

**Techcom Securities Joint Stocks Company**

For the period from 01 January to 30 September 2022



# Techcom Securities Joint Stock Company

## CONTENTS

	<i>Pages</i>
General Information	1 - 2
Statement of financial position	3 - 6
Income statement	7 - 9
Cash flow statement	10 - 12
Statement of changes in owners' equity	13
Notes to the financial statements	14 - 48

# Techcom Securities Joint Stock Company

## GENERAL INFORMATION

### THE COMPANY

Techcom Securities Joint Stock Company ("the Company") is a joint-stock company established and operating 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 was converted to legal form from Techcom Securities Company Limited according to Decision No.222/QD-UBCK on 19 March 2018.

As at 30 September 2022, total charter capital of the Company is VND 1,126,140,700,000 according to the amended License No.27/GPDC-UBCK granted by the Chairman of State Securities Commission on 18 March 2022.

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

The Company's Head Office is located at 27th, 28th and 29th 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:

<i>Name</i>	<i>Title</i>	<i>Election date</i>
Mr. Nguyen Xuan Minh	Chairman	Elected on 31 May 2018
Mr. Phan Thanh Son	Member	Elected on 31 May 2018
Ms. Nguyen Thi Thu Hien	Member	Elected on 26 April 2019
Mr. Le Huy Hoang	Member	Elected on 25 July 2019
Mr. Alexandre Charles Emmanuel Macaire	Member	Elected on 28 April 2022
Mr. Darren Neale Buckley	Member	Elected on 28 April 2022

### BOARD OF SUPERVISION

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

<i>Name</i>	<i>Title</i>	<i>Election date</i>
Mr. Dang Van Khai	Head of the Board of Supervision	Elected on 31 May 2018
Ms. Hoang Thi Kim Cuc	Member	Elected on 31 May 2018
Mr. Dao Kien Trung	Member	Elected on 30 September 2020

# Techcom Securities Joint Stock Company

## REPORT OF MANAGEMENT

### MANAGEMENT

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

<i>Name</i>	<i>Title</i>	<i>Election date</i>
Ms. Nguyen Thi Thu Hien	Chief Executive Officer	Elected on 27 October 2016
Ms. Pham Dieu Linh	Deputy Chief Executive Officer	Elected on 10 October 2018
Ms. Bui Thi Thu Hang	Deputy Chief Executive Officer	Elected on 30 September 2020
Ms. Tran Thi Thu Trang	Deputy Chief Executive Officer	Elected on 05 November 2021
Ms. Nguyen Thi Hoat	Deputy Chief Executive Officer	Elected on 05 November 2021
Mr. Nguyen Tuan Cuong	Deputy Chief Executive Officer	Elected on 20 August 2022

### 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 authorized 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 2022

Code	ITEMS	Notes	30 September 2022 VND	31 December 2021 VND
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>28,823,632,053,016</b>	<b>24,409,547,106,803</b>
<b>110</b>	<b>I. Financial assets</b>		<b>28,815,366,609,471</b>	<b>24,402,125,216,974</b>
111	1. Cash and cash equivalents	5	2,226,357,720,231	1,125,203,259,229
111.1	1.1. Cash		2,191,357,720,231	1,125,203,259,229
111.2	1.2. Cash equivalents		35,000,000,000	-
113	2. Held-to-maturity ("HTM") investments	7.1	1,136,166,300,000	512,166,300,000
114	3. Loans	7.2	15,216,379,589,830	15,852,029,688,601
115	4. Available-for-sale ("AFS") financial assets	7.3	8,418,838,419,817	6,574,505,990,197
117	5. Receivables	8	255,460,104,569	192,572,240,815
117.2	5.1. Receivables and accruals from dividend and interest income of financial assets		255,460,104,569	192,572,240,815
117.3	5.1.1. Receivables for due dividend and interest income		17,608,343,633	10,731,583,159
117.4	5.1.2. Accruals for undue dividend and interest income		237,851,760,936	181,840,657,656
118	6. Advances to suppliers	8	1,877,442,536	6,403,936,795
119	7. Receivables from services provided by the Company	8	55,463,757,488	139,242,587,519
122	8. Other receivables	8	1,504,823,275,000	1,213,818
<b>130</b>	<b>II. Other current assets</b>	<b>9</b>	<b>8,265,443,545</b>	<b>7,421,889,829</b>
131	1. Advances		2,426,615,445	1,243,539,321
133	2. Short-term prepaid expenses		5,838,828,100	6,178,350,508
135	3. Deductible value added tax		-	-
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>151,582,095,284</b>	<b>137,708,014,026</b>
<b>220</b>	<b>I. Fixed assets</b>		<b>89,925,729,143</b>	<b>88,485,615,590</b>
221	1. Tangibles fixed assets	10	72,374,390,308	72,155,697,438
222	1.1. Cost		110,681,859,040	97,038,507,040
223a	1.2. Accumulated depreciation		(38,307,468,732)	(24,882,809,602)
227	2. Intangible fixed assets	11	17,551,338,835	16,329,918,152
228	2.1. Cost		60,827,979,490	56,182,347,490
229a	2.2. Accumulated depreciation		(43,276,640,655)	(39,852,429,338)
<b>250</b>	<b>II. Other long-term assets</b>		<b>61,656,366,141</b>	<b>49,222,398,436</b>
251	1. Long-term deposits, collaterals, and pledges		184,298,800	184,298,800
252	2. Long-term prepaid expenses	12	16,023,377,359	9,832,770,342
253	3. Deferred income tax assets	13	22,341,780,864	17,950,844,746
254	4. Payment for Settlement Assistance Fund	14	13,106,909,118	11,254,484,548
255	5. Other non-current assets		10,000,000,000	10,000,000,000
<b>270</b>	<b>TOTAL ASSETS</b>		<b>28,975,214,148,300</b>	<b>24,547,255,120,829</b>

STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2022

Code	ITEMS	Notes	30 September 2022 VND	31 December 2021 VND
<b>300</b>	<b>C. LIABILITIES</b>		<b>18,209,299,576,755</b>	<b>15,302,010,632,313</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>15,149,181,936,546</b>	<b>10,818,321,731,258</b>
311	1. Short-term borrowings and financial leases		8,754,045,000,000	7,395,460,000,000
312	1.1. Short-term borrowings	15	8,754,045,000,000	7,395,460,000,000
316	2. Short-term issued bonds	16	-	-
318	3. Payables for securities trading activities	17	5,524,910,011,734	2,487,570,388,317
320	4. Short-term trade payables		848,860,952	-
322	5. Statutory obligations	18	233,756,777,888	240,562,773,739
323	6. Payables to employees		98,260,606,967	103,701,109,054
325	7. Short-term accrued expenses	19	157,911,333,316	116,754,152,490
327	8. Short-term unearned revenue	20	260,809,303,074	364,846,126,012
329	9. Other short-term payables	21	118,640,042,615	109,427,181,646
<b>340</b>	<b>II. Non-current liabilities</b>		<b>3,060,117,640,209</b>	<b>4,483,688,901,055</b>
346	1. Long-term issued bonds	16	3,042,694,172,822	4,297,556,921,996
351	3. Long-term unearned revenue	20	17,392,913,887	186,101,425,559
355	4. Investors' protection fund		30,553,500	30,553,500
356	5. Deferred corporate income tax payables	13	-	-
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>10,765,914,571,545</b>	<b>9,245,244,488,516</b>
<b>410</b>	<b>I. Owner's equity</b>		<b>10,765,914,571,545</b>	<b>9,245,244,488,516</b>
411	1. Share capital		1,126,140,700,000	1,124,246,800,000
411.1	1.1. Capital contribution		1,126,140,700,000	1,124,246,800,000
412	2. Differences from revaluation of assets at fair value		(716,709,564)	(1,965,148,867)
414	3. Charter capital supplementary reserve		112,424,680,000	112,424,680,000
415	4. Financial reserve		112,424,680,000	112,424,680,000
417	5. Undistributed profit	22	9,415,641,221,109	7,898,113,477,383
417.1	5.1. Realized profit		9,411,697,659,215	7,890,622,613,532
417.2	5.2. Unrealized profit		3,943,561,894	7,490,863,851
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>28,975,214,148,300</b>	<b>24,547,255,120,829</b>

STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2022

## OFF-BALANCE SHEET ITEMS

Code	ITEMS	Notes	30 September 2022 VND	31 December 2021 VND
	<b>A. ASSETS OF THE COMPANY AND ASSETS MANAGED UNDER AGREEMENTS</b>			
008	Financial assets listed/registered for trading at Vietnam Securities Depository ("VSD") of the Company	23.1	304,331,930,000	681,587,460,000
009	Non-traded financial assets deposited at VSD of the Company	23.2	960,000	575,812,880,000
010	Awaiting financial assets of the Company	23.3	18,421,900,000	129,406,963,575
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS</b>			
021	Financial assets listed/registered for trading at VSD of investors	23.4	131,476,003,750,000	122,538,852,643,000
021.1	- Unrestricted financial assets		80,038,421,099,000	85,121,752,405,000
021.2	- Restricted financial assets		181,094,530,000	198,706,260,000
021.3	- Mortgaged financial assets		47,077,731,230,000	32,218,738,350,000
021.4	- Blocked financial assets		3,388,957,130,000	3,536,912,410,000
021.5	- Financial assets awaiting settlement		789,799,761,000	1,462,743,218,000
022	Non-traded financial assets deposited at VSD of investors	23.5	848,038,600,000	406,579,870,000
022.1	- Unrestricted and non-traded financial assets deposited at VSD		785,767,330,000	346,151,610,000
022.2	- Restricted and non-traded financial assets deposited at VSD		62,271,270,000	60,428,260,000
022.3	- Mortgages and non-traded financial assets deposited at VSD		-	-
026	Investors' deposits	23.6	3,062,118,478,568	4,577,097,273,878
027	- Investors' deposits for securities trading activities managed by the Company		2,637,940,364,068	4,575,045,031,535
030	- Deposits of securities issuers		424,178,114,500	2,052,242,343

STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 September 2022

## OFF-BALANCE SHEET ITEMS (continued)

Code	ITEMS	Notes	30 September 2022 VND	31 December 2021 VND
	<b>B. ASSETS AND PAYABLES UNDER AGREEMENT WITH INVESTORS (continued)</b>			
031	Payables to investors - investors' deposits for securities trading activities managed by the Company	23.7	2,637,940,364,068	4,575,045,031,535
031.1	- Payables to domestic investors for securities trading activities managed by the Company		2,625,840,517,898	4,514,252,935,435
031.2	- Payables to foreign investors for securities trading activities managed by the Company		12,099,846,170	60,792,096,100
035	Dividend, bond principal and interest payables	23.8	424,178,114,500	2,052,242,343


Ms. Nguyen Hoang Ngan  
Preparer

Ms. Nguyen Thuc Anh  
Chief AccountantMs. Nguyen Thi Thu Hien  
Chief Executive Officer

18-10-2022

# Techcom Securities Joint Stock Company

B02a-CTCK

INCOME STATEMENT (continued)  
for the period ended 30 September 2022

Code	ITEMS	Notes	Quarter 3		Accumulated to this quarter	
			This year VND	Last year VND	This year VND	Last year VND
	<b>I. OPERATING INCOME</b>					
01	1. Gain from financial assets at fair value through profit and loss ("FVTPL")		267,063,428,540	335,225,421,814	797,384,138,816	1,035,687,139,949
01.1	1.1. Gain from disposal of financial assets at FVTPL	24.1	267,063,428,540	335,225,421,814	797,384,138,816	1,035,687,139,949
02	2. Gain from held-to-maturity ("HTM") investments	24.2	13,571,877,615	3,373,526,300	26,091,101,007	11,928,903,834
03	3. Gain from loans and receivables	24.2	369,807,644,314	263,938,230,467	1,169,668,441,133	566,840,875,131
04	4. Gain from available-for-sale ("AFS") financial assets	24.2	83,873,605,919	33,358,616,212	163,549,750,409	69,717,219,588
06	5. Revenue from brokerage services		227,518,248,167	244,178,347,182	746,501,765,989	595,048,294,198
07	6. Revenue from underwriting and issuance agency services		190,123,338,275	450,850,412,095	1,140,475,341,571	1,181,840,286,197
09	7. Revenue from securities custodian services		11,527,747,843	11,507,069,891	33,570,158,343	53,416,521,115
10	8. Revenue from financial advisory services		19,773,799,132	49,272,697,069	147,212,388,175	184,572,135,938
11	9. Other operating incomes		423,055,493	298,267,026	1,919,579,820	347,152,420
20	<b>Total operating revenue</b>		<b>1,183,682,745,298</b>	<b>1,392,002,588,056</b>	<b>4,226,372,665,263</b>	<b>3,699,398,528,370</b>
	<b>II. OPERATING EXPENSES</b>					
21	1. Loss from financial assets at fair value through profit and loss ("FVTPL")		6,116,892,175	11,784,821,473	56,290,445,384	49,847,628,425
21.1	1.1. Loss from disposal of financial assets at FVTPL	24.1	6,116,892,175	11,784,821,473	56,290,445,384	49,847,628,425
27	2. Expenses for brokerage services	25	34,372,831,942	43,928,667,613	129,217,047,794	103,000,665,650
28	3. Expenses for underwriting and issuance agency services	25	-	-	-	7,950,000,000
30	4. Expenses for securities custodian services	25	10,000,941,655	10,965,256,741	31,795,416,107	49,866,160,019
32	5. Other operating expenses	25	121,906,965,990	92,530,178,276	420,966,700,137	165,353,762,351
40	<b>Total operating expenses</b>		<b>172,397,631,762</b>	<b>159,208,924,103</b>	<b>638,269,609,422</b>	<b>376,018,216,445</b>

# Techcom Securities Joint Stock Company

B02a-CTCK

## INCOME STATEMENT (continued) for the period ended 30 September 2022

Code	ITEMS	Notes	Quarter 3		Accumulated to this quarter	
			This year VND	Last year VND	This year VND	Last year VND
	<b>III. FINANCIAL INCOME</b>					
41	1. Realized and unrealized gain from changes in foreign exchange rates		-	2,000,000,000	14,002,400,000	2,000,000,000
42	2. Dividend from investment in subsidiaries, associates and interest income from demand deposits		2,177,886,491	2,241,019,554	8,266,805,030	5,900,417,069
50	<b>Total financial income</b>	26	<b>2,177,886,491</b>	<b>4,241,019,554</b>	<b>22,269,205,030</b>	<b>7,900,417,069</b>
	<b>IV. FINANCIAL EXPENSES</b>					
51	1. Realized and unrealized loss from changes in foreign exchange rates		-	(400,000,000)	1,400,000,000	-
52	2. Borrowing expenses		137,714,655,109	140,428,244,699	460,297,867,676	232,956,448,119
55	3. Other financial expenses		30,282,924,839	3,023,331,201	84,445,140,175	6,305,676,876
60	<b>Total financial expenses</b>	27	<b>167,997,579,948</b>	<b>143,051,575,900</b>	<b>546,143,007,851</b>	<b>239,262,124,995</b>
62	<b>V. GENERAL AND ADMINISTRATIVE EXPENSES</b>	28	<b>114,618,551,643</b>	<b>90,726,430,619</b>	<b>350,976,473,790</b>	<b>245,071,646,941</b>
70	<b>VI. OPERATING PROFIT</b>		<b>730,846,868,436</b>	<b>1,003,256,676,988</b>	<b>2,713,252,779,230</b>	<b>2,846,946,957,058</b>
	<b>VII. OTHER INCOME AND EXPENSES</b>					
71	1. Other incomes		6,295,834	15,679,005	24,985,140,423	35,951,323
72	2. Other expenses		101,235,840	200,544,901	101,575,500	441,626,578
80	<b>Total other operating profit</b>		<b>(94,940,006)</b>	<b>(184,865,896)</b>	<b>24,883,564,923</b>	<b>(405,675,255)</b>
90	<b>VIII. PROFIT BEFORE TAX</b>		<b>730,751,928,430</b>	<b>1,003,071,811,092</b>	<b>2,738,136,344,153</b>	<b>2,846,541,281,803</b>
91	Realized profit		730,751,928,430	1,000,671,811,092	2,738,136,344,153	2,844,541,281,803
92	Unrealized profit/(loss)		-	2,400,000,000	-	2,000,000,000
100	<b>IX. CORPORATE INCOME TAX ("CIT") EXPENSES</b>		<b>151,474,194,197</b>	<b>200,614,362,219</b>	<b>545,161,122,987</b>	<b>569,308,256,360</b>
100.1	Current CIT expense	29.1	147,627,801,736	200,614,362,219	549,104,684,881	569,308,256,360
100.2	Deferred CIT income	29.2	3,846,392,461	-	(3,943,561,894)	-
200	<b>X. PROFIT AFTER TAX</b>		<b>579,277,734,233</b>	<b>802,457,448,873</b>	<b>2,192,975,221,166</b>	<b>2,277,233,025,443</b>

# Techcom Securities Joint Stock Company

B02a-CTCK

## INCOME STATEMENT (continued) for the period ended 30 September 2022

Code	ITEMS	Notes	Quarter 3		Accumulated to this quarter	
			This year VND	Last year VND	This year VND	Last year VND
300	<b>XI. OTHER COMPREHENSIVE GAIN/(LOSS) AFTER TAX</b>					
301	Gain/(loss) from revaluation of AFS financial assets		(8,782,371,561)	-	1,248,439,303	-
400	<b>Other Comprehensive Gain/(Loss) after tax</b>		(8,782,371,561)	-	1,248,439,303	-



Ms. Nguyen Hoang Ngan  
Preparer



Ms. Nguyen Thuc Anh  
Chief Accountant



Ms. Nguyen Thi Thu Hien  
Chief Executive Officer

18-10-2022

**CASH FLOW STATEMENT**  
for the period ended 30 September 2022

Code	ITEMS	Notes	For the period ended 30 September 2022 VND	For the period ended 30 September 2021 VND
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	1. Profit before tax		2,738,136,344,153	2,846,541,281,803
02	2. Adjustments for:		239,294,977,187	217,186,371,687
03	Depreciation and amortization expense	10,11	16,848,870,447	10,722,596,477
05	Unrealized loss from changes in foreign exchange rates		-	-
06	Interest expenses	27	460,297,867,676	232,956,447,342
08	Accrued interest income		(237,851,760,936)	(26,492,672,132)
30	<b>Operating profit before changes in working capital</b>		<b>(1,288,156,549,724)</b>	<b>(11,694,744,351,281)</b>
32	Increase in HTM Investments		(624,000,000,000)	(275,000,000,000)
33	Decrease/(increase) in loans		635,650,098,771	(7,610,317,455,478)
34	Decrease/(increase) in AFS financial assets		(1,843,531,364,541)	(3,199,576,589,728)
36	Decrease/(increase) in receivables and accruals from dividend and interest income of financial assets		174,963,897,182	(6,944,508,220)
37	Increase/(decrease) in receivables from services provided by the Company		83,778,830,031	(264,295,393,910)
39	Increase/(decrease) in other receivables		(1,504,822,061,182)	(4,352,956,538)
40	Decrease/(increase) in other assets		1,490,993,565	-
42	Decrease in prepaid expenses		(5,851,084,609)	(2,090,574,615)
43	Current income tax paid	29.1	(539,319,038,728)	(496,955,065,852)
44	Interest expenses paid		(343,963,358,817)	(116,593,287,492)
47	(Decrease)/increase in statutory obligation (excluding CIT paid)		(16,591,642,004)	22,530,530,453
48	Decrease in payables to employees		(5,440,502,087)	(27,498,343,176)
50	Increase/(decrease) in other payables		2,673,746,256,811	81,713,082,913
51	Other receipts from operating activities		11,472,892,023,287	3,564,018,578,951
52	Other payments for operating activities		(11,448,008,458,355)	(3,359,382,368,589)
60	<b>Net cash flows from/(used in) operating activities</b>		<b>1,689,274,771,616</b>	<b>(8,631,016,697,791)</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
61	Purchase and construction of fixed assets and other assets		(18,288,984,000)	(10,636,029,200)
70	<b>Net cash flow used in Investing activities</b>		<b>(18,288,984,000)</b>	<b>(10,636,029,200)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
71	Cash receipt from issuance of shares, or capital contributed by shareholders		1,893,900,000	-
73	Drawdown of borrowings		11,265,337,250,826	22,605,084,545,546
73.2	- Other borrowings		11,265,337,250,826	22,605,084,545,546
74	Repayment of borrowings		(11,161,615,000,000)	(14,074,295,420,908)
74.2	- Repayment of financial assets borrowings.		(11,161,615,000,000)	(14,074,295,420,908)
76	Dividends, profit distributed to shareholders		(675,447,477,440)	-
80	<b>Net cash flow (used in)/from financing activities</b>		<b>(569,831,326,614)</b>	<b>8,530,789,124,638</b>

CASH FLOW STATEMENT (continued)  
for the period ended 30 September 2022

<i>Code</i>	<i>ITEMS</i>	<i>Notes</i>	<i>For the period ended 30 September 2022 VND</i>	<i>For the period ended 30 September 2021 VND</i>
<b>90</b>	<b>NET INCREASE/(DECREASE) IN CASH DURING THE PERIOD</b>		<b>1,101,154,461,002</b>	<b>(110,863,602,353)</b>
<b>101</b>	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>5</b>	<b>1,125,203,259,229</b>	<b>1,609,026,026,030</b>
101.1	Cash		1,125,203,259,229	1,609,026,026,030
101.2	Cash equivalents			
<b>103</b>	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>5</b>	<b>2,226,357,720,231</b>	<b>1,498,162,423,677</b>
103.1	Cash		2,191,357,720,231	1,498,162,423,677
103.2	Cash equivalents		35,000,000,000	-

CASH FLOW STATEMENT (continued)  
for the period ended 30 September 2022

## CASH FLOWS FROM BROKERAGE AND TRUST ACTIVITIES OF CUSTOMERS

Code	ITEMS	Notes	For the period ended 30 September 2022 VND	For the period ended 30 September 2021 VND
	<b>I. Cash flows from brokerage and trust activities of customers</b>			
01	1. Cash receipts from disposal of brokerage securities of customers		233,747,602,767,588	187,644,342,964,413
02	2. Cash payments for acquisition of brokerage securities of customers		(243,369,305,541,076)	(209,886,643,064,690)
07	3. Cash receipts for settlement of securities transactions of customers		237,546,008,064,269	278,002,930,700,798
08	4. Cash payment for securities transactions of customers		(229,813,957,198,720)	(254,717,940,447,057)
11	5. Cash payments for custodian fees of customers		(49,505,001,871)	(50,369,641,313)
14	6. Cash receipt from securities issuers		8,184,563,563,368	31,363,652,061,913
15	7. Cash payment to securities issuers		(7,760,385,448,868)	(28,063,693,608,666)
20	<b>Net (decrease)/increase in cash during the period</b>		<b>(1,514,978,795,310)</b>	<b>4,292,278,965,398</b>
30	<b>II. Cash and cash equivalents of customers at the beginning of the period</b>	23.6	<b>4,577,097,273,878</b>	<b>2,218,387,855,429</b>
31	Cash at banks at the beginning of the period		4,577,097,273,878	2,218,387,855,429
32	- Investors' deposits managed by the Company for securities trading activities.		4,577,097,273,878	2,218,387,855,429
33	- Investors' deposits managed by Commercial bank for securities trading activities.		4,575,045,031,535	983,051,338,200
34	- Deposits for offsetting and settlement of securities trading activities.		-	1,234,968,988,829
35	- Deposits of securities issuers		2,052,242,343	367,528,400
40	<b>III. Cash and cash equivalents of customers at the end of the period (40 = 20 + 30)</b>	23.6	<b>3,062,118,478,568</b>	<b>6,510,666,820,827</b>
41	Cash at banks at the end of the period:		3,062,118,478,568	6,510,666,820,827
42	- Investors' deposits managed by the Company for securities trading activities		2,637,940,364,068	3,210,340,839,180
45	- Deposits of securities issuers		424,178,114,500	3,300,325,981,647


Ms. Nguyen Hoang Ngan  
Preparer

Ms. Nguyen Thuc Anh  
Chief Accountant

Ms. Nguyen Thi Thu Hien  
Chief Executive Officer

# Techcom Securities Joint Stock Company

B04a-CTCK

## STATEMENT OF CHANGES IN OWNERS' EQUITY for the period ended 30 September 2022

ITEMS	Notes	Opening balance		Increase/Decrease				Ending balance	
		1 January 2021	1 January 2022	Previous period		Current period		31 December 2021	30 September 2022
				Increase	Decrease	Increase	Decrease		
		VND	VND	VND	VND	VND	VND	VND	VND
A	B	1	2	3	4	5	6	7	8
<b>I. CHANGES IN OWNERS' EQUITY</b>									
1. Share capital		1,124,246,800,000	1,124,246,800,000	-	-	1,893,900,000	-	1,124,246,800,000	1,126,140,700,000
2. Charter capital supplementary reserve		112,424,680,000	112,424,680,000	-	-	-	-	112,424,680,000	112,424,680,000
3. Financial reserve		112,424,680,000	112,424,680,000	-	-	-	-	112,424,680,000	112,424,680,000
4. Differences from revaluation of assets at fair value		(1,848,028,294)	(1,965,148,867)	-	(117,120,573)	1,248,439,303	-	(1,965,148,867)	(716,709,564)
5. Undistributed profit	22.1	4,831,982,891,340	7,898,113,477,383	3,066,130,586,043	-	2,200,466,085,017	(682,938,341,291)	7,898,113,477,383	9,415,641,221,109
5.1. Realized profit		4,831,982,891,340	7,890,622,613,532	3,058,639,722,192	-	2,196,522,523,123	(675,447,477,440)	7,890,622,613,532	9,411,697,659,215
5.2. Unrealized profit		-	7,490,863,851	7,490,863,851	-	3,943,561,894	(7,490,863,851)	7,490,863,851	3,943,561,894
<b>TOTAL</b>		<b>6,179,231,023,046</b>	<b>9,245,244,488,516</b>	<b>3,066,130,586,043</b>	<b>(117,120,573)</b>	<b>2,203,608,424,320</b>	<b>(682,938,341,291)</b>	<b>9,245,244,488,516</b>	<b>10,765,914,571,545</b>
<b>II. OTHER COMPREHENSIVE INCOME</b>									
1. Gain/(loss) from revaluation of AFS financial assets		(1,848,028,294)	(1,965,148,867)	-	(117,120,573)	1,248,439,303	-	(1,965,148,867)	(716,709,564)
<b>TOTAL</b>		<b>(1,848,028,294)</b>	<b>(1,965,148,867)</b>	<b>-</b>	<b>(117,120,573)</b>	<b>944,645,683</b>	<b>303,793,620</b>	<b>(1,965,148,867)</b>	<b>(716,709,564)</b>



Ms. Nguyen Hoang Ngan  
Preparer



Ms. Nguyen Thuc Anh  
Chief Accountant



Ms. Nguyen Thi Thu Hien  
Chief Executive Officer

18-10-2022

NOTES TO THE FINANCIAL STATEMENTS  
as at 30 September 2022 and for the period then ended

**1. CORPORATE INFORMATION**

Techcom Securities Joint Stock Company ("the Company") is a joint-stock company established and operating 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 was converted to legal form from Techcom Securities Company Limited according to Decision No.222/QĐ-UBCK on 19 March 2018, and inherited all legal rights and interests, responsible for debts and other obligations of Techcom Securities Company Limited.

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

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

The number of the Company's employees as at 30 September 2022 was: 465 persons (31 December 2021: 459 persons).

***Company's operation***

***Capital***

As at 30 September 2022, total capital contribution of the Company is VND 1,126,140,700,000, owners' equity is VND 10,765,914,571,545 and total assets are VND 28,975,214,148,300.

***Investment objectives***

The Company's goals are to be the strategic financial advisor for corporate clients and to create a new saving experience for customers in Vietnam.

***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.
- ▶ Securities company must not by itself, or authorize another organization or individuals to:
  - 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 2022 and for 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, this provision shall not apply to member fund, ETF fund or open-end fund certificates;
- Invest or contribute capital of more than ten percent (10%) in the total paid-up capital of a limited liability company or of a business project;
- Invest more than fifteen percent (15%) of its owners' equity in a single organization or of a business project;
- Invest more than seventy percent (70%) of its total 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. BASIS OF PRESENTATION****2.1 Applied accounting standards and system**

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

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

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

**2.4 Accounting currency**

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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended

**3. STATEMENT ON COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEMS**

Management confirms that the Company has complied with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to securities companies and statutory requirements relevant to preparation and presentation of the financial statements.

Accordingly, the accompanying statement of financial position, income statement, statement of cash flows, statement of changes in owners' equity and notes to the financial statements, including their utilization are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position, results of operations and cash flows and changes in owners' equity in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**4.1 Changes in accounting policies and disclosures**

The accounting policies adopted by the Company in preparation of the financial statements are consistent with those followed in the preparation of the Company's financial statements for the year ended 31 December 2021, excepted for:

*Circular No. 114/2021/TT-BTC abrogation of Circular No. 146/2014/TT-BTC dated 6 October 2014 of The Minister of Finance providing finance regulations for securities companies and fund management companies*

The Minister of Finance issued Circular No. 114/2021/TT-BTC which is effective from 1 February 2022 on abrogation of Circular No. 146/2014/TT-BTC, in which:

- ▶ Abrogating provision for diminution in value of securities according to Circular No. 146/2014/TT-BTC. Provision for diminution in value of securities is regulated at Circular No. 48/2019/TT-BTC ("Circular 48") dated 8 August 2019, providing guidance on making and settlement of provisions for devaluation of inventory, losses of financial investments, bad debts and warranty at enterprises and Circular No. 24/2022/TT-BTC on amendments and supplements to several articles of Circular 48.
- ▶ Providing guidance on settle balance of charter capital supplementary reserve and operational risk and finance reserve as described in *Note 4.24*.

*Circular No. 24/2022/TT-BTC amending and supplementing several articles of Circular 48 dated 8 August 2019 of the Minister of Finance, providing guidance on making and settlement of provisions for devaluation of inventories, loss of investments, bad debts and warranties for products, goods, services or construction works at enterprises ("Circular 24")*

On 7 April 2022, the Ministry of Finance issued Circular 24 amending and supplementing several articles of Circular 48 dated 8 August 2019 of the Minister of Finance, providing guidance on making and settlement of provisions for devaluation of inventory, losses of financial investments, bad debts and warranty at enterprises.

Circular 24 amends and supplements to Point (a), Clause 1, Article 5 on provision for losses of financial investments, of which, it is not required to make provision for Government bonds, Government guaranteed bonds and municipal bonds.

Circular 24 was effective from 25 May 2022.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended

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

**4.2 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of three months or less that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

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

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

Financial assets recognized at fair value through profit and loss are financial assets that satisfy either of the following conditions:

- a) It is classified as held for trading. A financial asset is classified as held for trading if:
  - ▶ It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
  - ▶ There is evidence of a recent actual pattern of short-term profit-taking; or
  - ▶ It is a derivative (except derivative that is a financial guarantee contract or effective hedging instrument).
- b) Upon initial recognition, a financial asset is designated by the entity as at fair value through profit and loss as it meets one of the following criteria:
  - ▶ The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the asset or 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 (acquisition cost of the assets excluding transaction cost arising from the purchase) and subsequently recognized at fair value.

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

Transaction costs relating to the purchase of the financial assets at FVTPL are recognized when incurred as expenses in the income statement.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended

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

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

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

- a) Those that the entity upon initial recognition designates as at fair value through profit or loss;
- b) Those that the entity designates as available-for-sale;
- c) Those meet the definition of loans and receivables.

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

Amortized cost of HTM financial investments is the amount at which the financial asset is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative 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).

The effective interest rate method is a method of calculating the cost allocation on interest income or interest expense in the period of a financial asset or a group of HTM investments.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial assets or financial liabilities.

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended

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

**4.5 Loans**

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

- a) The amounts the Company has the intent to immediately sell or will sell in a near future which are classified as assets held for trading, and like those which, upon initial recognition, the Company categorized as such recognized at fair value through profit or loss;
- b) The amounts categorized by the Company as available-for-sale upon initial recognition; or
- c) The amounts whose holders cannot recover most of the initial investment value not due to credit quality impairment and which are categorized as available-for-sale.

Loans are recognized initially at cost (disbursement amount of the loans). After initial recognition, loans are subsequently measured at amortized cost using the effective interest rate ("EIR").

Amortized cost of loans is the amount at which the loans is measured at initial recognition minus (-) principal repayments, plus (+) or minus (-) the cumulative 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).

Loans are subject to an assessment of impairment at the financial statements date. Provision is made for loan based on its estimated loss which is determined by the negative difference between the market value of securities used as collaterals for such loan and the loan balance. Any increase/decrease in the balance of provision is recognized in the income statement under "*Provision expense for diminution in value and impairment of financial assets and doubtful receivables and borrowing costs of loans*".

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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended

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

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

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified as:

- a) Loans and receivables;
- b) Held-to-maturity investment;
- c) Financial assets at fair value through profit or loss.

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

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

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

- ▶ Where an equity instrument is classified as available-for-sale, evidence of impairment includes a significant or prolonged decline in the fair value of the investment below its original cost. 'Significant' is to be evaluated against the original cost of the asset and 'prolonged' indicates the period in which the fair value has been below its original cost. When any evidence of impairment exists, provision is determined as the difference between the AFS asset's cost and fair value at the assessment date.
- ▶ Where a debt instrument is classified as available-for-sale, the assessment of impairment is conducted using the same criteria as those applied for HTM investments. When there is any evidence of impairment, provision for an AFS asset is determined as the negative difference between its fair value and amortized cost at the assessment date.

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 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 in the form of public securities 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 delisted securities or terminated trading securities or suspended trading securities, their prices are the book value at the date of preparing the financial statements.



NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended

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

##### **4.7 Fair value/market value of financial assets (continued)**

- ▶ For corporate bonds listed and registered for trading, their market price is the price of the latest trade at the Stock Exchange within 10 days from the date of preparing the financial statements. In case there is none of trades to be performed within 10 days before the date of the financial statements, the Company will not make provision for the 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, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- ▶ The rights to receive cash flows from the assets have expired; or
- ▶ The Company has transferred its rights to receive cash flows from the assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either:
  - The company has transferred substantially all the risks and rewards of the assets, or
  - The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement; and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

The continued participation in transferred assets in the form of guarantee will be recognized at smaller value between the initial carrying value of the assets and the maximum amount that the Company is required to pay.

##### **4.9 Reclassification of financial assets**

###### *Reclassification when selling financial assets other than FVTPL*

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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended

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

**4.9 Reclassification of financial assets (continued)**

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

Securities companies are required to reclassify financial assets to their applicable categories if their purpose or ability to hold has changed, consequently:

- ▶ Non-derivative financial assets at FVTPL or financial assets that are not required to be classified as financial asset at FVTPL at the initial recognition can be classified as loans and other receivables or as cash and cash equivalents if the requirements are met. The gains or losses arising from revaluation of financial assets at FVTPL prior to the reclassification are not allowed to be reversed.
- ▶ Due to changes in purposes or ability to hold, some HTM investments are required to be reclassified into AFS financial assets and to reassessed at fair value. The difference arising from revaluation between carrying value and fair value are recognized under "Difference from revaluation of assets at fair value" in Owners' equity.

**4.10 Receivables**

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

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

The Company has made provision for doubtful receivables and handling irrecoverable receivables in accordance with Circular No. 48/2019/TT-BTC dated 8 August 2019 issued by the Ministry of Finance. Accordingly, the provision rates for overdue receivables are as follows:

<u>Overdue period</u>	<u>Provision rate</u>
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%

**4.11 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended

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

**4.12 Intangible fixed assets**

Intangible assets are stated at cost less accumulated amortization.

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

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

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

**4.13 Depreciation and amortization**

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

Machines and equipment	3 - 7 years
Software	3 - 6 years

**4.14 Operating lease**

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

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

**4.15 Prepaid expenses**

Prepaid expenses, including short-term prepaid expenses or long-term prepaid expenses in the statement of financial position, are amortized over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

**4.16 Repurchase agreements**

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

**4.17 Payables and accrued expenses**

Other payables and accrued expenses are recognized for amounts to be paid in the future for bonds interest payables, goods and services received, whether or not billed to the Company.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****4.18 Employee benefits****4.18.1 Pension allowance**

Pension allowance are paid to retired employees of the Company by the Social Insurance Agency, which belongs to the Ministry of Labour and Social Affairs. The Company is required to contribute to these post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 17.5% (17% in the 12-month period from 1 July 2021 to the end of 30 September 2022 as prescribed in Resolution No. 68 of 1 July 2021) of an employee's basic salary, salary-related allowances and other supplements. Other than that, the Company has no further obligation relating to Pension allowance.

**4.18.2 Severance allowance**

According to the Labor Law No. 45/2019/QH14 effective 1 January 2021 and Decree No. 145/2020/ND-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. The working time used to calculate the severance allowance and job loss allowance is the total time a worker actually works for the employer minus the time the worker participates in unemployment insurance as stipulated by the law on unemployment insurance and the working time for which the worker is paid by the employer with severance allowance and job loss allowance. The salary used to calculate severance allowance is the average salary of six consecutive months up to the resignation date.

**4.18.3 Unemployment insurance**

According to Article 57 of the Employment Law No. 38/2013/QH13 which took effect from 1 January 2015 and the Government's Decree No. 28/2015/ND-CP dated 12 March 2015 detailing the implementation of a number of Article of the Employment Law 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. According to Decision 28/2021/QĐ-TTg, from 1 October 2021, the company is entitled to reduce the unemployment insurance premium for employees to 0% for 12 months.

**4.19 Foreign currency transactions**

Transactions in currencies other than the Company's reporting currency of VND are recorded at the actual transaction exchange rates of commercial banks at transaction dates. At the end of the period, monetary balances denominated in foreign currencies are determined as follows:

- Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly.
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred during the period and arisen from the revaluation of monetary accounts denominated in foreign currencies at the end of the period are taken to the income statement.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****4.20 Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of receipts or receivables less trade discount, concessions and sales return. The following specific recognition criteria must also be met before revenue is recognized:

*Revenue from brokerage services*

When the contract outcome can be reliably measured, revenue is recognized by reference to the stage of completion. Where the contract outcome cannot be reliably measured, revenue is recognized only to the extent of the expenses recognized which are recoverable.

*Revenue from trading of securities*

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

*Interest income*

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

*Dividends*

Income is recognized when the Company's entitlement as an investor to receive the dividends is established, except for dividend received in shares in which only the number of shares is updated.

*Other revenues from rendering services*

Where the contract outcome can be reliably measured, revenue is recognized by reference to the stage of completion.

Where the contract outcome cannot be reliably measured, revenue is recognized only to the extent of the expenses recognized which are recoverable.

**4.21 Borrowing expenses**

Borrowing costs include accrued interest and other expenses which are directly attributable to the Company's borrowings and bonds issued. Borrowing costs is recorded as cost incurred in the period, excluding capitalized amounts.

**4.22 Cost of securities sold**

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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended

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

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

Current income tax assets and liabilities are offset only when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

*Deferred income tax*

Deferred income tax is provided using for temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profits will be available against which deductible temporary differences, carry forward of unused tax credits and unused tax losses can be utilized, except where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to a certain extent that sufficient taxable profits will be available to allow all or part of the 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended

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

**4.24 Owners' equity**

*Undistributed profit*

Undistributed profit comprises of realized and unrealized undistributed profit.

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

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

*Reserves*

From 2021 and earlier, according to Circular No. 146/2014/TT-BTC issued by the Ministry of Finance on 6 October 2014, securities companies are required to make appropriation of profit after tax to the following reserves:

	<u>Percentage of profit after tax</u>	<u>Maximum balance</u>
Charter capital supplementary reserve	5%	10% charter capital
Operational risk and finance reserve	5%	10% charter capital

On 17 December 2021, the Ministry of Finance issued Circular 114/2021/TT-BTC effective from 1 February 2022 and applied for the financial year of 2022 to annul Circular 146/2014/TT-BTC of the Minister of Finance on main guidance on financial regime for securities companies, which states:

- ▶ For the balance of the reserve fund to supplement charter capital set up according to the provisions of Circular No. 146/2014/TT-BTC: used to supplement charter capital according to current regulations;
- ▶ For the balance of the financial reserve fund and professional risks set up according to the provisions of Circular No. 146/2014/TT-BTC: used to supplement charter capital or used under the decision of the General Meeting Shareholders' Council, Members' Council or the company's President in accordance with current regulations.

Other 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 or balances required by Circular No. 210/2014/TT-BTC dated 30 December 2014, Circular 334/2016/TT-BTC dated 27 December 2016 and Circular No. 146/2014/TT-BTC dated 6 October 2014 issued by the Ministry of Finance that are not shown in these financial statements indicate nil balances.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended

5. CASH AND CASH EQUIVALENTS

	30 September 2022 VND	31 December 2021 VND
Cash at banks	2,191,357,720,231	1,125,203,259,229
Cash equivalents	35,000,000,000	-
- Cash at banks with initial maturity of less than 3 months	35,000,000,000	-
<b>Total</b>	<b>2,226,357,720,231</b>	<b>1,125,203,259,229</b>

6. VALUE AND VOLUME OF TRADING DURING THE PERIOD

	For the period ended 30 September 2022	
	Volume of trading during the period (Unit)	Value of trading during the period (VND)
<b>The Company</b>	<b>2,370,515,346</b>	<b>240,214,017,422,586</b>
- Shares	113,438,180	1,921,134,862,288
- Listed corporate bonds	134,228,407	13,608,513,531,796
- Unlisted corporate bonds	1,984,428,099	205,768,516,553,422
- Government bonds	134,000,000	14,010,881,000,000
- Other securities	4,420,660	4,904,971,475,080
<b>Investors</b>	<b>22,015,925,690</b>	<b>817,504,484,532,901</b>
- Shares	17,884,649,064	441,778,173,917,510
- Listed corporate bonds	368,481,740	37,427,250,583,491
- Unlisted corporate bonds	3,105,177,475	337,203,001,300,000
- Fund certificates	34,650,511	681,667,916,900
- Covered warrants	622,966,900	414,390,815,000
<b>Total</b>	<b>24,386,441,036</b>	<b>1,057,718,501,955,490</b>

7. FINANCIAL ASSETS

Concepts of financial assets

Cost

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

Fair value/market value

The fair value or market value of a financial asset is the price at which the financial asset would be traded voluntarily between knowledgeable parties on an arm's length basis.

The fair value/market value of securities is determined using the method described in Note 4.7.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended**7. FINANCIAL ASSETS (continued)****Concepts of financial assets (continued)***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 Held-to-maturity investments (HTM)**

	30 September 2022		31 December 2021	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Term deposits initial maturity of more than 3 months	1,136,166,300,000	1,136,166,300,000	512,166,300,000	512,166,300,000

**7.2 Loans and receivables**

	30 September 2022		31 December 2021	
	Cost VND	Fair value (2) VND	Cost VND	Fair value VND
Receivables from margin activities	14,907,190,123,774	14,907,190,123,774	14,678,714,319,918	14,678,714,319,918
Advances to investors (1)	309,189,466,056	309,189,466,056	1,173,315,368,683	1,173,315,368,683
<b>Total</b>	<b>15,216,379,589,830</b>	<b>15,216,379,589,830</b>	<b>15,852,029,688,601</b>	<b>15,852,029,688,601</b>

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for period then ended

7. FINANCIAL ASSETS (continued)

7.3 Available-for-sale (AFS) financial assets

	30 September 2022		31 December 2021	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Listed shares	510,961,993	510,961,993	581,484,942	683,113,089
Unlisted shares	1,080,002,558,661	1,080,002,558,661	650,446,420,848	650,446,420,848
Listed bonds	363,182,692,275	360,401,007,516	1,422,560,366,124	1,419,163,098,307
Unlisted bonds	6,612,008,840,353	6,612,008,840,353	4,497,863,154,367	4,497,863,154,367
Other available-for-sale assets	364,788,737,540	365,915,051,294	5,511,000,000	6,350,203,586
Techcom Flexl Bond Fund (TCFF)	5,511,000,000	6,637,313,754	5,511,000,000	6,350,203,586
Certificates of Deposit	359,277,737,540	359,277,737,540	-	-
<b>Total</b>	<b>8,420,493,790,822</b>	<b>8,418,838,419,817</b>	<b>6,576,962,426,281</b>	<b>6,574,505,990,197</b>

# Techcom Securities Joint Stock Company

B09a-CTCK

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the six-month period then ended

## 7. FINANCIAL ASSETS (continued)

### 7.4 Change in market values of financial assets

	30 September 2022				31 December 2021			
	Cost	Revaluation difference		Revaluation value	Cost	Revaluation difference		Revaluation value
		Increase	Decrease			Increase	Decrease	
<b>AFS</b>								
Listed shares	510,961,993	-	-	510,961,993	581,484,942	112,614,824	(10,986,677)	683,113,089
Unlisted shares	1,080,002,558,661	-	-	1,080,002,558,661	650,446,420,848	-	-	650,446,420,848
Listed bonds	363,182,692,275	471,604,451	(3,253,289,210)	360,401,007,516	1,422,560,366,124	1,437,269,199	(4,834,537,016)	1,419,163,098,307
Unlisted bonds	6,612,008,840,353	-	-	6,612,008,840,353	4,497,863,154,367	-	-	4,497,863,154,367
Other AFS	364,788,737,540	1,126,313,754	-	365,915,051,294	5,511,000,000	839,203,586	-	6,350,203,586
<b>Total</b>	<b>8,420,493,790,822</b>	<b>1,597,918,205</b>	<b>(3,253,289,210)</b>	<b>8,418,838,419,817</b>	<b>6,576,962,426,281</b>	<b>2,389,087,609</b>	<b>(4,845,523,693)</b>	<b>6,574,505,990,197</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the six-month period then ended

**8. RECEIVABLES**

	30 September 2022 VND	31 December 2021 VND
<b>Receivables and accruals from dividend and interest income of financial assets</b>	<b>255,460,104,569</b>	<b>192,572,240,815</b>
Receivables for due dividend and interest income	17,608,343,633	10,731,583,159
Accruals for undue dividend and interest income	237,851,760,936	181,840,657,656
- <i>Accrued interest on deposits</i>	15,412,954,978	8,812,766,981
- <i>Accrued interest on bonds</i>	24,059,807,983	24,733,052,805
- <i>Interest income from lending activities</i>	198,378,997,975	148,294,837,870
<b>Advances to suppliers</b>	<b>1,877,442,536</b>	<b>6,403,936,795</b>
<b>Receivables from services provided by the Company</b>	<b>55,463,757,488</b>	<b>139,242,587,519</b>
Receivables from brokerage services	17,116,985,680	19,457,720,241
Receivables from securities custodian services	6,868,229,684	8,909,827,798
Receivables from underwriting and issuance agency services	17,131,949,940	107,100,440,000
Receivables from entrusting services	128,592,184	705,599,480
Receivables from advisory services	14,218,000,000	3,069,000,000
<b>Other receivables</b>	<b>1,504,823,275,000</b>	<b>1,213,818</b>
<b>Total</b>	<b>1,817,624,579,593</b>	<b>338,219,978,947</b>

**9. OTHER CURRENT ASSETS**

	30 September 2022 VND	31 December 2021 VND
Advances	2,426,615,445	1,243,539,321
Short-term prepaid expenses	5,838,828,100	6,178,350,508
<b>Total</b>	<b>8,265,443,545</b>	<b>7,421,889,829</b>

# Techcom Securities Joint Stock Company

B09a-CTCK

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the six-month period then ended

## 10. TANGIBLE FIXED ASSETS

	<i>Machines and equipment VND</i>
<b>Cost</b>	
1 January 2022	97,038,507,040
Increase	13,643,352,000
30 September 2022	110,681,859,040
<b>Accumulated depreciation</b>	
1 January 2022	24,882,809,602
Increase	13,424,659,130
30 September 2022	38,307,468,732
<b>Net book value</b>	
1 January 2022	72,155,697,438
30 September 2022	72,374,390,308

## 11. INTANGIBLE FIXED ASSETS

	<i>Software VND</i>
<b>Cost</b>	
1 January 2022	56,182,347,490
Increase	4,645,632,000
30 September 2022	60,827,979,490
<b>Accumulated depreciation</b>	
1 January 2022	39,852,429,338
Increase	3,424,211,317
30 September 2022	43,276,640,655
<b>Net book value</b>	
1 January 2022	16,329,918,152
30 September 2022	17,551,338,835

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the six-month period then ended

**12. LONG-TERM PREPAID EXPENSES**

	30 September 2022 VND	31 December 2021 VND
Unallocated tools and supplies	7,007,769,834	6,129,915,798
Other long-term prepaid expenses	9,015,607,525	3,702,854,544
<b>Total</b>	<b>16,023,377,359</b>	<b>9,832,770,342</b>

**13. DEFERRED CORPORATE INCOME TAX ASSETS/PAYABLES**

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

	01 January 2022 to 30 September 2022 VND	01 January 2021 to 31 December 2021 VND
<b>Deferred corporate income tax assets</b>		
Opening balance	17,950,844,746	-
Deferred CIT arising from the decrease in revaluation of AFS financial assets	447,374,224	-
Deferred CIT arising from temporary deductible differences	3,943,561,894	-
<b>Ending balance</b>	<b>22,341,780,864</b>	<b>-</b>
<b>Deferred corporate income tax payables</b>		
Opening Balance	-	-
Deferred CIT arising from the increase in revaluation of AFS financial assets	-	474,904,476
<b>Ending balance</b>	<b>-</b>	<b>474,904,476</b>

**14. PAYMENT FOR SETTLEMENT ASSISTANCE FUND**

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

According to prevailing regulation of VSD the Company must deposit an initial amount of VND120 million at the Vietnam Securities Depository and pay an addition of 0.01% of the total amount of brokered securities in the previous year, but not over VND 2.5 billion per annum. The maximum contribution of each custody to the Settlement Assistance Fund is VND 20 billion for custody members who are the Company with trading securities and brokerage activities. Details of the payment for settlement assistance fund are as follow:

	30 September 2022 VND	31 December 2021 VND
Initial payment	120,000,000	120,000,000
Addition	11,542,028,752	9,689,604,182
Accrued interest	1,444,880,366	1,444,880,366
<b>Total</b>	<b>13,106,909,118</b>	<b>11,254,484,548</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the six-month period then ended

# 15. SHORT-TERM BORROWINGS AND FINANCIAL LEASES

	<i>Interest rate</i> %	<i>31 December 2021</i> VND	<i>Addition</i> <i>during the period</i> VND	<i>Repayment</i> <i>during the period</i> VND	<i>30 September 2022</i> VND
<b>Short-term borrowings</b>	<b>3.2% - 8.5%</b>				
Sumitomo Mitsui Banking Corporation, Singapore Branch		1,893,220,000,000	-	7,400,000,000	1,885,820,000,000
Vietnam Prosperity Joint Stock Commercial Bank		1,350,000,000,000	1,550,000,000,000	2,900,000,000,000	-
Vietnam International Commercial Joint Stock Bank		750,000,000,000	1,040,000,000,000	1,300,000,000,000	490,000,000,000
CTBC Bank Co., Ltd.		685,890,000,000	-	1,665,000,000	684,225,000,000
Tien Phong Commercial Joint Stock Bank		500,000,000,000	-	500,000,000,000	-
The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch		458,800,000,000	1,615,900,000,000	1,371,300,000,000	703,400,000,000
Indovina Bank Ltd.		400,000,000,000	1,200,000,000,000	1,200,000,000,000	400,000,000,000
Cathay United Bank Co., Ltd.		229,400,000,000	1,400,000,000	230,800,000,000	-
Taiwan Shinkong Commercial Bank Co., Ltd., Hong Kong Branch		114,150,000,000	-	114,150,000,000	-
CTBC Bank – Ho Chi Minh Branch		114,000,000,000	341,000,000,000	341,000,000,000	114,000,000,000
Taishin International Bank Co., Ltd.		-	3,921,600,000,000	-	3,921,600,000,000
Other banks		900,000,000,000	2,850,300,000,000	3,195,300,000,000	555,000,000,000
<b>Total</b>		<b>7,395,460,000,000</b>	<b>12,520,200,000,000</b>	<b>11,161,615,000,000</b>	<b>8,754,045,000,000</b>

As at 30 September 2022, the Company's loans at foreign banks has hedged interest rate risk by a cross currency swap contract with Commercial Joint Stock Banks in Vietnam for the aforementioned loans.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended

**16. ISSUED BONDS**

	30 September 2022 VND	31 December 2021 VND
<b>Long-term issued bonds</b>	<b>3,042,694,172,822</b>	<b>4,297,556,921,996</b>
TCSCH2123001	-	155,000,000,000
TCSCH2126002	469,945,119,315	472,095,204,207
TCSCH2126003	278,460,832,593	280,551,525,840
TCSCH2123005	300,101,768,881	302,952,434,382
TCSCH2124006	179,322,232,283	500,257,815,548
TCSCH2123007	-	200,000,000,000
TCSCH2124009	174,801,868,450	500,050,820,979
TCSCH2124011	-	500,221,684,016
TCSCH2124012	319,831,915,484	500,091,257,813
TCSCH2123014	435,878,045,107	436,283,252,983
TCSCH2124015	273,260,605,026	-
Other long-term issued bonds	611,091,785,683	450,052,926,228
<b>Total</b>	<b>3,042,694,172,822</b>	<b>4,297,556,921,996</b>

**17. PAYABLES FOR SECURITIES TRADING ACTIVITIES**

	30 September 2022 VND	31 December 2021 VND
Payables to customers for securities trading activities (*)	5,512,814,980,231	2,362,663,075,403
Payables to Stock Exchange	8,643,856,147	121,382,631,216
Payables to VSD	3,451,175,356	3,524,681,698
<b>Total</b>	<b>5,524,910,011,734</b>	<b>2,487,570,388,317</b>

(\*) These are payables to customers for securities trading activities applied to the Company's iSave program

# Techcom Securities Joint Stock Company

B09a-CTCK

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended

## 18. TAXATION AND STATUTORY OBLIGATION

No	ITEMS	31 December 2021 VND	Payable in the period VND	Paid in the period VND	30 September 2022 VND
1	Value added tax	5,977,612,166	15,108,827,728	(20,476,884,750)	609,555,144
2	Corporate income tax (Note 29)	147,007,555,594	549,104,684,881	(539,319,038,728)	156,793,201,747
3	Other taxes	87,577,605,979	684,431,376,578	(695,654,961,560)	76,354,020,997
	Personal income tax	87,328,131,349	671,764,350,474	(683,722,910,648)	75,369,571,175
	Foreign contractors withholding tax	249,474,630	12,667,026,104	(11,932,050,912)	984,449,822
	<b>Total</b>	<b>240,562,773,739</b>	<b>1,248,644,889,187</b>	<b>(1,255,450,885,038)</b>	<b>233,756,777,888</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended**19. SHORT-TERM ACCRUED EXPENSES**

	<i>30 September 2022</i> VND	<i>31 December 2021</i> VND
Bond interest expenses	84,145,183,090	95,183,031,899
Borrowing interest expenses	50,945,363,755	11,299,432,954
Hedging activities expenses	-	1,893,470,450
Expenses payable to customers for securities trading activities	22,820,786,471	8,378,217,187
<b>Total</b>	<b>157,911,333,316</b>	<b>116,754,152,490</b>

**20. UNEARNED REVENUE**

	<i>30 September 2022</i> VND	<i>31 December 2021</i> VND
<b>Short-term</b>	<b>260,809,303,074</b>	<b>364,846,126,012</b>
Bond holder representative fees	46,541,228,115	63,279,728,904
Custodian agency fees	10,674,427,801	170,118,721
Other fees	203,593,647,158	301,396,278,387
<b>Long-term</b>	<b>17,392,913,887</b>	<b>186,101,425,559</b>
Bond holder representative fees	2,907,966,036	26,861,219,429
Custodian agency fees	2,078,800,620	22,097,638,424
Other fees	12,406,147,231	137,142,567,706
<b>Total</b>	<b>278,202,216,961</b>	<b>550,947,551,571</b>

**21. OTHER SHORT-TERM PAYABLES**

	<i>30 September 2022</i> VND	<i>31 December 2021</i> VND
Payables to customers for accumulated point and exchange point for securities trading	107,015,597,113	87,297,787,647
Trade Union fees	247,930,630	90,840,910
Insurance fees	2,129,738,090	1,054,276,724
Other payables	9,246,776,782	20,984,276,365
<b>Total</b>	<b>118,640,042,615</b>	<b>109,427,181,646</b>

# Techcom Securities Joint Stock Company

B09a-CTCK

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended

## 22. OWNER'S EQUITY (continued)

### 22.1 Undistributed profit

	30 September 2022 VND	31 December 2021 VND
1. Undistributed realized profit	9,411,697,659,215	7,890,622,613,532
2. Unrealized profit	3,943,561,894	7,490,863,851
<b>Total</b>	<b>9,415,641,221,109</b>	<b>7,898,113,477,383</b>

### 22.2 Changes in owner's equity

	Share capital VND	Difference from revaluation of assets at fair value VND	Charter capital supplementary reserve VND	Financial reserve VND	Undistributed profit VND	Total VND
<b>31 December 2021</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-DHDCD-TCBS dated 15 October 2021 and Resolution No. 010712/21/NQ- DHDCD-TCBS dated 07 December 2021	1,893,900,000	-	-	-	-	1,893,900,000
Dividends paid during the period	-	-	-	-	(675,447,477,440)	(675,447,477,440)
Difference from revaluation of AFS financial assets	-	1,248,439,303	-	-	-	1,248,439,303
<b>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>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended

**23. DISCLOSURE ON OFF-BALANCE SHEET ITEMS**

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

	30 September 2022 VND	31 December 2021 VND
Unrestricted financial assets	304,331,930,000	681,587,460,000

**23.2 Non-traded financial assets deposited at VSD of the Company**

	30 September 2022 VND	31 December 2021 VND
Unrestricted and non-traded financial assets deposited at VSD	960,000	575,812,880,000

**23.3 Awaiting financial assets of the Company**

	30 September 2022 VND	31 December 2021 VND
Bonds	18,421,900,000	129,406,963,575

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended

**23. DISCLOSURE ON OFF-BALANCE SHEET ITEMS (continued)**

**23.4 Financial assets listed/registered for trading at VSD of Investors**

	30 September 2022 VND	31 December 2021 VND
Unrestricted financial assets	80,038,421,099,000	85,121,752,405,000
Restricted financial assets	181,094,530,000	198,706,260,000
Mortgage financial assets	47,077,731,230,000	32,218,738,350,000
Blocked financial assets	3,388,957,130,000	3,536,912,410,000
Financial assets awaiting settlement	789,799,761,000	1,462,743,218,000
<b>Total</b>	<b>131,476,003,750,000</b>	<b>122,538,852,643,000</b>

**23.5 Non-traded financial assets deposited at VSD of investors**

	30 September 2022 VND	31 December 2021 VND
Unrestricted and non-traded financial assets deposited at VSD	785,767,330,000	346,151,610,000
Restricted and non-traded financial assets deposited at VSD	62,271,270,000	60,428,260,000
<b>Total</b>	<b>848,038,600,000</b>	<b>406,579,870,000</b>

**23.6 Investors' deposits**

	30 September 2022 VND	31 December 2021 VND
Investors' deposits for securities trading activities managed by the Company	2,637,940,364,068	4,575,045,031,535
- Domestic investors' deposits for securities trading activities managed by the Company	2,625,840,517,898	4,514,252,935,435
- Foreign investors' deposits for securities trading activities managed by the Company	12,099,846,170	60,792,096,100
Deposits from Securities Issuers	424,178,114,500.00	2,052,242,343
<b>Total</b>	<b>3,062,118,478,568.00</b>	<b>4,577,097,273,878</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended

**23. DISCLOSURE ON OFF-BALANCE SHEET ITEMS (continued)**

**23.7 Payables to investors**

	30 September 2022 VND	31 December 2021 VND
Payables to investors - investors' deposits for securities trading activities managed by the Company	2,637,940,364,068	4,575,045,031,535
- Domestic investors	2,625,840,517,898	4,514,252,935,435
- Foreign investors	12,099,846,170	60,792,096,100
<b>Total</b>	<b>2,637,940,364,068</b>	<b>4,575,045,031,535</b>

**23.8 Dividends, bond principals and interest payables**

	30 September 2022 VND	31 December 2021 VND
Dividends, bond interest payables	424,178,114,500	2,052,242,343

**23.9 Payable for services to the Company**

	30 September 2022 VND	31 December 2021 VND
Payables for brokerage services	17,116,985,680	19,457,720,241
Payables for securities custodian services	6,868,229,684	8,909,827,798
Payables for underwriting an issuance agency services	17,131,949,940	107,100,440,000
Payables for entrusting services	128,592,184	705,599,480
Payables for advisory services	14,218,000,000	3,069,000,000
<b>Total</b>	<b>55,463,757,488</b>	<b>139,242,587,519</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended

**23. DISCLOSURE ON OFF-BALANCE SHEET ITEMS (continued)**

**23.10 Payables for financing services to the Company**

	30 September 2022 VND	31 December 2021 VND
<b>Payables for margin activities</b>	<b>15,105,569,121,749</b>	<b>14,827,009,157,788</b>
Payables for principal of margin activities (Note 7.2)	14,907,190,123,774	14,678,714,319,918
Payables for accrued interest of margin activities (Note 8)	198,378,997,975	148,294,837,870
<b>Payables for advance to investor activities</b>	<b>309,189,466,056</b>	<b>1,173,315,368,683</b>
Payables for principal of advance to investor activities (Note 7.2)	309,189,466,056	1,173,315,368,683
<b>Total</b>	<b>15,414,758,587,805</b>	<b>16,000,324,526,471</b>

# Techcom Securities Joint Stock Company

B09a-CTCK

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended

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

### 24.1 Gain/(loss) from disposal of financial assets at FVTPL

No	Portfolio	Quantity Unit	Selling price VND/unit	Proceeds VND	Weighted average cost at the end of transaction date VND	Gain/(loss) from disposal in the current period VND	Gain/(loss) from disposal in the previous period VND
<b>I</b>	<b>GAIN</b>						
1	Listed shares	1,087,100	36,001	39,136,992,000	36,023,178,547	3,113,813,453	2,300,409,718
2	Unlisted shares	47,723,427	10,372	494,987,384,844	410,443,862,187	84,543,522,657	16,958,452,685
3	Listed bonds	65,458,439	101,510	6,644,684,762,333	6,581,880,742,349	62,804,019,984	51,327,148,860
4	Government bonds	32,000,000	105,577	3,378,471,300,000	3,377,719,866,667	751,433,333	-
5	Unlisted bonds	810,592,075	103,978	84,283,698,543,621	83,640,382,744,234	643,315,799,387	963,866,375,565
6	Certificates of Deposit	1,930,000	1,056,411	2,038,873,500,000	2,036,017,949,998	2,855,550,002	1,234,753,121
	<b>Total gain</b>	<b>958,791,041</b>		<b>96,879,852,482,798</b>	<b>96,082,468,343,982</b>	<b>797,384,138,816</b>	<b>1,035,687,139,949</b>
<b>II</b>	<b>LOSS</b>						
1	Listed shares	235,500	32,723	7,706,283,000	8,360,585,747	(654,302,747)	(143,748,255)
2	Unlisted shares	-	-	-	-	-	-
3	Listed bonds	5,918,185	102,019	603,766,355,823	608,181,731,775	(4,415,375,952)	(14,809,788,228)
4	Government bonds	36,000,000	104,320	3,755,505,000,000	3,756,588,833,333	(1,083,833,333)	-
5	Unlisted bonds	173,663,109	101,652	17,653,256,330,979	17,703,393,264,331	(50,136,933,352)	(34,894,079,583)
6	Certificates of Deposit	-	-	-	-	-	(12,359)
	<b>Total loss</b>	<b>215,816,794</b>		<b>22,020,233,969,802</b>	<b>22,076,524,415,186</b>	<b>(56,290,445,384)</b>	<b>(49,847,628,425)</b>
	<b>Total</b>	<b>1,174,607,835</b>		<b>118,900,086,452,600</b>	<b>118,158,992,759,168</b>	<b>741,093,693,432</b>	<b>985,839,511,524</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended**24. GAIN/(LOSS) FROM FINANCIAL ASSETS (continued)****24.2 Dividend, interest income from financial assets at FVTPL, HTM investments, AFS financial assets, loans, receivables and derivatives**

	For the period ended 30 September 2022 VND	For the period ended 30 September 2021 VND
From HTM financial assets	26,091,101,007	11,928,903,834
Term deposit interest	26,091,101,007	11,928,903,834
From loans and receivables	1,169,668,441,133	566,840,875,131
From AFS financial assets	163,549,750,409	69,717,219,588
<b>Total</b>	<b>1,359,309,292,549</b>	<b>648,486,998,553</b>

**25. EXPENSES FOR OPERATING ACTIVITIES**

	For the period ended 30 September 2022 VND	For the period ended 30 September 2021 VND
Expenses for securities brokerage activities	129,217,047,794	103,000,665,650
Expenses for securities underwriting activities and securities issuance agent services	-	7,950,000,000
Expenses for securities custodian activities	31,795,416,107	49,866,160,019
Other operating expenses (*)	420,966,700,137	165,353,762,351
<b>Total</b>	<b>581,979,164,038</b>	<b>326,170,588,020</b>

(\*) These are expenses of the Company for the following programs: iSave program, accumulated point and exchange point for securities trading program ("iXu"), business development partners program ("iWealth partner"), social investing program ("iCopy") and other expenses.

**26. REVENUE FROM FINANCIAL ACTIVITIES**

	For the period ended 30 September 2022 VND	For the period ended 30 September 2021 VND
Difference from foreign exchange rates	14,002,400,000	2,000,000,000
Interest income from demand deposits	8,266,805,030	5,900,417,069
<b>Total</b>	<b>22,269,205,030</b>	<b>7,900,417,069</b>

**27. FINANCIAL EXPENSES**

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended

	<i>For the period ended 30 September 2022 VND</i>	<i>For the period ended 30 September 2021 VND</i>
Difference from unrealized foreign exchange rates	1,400,000,000	-
Interest expenses	460,297,867,676	232,956,448,119
- <i>Interest for issued bonds</i>	295,347,141,418	18,558,007,354
- <i>Interest for short-term borrowings</i>	164,950,726,258	214,398,440,765
Other financial expenses	84,445,140,175	6,305,676,876
<b>Total</b>	<b>546,143,007,851</b>	<b>239,262,124,995</b>

**28. GENERAL AND ADMINISTRATIVE EXPENSES**

	<i>For the period ended 30 September 2022 VND</i>	<i>For the period ended 30 September 2021 VND</i>
Administrative employees' expenses	250,257,911,762	175,762,765,146
- <i>Salary and other employee's benefits</i>	243,468,192,071	170,409,260,881
- <i>Social security, health insurance, unemployment insurance and Trade Union fee</i>	6,789,719,691	5,353,504,265
Depreciation expenses	16,848,870,447	10,722,596,477
Tax, fees and charges	10,204,782,071	3,408,089,181
External service expenses	67,004,116,951	50,434,204,851
Tools and supplies	3,237,477,736	2,124,174,055
Other expenses	3,423,314,823	2,619,817,231
<b>Total</b>	<b>350,976,473,790</b>	<b>245,071,646,941</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended

**29. CORPORATE INCOME TAX**

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

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

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

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

	<i>For the period ended 30 September 2022 VND</i>	<i>For the period ended 30 September 2021 VND</i>
<b>Profit before tax</b>	<b>2,738,136,344,153</b>	<b>2,846,541,281,803</b>
<i>Adjustments to increase accounting profit</i>	<i>19,717,809,470</i>	<i>-</i>
- Non-deductible expenses	19,717,809,470	-
<b>Estimated current taxable income</b>	<b>2,757,854,153,623</b>	<b>2,846,541,281,803</b>
Corporate income tax rate	20%	20%
<b>Estimated CIT expense</b>	<b>551,570,830,725</b>	<b>569,308,256,360</b>
CIT adjustments in accordance with tax finalization of prior year	(2,466,145,844)	-
<b>Current CIT expenses</b>	<b>549,104,684,881</b>	<b>569,308,256,360</b>
CIT payables at the beginning of the period	147,007,555,594	172,747,660,143
CIT paid in the period	(539,319,038,728)	(336,196,016,802)
<b>CIT payables at the end of the period</b>	<b>156,793,201,747</b>	<b>405,859,899,701</b>

**30. OTHER INFORMATION**

**30.1 Transactions with related parties**

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

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

List of related parties and relationships with the Company for the period ended on 30 September 2022 and for the period ended 30 September 2021 is as follows:

# Techcom Securities Joint Stock Company

B09a-CTCK

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 30 September 2022 and for the period then ended

Related parties	Relationship	Transaction	For the period ended 30 September 2022 VND	For the period ended 30 September 2021 VND
Vietnam Technological and Commercial Joint Stock Bank	Parent Bank	Revenue from deposit interest	1,733,003,081	1,431,995,257
		Revenue from securities transactions	2,897,949,242	541,745,208
		Revenue from financial advisory	11,000,000,000	3,000,000,000
		Office rental expense	13,251,374,928	18,045,223,287
Techcom Capital Joint Stock Company	Subsidiary of the Parent Bank	Revenue from brokerage services	107,515,975,215	131,776,959,528
		Revenue from securities custodian services	8,494,372	903,537
Related parties	Relationship	Transaction	30 September 2022 VND	31 December 2021 VND
Vietnam Technological and Commercial Joint Stock Bank	Parent Bank	Payment Deposit	2,099,588,697,281	5,147,430,026,543
		Other trade payables	1,483,394,660	1,893,470,450
Techcom Capital Joint Stock Company	Subsidiary of the Parent Bank	Receivables from brokerage services	11,809,456,531	13,474,131,325



Ms. Nguyen Hoang Ngan  
Preparer

Ms. Nguyen Thuc Anh  
Chief Accountant



Ms. Nguyen Thi Thu Hien  
Chief Executive Officer

18-10-2022