REVENUE

	30 September 2023 VND	31 December 2022 VND
<b>Short-term</b>	<b>91,265,560,779</b>	<b>266,845,205,536</b>
Registration and depository agency fees	58,609,844,625	200,524,008,931
Bond holder representative fees	19,732,654,353	37,717,892,689
Securities service fees	11,132,499,990	25,974,767,438
Other fees	1,790,561,811	2,628,536,478
<b>Long-term</b>	<b>8,831,239,359</b>	<b>15,031,084,236</b>
Registration and depository agency fees	7,842,712,744	10,944,073,420
Bond holder representative fees	988,526,615	2,140,304,875
Other fees	-	1,946,705,941
<b>Total</b>	<b>100,096,800,138</b>	<b>281,876,289,772</b>

## 21. OTHER SHORT-TERM PAYABLES

	30 September 2023 VND	31 December 2022 VND
Payables to customers related to program of accumulation and redemption of securities trading points iXu	98,650,253,010	112,471,141,160
Trade union and insurance fees	480,287,167	485,117,935
Other payables	7,083,575,384	8,914,359,896
<b>Total</b>	<b>106,214,115,561</b>	<b>121,870,618,991</b>

# Techcom Securities Joint Stock Company

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

## 22. LONG-TERM BONDS ISSUED

Code	Issuance date	Due date	Interest %	30 September 2023 VND	31 December 2022 VND
<i>Straight bonds</i>					
TCSCH2325002	04 July 2023	04 July 2025	9.4%	400,000,000,000	
TCSCH2325001	05 June 2023	05 June 2025	10.5%	300,000,000,000	
TCSCH2325003	17 July 2023	17 July 2025	9.4%	300,000,000,000	
TCSCH2126003	24 June 2021	24 June 2026	14.3%	163,812,300,000	277,682,700,000
TCSCH2124012	15 October 2021	15 October 2024	7.5%	31,964,200,000	112,355,500,000
TCSCH2124011	20 August 2021	20 August 2024	12.5%	22,159,000,000	453,254,200,000
TCSCH2123016	28 December 2021	28 December 2023	7.5%	20,002,000,000	20,002,000,000
TCSCH2124006	12 July 2021	12 July 2024	14.6%	17,855,800,000	179,138,500,000
TCSCH2124009	19 July 2021	19 July 2024	14.6%	14,483,000,000	174,699,800,000
TCSCH2124015	23 December 2021	23 December 2024	14.1%	13,676,000,000	13,676,000,000
TCSCH2124017	29 December 2021	29 November 2024	14.5%	1,500,000,000	1,500,000,000
TCSCH2126002	16 June 2021	16 June 2026	13.3%	692,000,000	170,301,400,000
TCSCH2124013	25 November 2021	25 November 2024	13.9%	28,500,000	28,500,000
TCSCH2123005	28 June 2021	28 June 2023	7.5%	-	300,000,000,000
<b>Total</b>				<b>1,286,172,800,000</b>	<b>1,702,638,600,00</b>
Add: Bond premium				<b>3,119,432,755</b>	<b>5,995,944,957</b>
Minus: Costs relating to the issue of bonds				<b>(127,031,971)</b>	<b>-</b>
<b>Book value</b>				<b>1,289,165,200,784</b>	<b>1,708,634,544,957</b>
<b>23. OWNER'S EQUITY</b>					
23.1 <i>Undistributed profit</i>				30 September 2023 VND	31 December 2022 VND
Realized profit after tax				11,563,523,003,621	9,872,987,551,840
Unrealized profit				834,308,486	691,899,986
<b>Total</b>				<b>11,564,357,312,107</b>	<b>9,873,679,451,826</b>

## Techcom Securities Joint Stock Company

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

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### 23. OWNER'S EQUITY (continued)

#### 23.2 Changes in owner's equity

	Share capital VND	Share premium VND	Difference from revaluation of assets at fair value VND	Charter capital supplementary reserve VND	Financial reserve VND	Undistributed profit VND	Total VND
<b>Balance as at 01 January 2022</b>	<b>1,124,246,800,000</b>	-	<b>(1,965,148,867)</b>	<b>112,424,680,000</b>	<b>112,424,680,000</b>	<b>7,898,113,477,383</b>	<b>9,245,244,488,516</b>
Profit after tax	-	-	-	-	-	2,192,975,221,166	2,192,975,221,166
Share issuance following Employee Stock Ownership Plan under Resolution No. 011510/21/NQ-DHDDC-TCBS dated 15 October 2021 and Resolution No. 010712/21/NQ- DHDDC-TCBS dated 07 December 2021	1,893,900,000	-	-	-	-	(675,447,477,440)	(675,447,477,440)
Dividends paid during the period	-	-	-	-	-	-	-
Difference from revaluation of AFS financial assets	-	-	1,248,439,303	-	-	-	1,248,439,303
<b>Balance as at 30 September 2022</b>	<b>1,126,140,700,000</b>	-	<b>(716,709,564)</b>	<b>112,424,680,000</b>	<b>112,424,680,000</b>	<b>9,415,641,221,109</b>	<b>10,765,914,571,545</b>
<b>Balance as at 01 January 2023</b>	<b>1,126,140,700,000</b>	-	<b>(10,561,943,926)</b>	-	-	<b>9,873,679,451,826</b>	<b>10,989,258,207,900</b>
Profit after tax	-	-	-	-	-	1,690,677,860,281	1,690,677,860,281
Share issuance following under Resolution No. 012308/22/NQ- DHDDC-TCBS dated 23 August 2022	853,500,000	-	-	-	-	-	853,500,000
Share issuance following under Resolution No. 041104/23/NQ- DHDDC-TCBS dated 11 April 2023	1,050,000,000,000	9,191,910,000,000	-	-	-	-	10,241,910,000,000
Difference from revaluation of AFS financial assets	-	-	37,355,182,572	-	-	-	37,355,182,572
<b>Balance as at 30 September 2023</b>	<b>2,176,994,200,000</b>	<b>9,191,910,000,000</b>	<b>26,793,238,646</b>	-	-	<b>11,564,357,312,107</b>	<b>22,960,054,750,753</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

#### 24. DISCLOSURE ON OFF-BALANCE SHEET ITEMS

##### 24.1 *Financial assets listed/registered for trading at Vietnam Securities Depository (“VSD”) of the Company*

	30 September 2023 VND	31 December 2022 VND
Unrestricted financial assets		
- More than 1 year	<u>4,645,139,840,000</u>	<u>843,650,040,000</u>
<b>Total</b>	<b><u>4,645,139,840,000</u></b>	<b><u>843,650,040,000</u></b>

##### 24.2 *Awaiting financial assets of the Company*

	30 September 2023 VND	31 December 2022 VND
Bonds	<u>192,421,700,000</u>	<u>9,799,131,256</u>

##### 24.3 *Payable for services to the Company*

	30 September 2023 VND	31 December 2022 VND
Payables for brokerage services	2,574,454,170	8,207,038,727
Payables for securities depository services	5,449,531,340	10,831,329,181
Payables for underwriting and issuance agency services	61,670,000,000	2,945,500,000
Payables for entrusting services	-	94,590,242
Payables for advisory services	24,236,500,000	1,628,000,000
Payables for other services	578,324,430	171,023,241
<b>Total</b>	<b><u>94,508,809,940</u></b>	<b><u>23,877,481,391</u></b>

##### 24.4 *Payables for financing services to the Company*

	30 September 2023 VND	31 December 2022 VND
Payables for margin activities	<b><u>12,638,926,534,566</u></b>	<b><u>8,473,877,277,612</u></b>
Payables for principal of margin activities (Note 7.2)	12,497,083,667,696	8,362,096,733,669
Payables for accrued interest of margin activities (Note 8)	141,842,866,870	111,780,543,943
<b>Payables for advance to investor activities</b>	<b><u>329,648,732,910</u></b>	<b><u>992,508,752,920</u></b>
Payables for principal of advance to investor activities (Note 7.2)	329,648,732,910	992,508,752,920
<b>Total</b>	<b><u>12,968,575,267,476</u></b>	<b><u>9,466,386,030,532</u></b>

# Techcom Securities Joint Stock Company

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

## 25. GAIN/(LOSS) FROM FINANCIAL ASSETS

### 25.1 Gain/(Loss) from disposal of financial assets at FVTPL

Gain/(Loss) from disposal of financial assets at FVTPL during the 9-month period ended 30 September 2023 are as below:

No	Investment portfolio	Quantity Unit	Average selling price VND/unit	Total proceeds VND	Weighted average cost at the end of transaction date VND	Gain/(Loss) from disposal in current period VND	Gain/(Loss) from disposal in prior period VND
<b>I GAIN</b>							
1	Listed shares	30,000	30,400	912,000,000	910,500,000	1,500,000	3,113,813,453
2	Unlisted shares	150,000	3,230,643	484,596,470,000	450,000,000,000	34,596,470,000	84,543,522,657
3	Listed bonds	70,969,176	101,333	7,191,486,862,760	7,057,426,918,477	134,059,944,283	62,804,019,984
4	Government bonds	37,270,000	106,469	3,968,103,240,000	3,955,278,826,670	12,824,413,330	751,433,333
5	Unlisted bonds	633,490,202	127,636	80,855,887,421,086	80,059,763,870,786	796,123,550,300	643,315,799,387
6	Certificates of deposits	2,106,030	2,541,673	5,352,839,251,397	5,249,907,217,354	102,932,034,044	2,855,550,002
	<b>Total gain</b>	<b>744,015,408</b>		<b>97,853,825,245,243</b>	<b>96,773,287,333,287</b>	<b>1,080,537,911,957</b>	<b>797,384,138,816</b>
<b>II (LOSS)</b>							
1	Listed shares	2,900	30,350	88,015,000	88,015,811	(811)	(654,302,747)
2	Listed bonds	13,728,024	100,247	1,376,193,995,117	1,388,220,004,591	(12,026,009,474)	(4,415,379,952)
3	Government bonds	36,250,000	107,018	3,879,405,900,000	3,892,764,683,335	(13,358,783,335)	(1,083,833,333)
4	Unlisted bonds	103,163,658	108,904	11,234,883,626,034	11,343,548,869,509	(108,665,243,475)	(50,136,933,352)
5	Certificates of deposits	200,056	3,848,782	769,971,835,310	770,534,209,387	(562,374,078)	-
	<b>Total (loss)</b>	<b>153,344,638</b>		<b>17,260,543,371,461</b>	<b>17,395,155,782,633</b>	<b>(134,612,411,173)</b>	<b>(56,290,445,384)</b>
	<b>Total gain/(loss) from disposal of financial assets at FVTPL</b>			<b>897,360,046</b>		<b>115,114,368,616,704</b>	<b>114,168,443,115,920</b>
						<b>945,925,500,784</b>	<b>741,093,693,432</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

**25. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)**

**25.2 Dividend, interest income from financial assets at FVTPL, HTM, AFS financial assets, loans, receivables and derivatives**

	01 January 2023 to 30 September 2023 VND	01 January 2022 to 30 September 2022 VND
From loans and receivables	1,095,609,436,278	1,169,668,441,133
From AFS financial assets	314,419,794,474	163,549,750,409
From HTM financial assets	21,154,674,706	26,091,101,007
- <i>Interests from term deposits</i>	21,154,674,706	26,091,101,007
<b>Total</b>	<b>1,431,183,905,458</b>	<b>1,359,309,292,549</b>

**26. OPERATING EXPENSES**

	01 January 2023 to 30 September 2023 VND	01 January 2022 to 30 September 2022 VND
Expenses for securities brokerage activities	121,120,249,377	129,217,047,794
Expenses for securities depository activities	32,212,271,105	31,795,416,107
(Reversals) of provision expenses for financial assets, write-off of doubtful receivables, impairment losses of financial assets and interest expenses for loans	(3,599,620)	-
Other operating expenses (i)	224,396,426,470	420,966,700,137
<b>Total</b>	<b>377,725,347,332</b>	<b>581,979,164,038</b>

(i) Reflect expenses incurred by the Company regarding the following programs: high interest gold safe program (ended at 24 May 2023), accumulation and redemption of point for securities trading program, program of business development partners, program of community investment platform and other expenses.

**27. FINANCIAL INCOME**

	01 January 2023 to 30 September 2023 VND	01 January 2022 to 30 September 2022 VND
Interests from demand deposits	9,446,201,379	8,266,805,030
Difference from foreign exchange rates	-	14,002,400,000
- <i>Unrealized gain from difference from foreign exchange rates</i>	-	14,002,400,000
Other financial income	2,761,551,057	-
<b>Total</b>	<b>12,207,752,436</b>	<b>22,269,205,030</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

## 28. FINANCIAL EXPENSES

	01 January 2023 to 30 September 2023 VND	01 January 2022 to 30 September 2022 VND
Interest expenses		
- <i>Interest for issued bonds</i>	642,656,804,891	460,297,867,676
- <i>Interest for short-term borrowings</i>	68,660,102,856	295,347,141,418
Difference from foreign exchange rates	573,996,702,035	164,950,726,258
- <i>Realized loss from difference from foreign exchange rates</i>	2,840,000,000	1,400,000,000
- <i>Unrealized loss from difference from foreign exchange rates</i>	2,840,000,000	-
Other financial expenses (i)	-	1,400,000,000
<b>Total</b>	<b>89,502,992,221</b>	<b>84,445,140,175</b>
	<b>734,999,797,112</b>	<b>546,143,007,851</b>

(i) Reflect the Company's financial expenses including arrangement fees for syndicated loans, hedging costs for foreign currency loans and other financial expenses.

## 29. GENERAL AND ADMINISTRATIVE EXPENSES

	01 January 2023 to 30 September 2023 VND	01 January 2022 to 30 September 2022 VND
Administrative employee expenses		
- <i>Salary and other benefits</i>	251,681,539,578	250,257,911,762
- <i>Social insurance, health insurance, unemployment insurance and trade union fee</i>	243,287,388,028	243,468,192,071
Depreciation and amortisation expenses	8,394,151,550	6,789,719,691
Tax, fees and charges	17,726,174,574	16,848,870,447
Out-sourced expenses	7,441,696,171	10,204,782,071
Tools and supplies	50,825,850,261	67,004,116,951
Other expenses	2,997,895,927	3,237,477,736
<b>Total</b>	<b>2,415,711,069</b>	<b>3,423,314,823</b>
	<b>333,088,867,580</b>	<b>350,976,473,790</b>

## 30. CORPORATE INCOME TAX

The tax returns filed by the Company are subject to examination by the tax authorities. As the application of tax laws and regulations is subject to varying interpretations, the amount reported in the financial statements may change later upon final determination by the tax authorities.

The current tax payable is based on taxable profit for current period. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the reporting date. The Company is required to fulfil its corporate income tax obligation with the current tax rate of 20% on the total taxable profit according to Circular No. 78/2014/TT-BTC dated 02 August 2014.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

## 30. CORPORATE INCOME TAX (continued)

The corporate income tax expenses for the period are computed as below:

	01 January 2023 to 30 September 2023 VND	01 January 2022 to 30 September 2022 VND
<b>Profit before tax</b>	<b>2,148,093,525,481</b>	<b>2,738,136,344,153</b>
Adjustments to increase accounting profit		19,717,809,470
- Non-deductible temporary differences		19,717,809,470
<b>Estimated taxable income in the current period</b>	<b>2,148,093,525,481</b>	<b>2,757,854,153,623</b>
Corporate income tax rate	20%	20%
<b>Estimated CIT expenses in the current period</b>	<b>429,618,705,096</b>	<b>551,570,830,725</b>
CIT adjustments in accordance with tax finalization of prior year	28,631,268,590	(2,466,145,844)
<b>Current CIT expenses</b>	<b>458,249,973,636</b>	<b>549,104,684,881</b>
CIT payables at the beginning of the period	239,041,585,743	147,007,555,594
CIT paid in the period	(437,672,854,333)	(539,319,038,728)
<b>CIT payables at the end of the period</b>	<b>259,618,705,096</b>	<b>156,793,201,747</b>

## 31. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

List of related parties with significant transactions and balances for the period are as follows:

Related parties	Relationships
Vietnam Technological and Commercial Joint Stock Bank	Parent Bank
Techcom Capital Joint Stock Company	Subsidiary of the Parent Bank

During the period, the Company entered into the following significant transactions with its related parties:

Related parties	Transactions	01 January 2023 to 30 September 2023 VND	01 January 2022 to 30 September 2022 VND
Vietnam Technological and Commercial Joint Stock Bank	Capital contribution	10,241,910,000,000	-
Techcom Capital Joint Stock Company	Revenue from deposit interest	3,794,386,084	1,733,003,081
	Revenue from securities transactions	1,492,849,639	2,897,949,242
	Revenue from advisory services	-	11,000,000,000
	Management fee and office rental expense	(3,946,637,227)	(13,251,374,928)
Techcom Capital Joint Stock Company	Revenue from brokerage services	47,666,885,296	107,515,975,215
	Revenue from securities custodian services	14,448,837	8,494,372

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2023 and for the period then ended

**31. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)**

Significant related party balances as at the balance sheet date were as follows:

Related parties	Balances	30 September 2023	31 December 2022
		VND	VND
Vietnam Technological and Commercial Joint Stock Bank	Payment Deposit	2,924,261,806,315	2,222,276,598,324
	Other payables	(1,187,637,694)	(5,330,923,357)
Techcom Capital Joint Stock Company	Receivables from brokerage services	2,729,688,232	7,249,287,925

Ms. Nguyen Thi Thanh Thuy  
Preparer

Ms. Pham Thuy Van  
Accountant in charge

Ms. Nguyen Thi Thu Hien  
Chief Executive Officer



Hanoi, 17 October 2023