

**VIETNAM CONSTRUCTION SECURITIES  
JOINT STOCK COMPANY**

**AUDITED FINANCIAL SAFETY RATIO REPORT**

**AS AT 31 DECEMBER 2024**

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*Hanoi, March 2025*

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**STATEMENT OF THE BOARD OF MANAGEMENT**

The Board of Management of Vietnam Construction Securities Joint Stock Company (hereafter referred to as the “Company”) submit this report together with the Company’s Financial safety ratio report as at 31 December 2024.

**BOARD OF MANAGEMENT AND BOARD OF DIRECTORS**

The member of the Board of Management, the Board of General Directors, and the Board of Supervisors of the Company during the year 2024 and up to the date of this report, are as follows:

**Board of Directors**

Mr. Wang Wei Ya	Chairman	
Mr. Hoang Xuan Hung	Vice chairman	
Mr. Li You Mu	Member	
Ms. Nguyen Thi Da	Member	Dismissed at on 12 June 2024
Ms. Le Thi Thanh Huyen	Non-executive member	Appointed at on 12 June 2024

**Board of Management and chief accountant**

Mr. Hoang Xuan Hung	General Director
Mr. Do Bao Ngoc	Vice director
Mr. Nguyen Thanh Minh	Chief accountant

**Board of Supervisors**

Mr. Nguyen Huu Khoi	Head of the Board	Appoint on 10/04/2024
Ms. Nguyen Thi Hanh	Head of the Boardt	Dismissed on 09/04/2024
Mr. Tran Thi Nhung	Member	

**Internal audit department**

Mr. Le Anh Tung	Member	Appointed on 12/02/2025
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**Legal representative**

The legal representative of the Company as of the date of this report is Mr. Wang Wei Ya - Chairman.

**SIGNIFICANT EVENTS**

The Board of Management of the Company confirms that there are no significant events that require adjustment or disclosure in the attached Financial safety ratio report.

**THE AUDITOR**

The accompanying Financial safety ratio report has been audited by UHY Auditing and Consulting Company Limited.

**STATEMENT OF THE BOARD OF MANAGEMENT (CONT'D)**

**THE BOARD OF MANAGEMENT'S RESPONSIBILITY**

Management of the Company is responsible for preparing the Financial safety ratio report, which gives a true and fair view of the Financial safety ratio of the Company. Because the preparation of this report involves a considerable amount of information presented in the Financial Statements, during the preparation of this Report as well as all other indicators of the Financial Statements in general, Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Prepare a report on the Financial safety ratio on the basis of going concern, except in cases where it is impossible to assume that the Company will continue its business activities;
- For subsequent events that affect the Company's financial situation after the reporting date, the Company will make updates in the following periods; and
- The company is fully legally responsible for the accuracy and faithfulness of the content of the report.

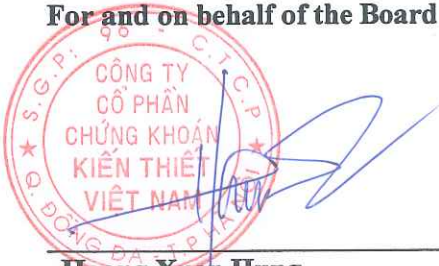
Management confirms that the Company has complied with the above-mentioned requirements in preparing the Financial safety ratio report.

Management ensures that the information and internal control systems are established and maintained to ensure that the Financial safety ratio report is presented fairly and accurately at all times, in accordance with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance, which provides regulations on financial safety indicators and remedial measures applicable to securities trading organisations that fail to meet financial safety requirements, in the preparation and presentation of the Financial Safety Ratio Report as at 31 December 2024.

Management affirms its compliance with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance, which sets out financial safety indicators and remedial measures for securities trading organisations failing to meet such criteria, in the preparation and presentation of the Financial Safety Ratio Report as at 31 December 2024.

Management further affirms that the Company complies with the provisions of Decree No. 155/2020/NĐ-CP dated 31 December 2020, which guides the implementation of certain articles of the Law on Securities, and has not breached its information disclosure obligations under Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance on information disclosure in the securities market.

**For and on behalf of the Board of Management,**



**Hoang Xuan Hung**

**General Director**

*Hanoi, 25 March 2025*



No.: 337/2025/UHY-BCKT

**INDEPENDENT AUDITORS' REPORT**  
*On the Financial safety ratio report as at 31 December 2024  
of Vietnam Construction Securities Joint Stock Company*

**To: Board of Management and Board of Directors**  
**Vietnam Construction Securities Joint Stock Company**

We have audited the accompanying Financial safety ratio report as at 31 December 2024 of Vietnam Construction Securities Joint Stock Company (hereafter referred to as the "Company") which was prepared on 25 March 2025 as set out on pages 06 to 30, prepared by the Board of Management of the Company in accordance with the regulations on the preparation and presentation of reports in Circular No. 91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance, stipulating financial safety indicators and remedial measures for securities trading organizations that fail to meet the financial safety criteria.

**Responsibilities of the Board of Management**

The Board of Management of the Company is responsible for preparing the Financial safety ratio report in accordance with the regulations on the preparation and presentation of reports in Circular No. 91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance, stipulating financial safety indicators and remedial measures for securities trading organizations that fail to meet the financial safety criteria and for such internal control as Management determines is necessary to enable the preparation and presentation of the Financial safety ratio Report that is free from material misstatements, whether due to fraud or error.

**Responsibilities of the Auditors**

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

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

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

## INDEPENDENT AUDITORS' REPORT (CONT'D)

### Basis for qualified opinion

The average cash on hand balance in 2024 was approximately VND 62 billion. This cash was deposited into bank accounts or term deposits at the end of each quarter and withdrawn back into the treasury fund at the beginning of the following quarter (the bank deposit amount transferred to the cash fund on 02 January 2025, was 7 billion VND). We did not receive satisfactory explanations for maintaining such a large cash balance. Therefore, we are unable to assess the impact of this issue on the financial safety ratio report as at 31 December 2024.

### Qualified opinion

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion" paragraph, the Financial safety ratio report of Vietnam Construction Securities Joint Stock Company as of 31 December 2024, has been prepared, in all material respects, in accordance with Circular No. 91/2020/TT-BTC dated 13 November 2020, issued by the Ministry of Finance, stipulating financial safety indicators and remedial measures for securities trading organizations that fail to meet the financial safety criteria .

### Other matters

The Financial safety ratio Report is prepared to comply with the Company's regulations on preparation and disclosure of information in the Financial safety ratio report. This report is not to be attached to the Financial Statements and is intended solely for use by the Company's Management for reporting purposes at the request of the State Securities Commission. Therefore, this Report may not be suitable for use for other purposes.

Vietnam Construction Securities Joint Stock Company has prepared financial statements for the year ended at 31 December 2024 in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System applicable to securities companies and related legal regulations on the preparation and presentation of financial statements and we have issued an audit report with a qualified opinion on these financial statements on 25 March 2025.



**Pham Gia Dat**  
Deputy General Director  
Auditor's Practicing Certificate  
No: 0798-2023-112-1

*For and on behalf of*  
**UHY AUDITING AND CONSULTING COMPANY LIMITED**  
*Hà Nội, 25 March 2025*

**Hoang Thi Nga**  
Auditor  
Auditor's Practicing Certificate  
No. 4079-2023-112-1



Re: Financial safety ratio report

*Hanoi, 25 March 2025*

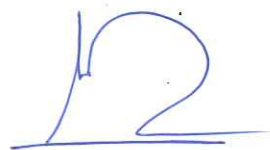
## **FINANCIAL SAFETY RATIO REPORT**

**As at: 31 December 2024**

**To: State Securities Commission**

We affirm that:

- (1) The report is prepared on the basis of updated data at the reporting date and in accordance with the regulations on preparation and presentation of reports in Circular No. 91/2020/TT-BTC dated 13 November 2020 of the Ministry of Finance stipulating financial safety indicators and remedial measures for securities trading organizations that fail to meet the financial safety criteria.;
- (2) Subsequent events that affect the Company's financial situation after the reporting date will be updated in the following periods;
- (3) We bear fully legal responsibility for the accuracy and truthfulness of the content of the report.



**Nguyen Thanh Minh**  
Chief Accountant



**Le Thanh Hien**  
Internal Control  
Department



**Hoang Xuan Hung**  
General Director

*Hanoi, 25 March 2025*

FINANCIAL SAFETY RATIO REPORT

As at 31 December 2024

I. CALCULATION SHEET ON LIQUID CAPITAL

NO	ITEMS	Liquid capital		
		Liquid capital (VND)	Deductions (VND)	Increases (VND)
		(1)	(2)	(3)
A	Owners' equity			
1	Owners' equity, excluded redeemable preferred shares (if any)	168,000,000,000	-	-
2	Share premium, excluded redeemable preferred shares (if any)	-	-	-
3	Treasury shares	-	-	-
4	Convertible bonds - equity component	-	-	-
5	Other owners' equity	-	-	-
6	Differences from revaluation of financial assets at fair value	-	-	-
7	Charter capital supplementary reserve	-	-	-
8	Operational risk and financial reserve	-	-	-
9	Other funds belong to the owner's equity	-	-	-
10	Undistributed profit	(2,014,078,899)	-	-
11	Balance of provision for impairment of assets	-	-	-
12	Difference from revaluation of fixed assets	-	-	-
13	Foreign exchange rate differences	-	-	-
14	Convertible debits	-	-	-
15	Total increase or decrease in securities investment value	-	-	-
16	Other capital (if any)	-	-	-
1A	Total			165,985,921,101
B	Short-term assets			
I	Financial assets			
1	Cash and cash equivalents	-	48,995,600	-
	Financial assets at fair value through profit or loss (FVTPL)	-	-	-
2	Securities exposed to market risk	-	-	-
	Securities deducted from liquid capital	-	-	-
	Held-to-maturity investments (HTM)	-	-	-
3	Securities exposed to market risk	-	-	-
	Securities deducted from liquid capital	-	-	-
4	Loans	-	-	-
	Available-for-sale financial assets (AFS)	-	-	-
5	Securities exposed to market risk	-	-	-
	Securities deducted from liquid capital	-	-	-



I. CALCULATION SHEET ON LIQUID CAPITAL (CONT'D)			
NO	ITEMS	Liquid capital	
		Liquid capital (VND) (1)	Increases (VND) (3)
6	Provision for impairment of financial assets and collateral	-	-
	Receivables (receivables from disposal of financial assets, receivables and accruals from dividend, interest income from financial assets)	-	-
7	+ Receivables due in 90 days or less	-	-
	+ Receivables due in more than 90 days	48,995,600	-
8	Covered warrant not yet issued	-	-
9	Underlying securities for the purpose of hedging when issuing covered warrant	-	-
	Receivables from services provided by the Company	-	-
10	+ Receivables due in 90 days or less	-	-
	+ Receivables due in more than 90 days	-	-
	Internal receivables	-	-
11	+ Receivables due in 90 days or less	-	-
	+ Receivables due in more than 90 days	-	-
	Receivables due to error in securities transaction	-	-
12	+ Receivables due in 90 days or less	-	-
	+ Receivables due in more than 90 days	-	-
	Other receivables	-	-
13	+ Receivables due in 90 days or less	-	-
	+ Receivables due in more than 90 days	-	-
14	Provision for impairment of receivables	-	-
II	Other short-term assets	1,295,011,966	-
	Advances	-	-
1	Advances with the remaining repayment term of 90 days or less	-	-
	Advances with the remaining repayment term of more than 90 days	-	-
2	Office supplies, tools and materials	-	-
3	Short-term prepaid expenses	-	-
4	Short-term deposits, collaterals and pledges	1,295,011,966	-
5	Deductible value added tax	-	-
6	Tax and other receivables from the State	-	-
7	Other current assets	-	-
8	Provision for impairment of other current assets	-	-
1B	Total	-	1,344,007,566


  
CÔNG TY CỔ PHẦN VCS

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## I. CALCULATION SHEET ON LIQUID CAPITAL (CONT'D)

NO	ITEMS	Liquid capital		
		Liquid capital (VND)	Deductions (VND)	Increases (VND)
		(1)	(2)	(3)
C	Long-term assets	-	-	-
I	Long-term financial assets	-	-	-
I	Long-term receivables, including receivables from fiduciary activities	-	-	-
1	Long-term receivables	-	-	-
2	Investments	-	-	-
	HTM investments	-	-	-
2.1	Securities exposed to market risk	-	-	-
	Securities deducted from liquid capital	-	-	-
2.2	Investments in subsidiaries	-	-	-
2.3	Other long-term investments	-	-	-
II	Fixed assets	-	1,210,186,374	-
III	Investment properties	-	-	-
IV	Construction in progress	-	-	-
V	Other long-term assets	-	4,420,339,728	-
1	Long-term deposits, collaterals and pledges	-	1,053,525,400	-
2	Long-term prepaid expenses	-	1,162,606,845	-
3	Deferred income tax assets	-	-	-
4	Payment for Settlement Assistance Fund	-	2,204,207,483	-
5	Other long-term assets	-	-	-
VI	Provision for impairment of non-current assets	-	32,400,000,000	-
	The qualified, adverse or disclaimed items on the audited, reviewed financial statements not being deducted in accordance with Article 5, Circular 91	-	32,400,000,000	-
1C	Total			38,030,526,102
D	Escrow, collateral items	-	-	-
1	Escrow value	-	-	-
1.1	The value of contribution to Settlement Assistance Fund of VSDC	-	-	-
1.2	The value of contribution to the clearing fund of the central settlement counterparty for the open position of the clearing member	-	-	-
1.3	The value of cash escrow and banks' guarantee for issuing covered warrants	-	-	-
2	The value of collaterals for obligations due in more than 90 days	-	-	-
1D	Total	-	-	-
	LIQUID CAPITAL = 1A-1B-1C-1D			126,611,387,433



II. CALCULATION SHEET ON RISK VALUES

A. MARKET RISK

FINANCIAL SAFETY RATIO REPORT

As at 31 December 2024

Investment items		Risk coefficient (%)	Scale of risk VND	Risk value VND (3)= (1)x(2)
I. Cash and cash equivalents, money market instruments		(1)	(2)	
1.	Cash (VND)	0%	26,804,688,427	-
2.	Cash equivalents	0%	16,000,000,000	-
3.	Valuable papers, transferable instruments in the money market, certificate of deposit	0%	-	-
II. Government bonds				
4.	Zero-coupon Government bonds	0%	-	-
5.	Coupon Government bonds		-	
5.1	Government bonds (include treasury bond and construction bond previously issued), Government bonds of OECD countries or guaranteed by the Government or the Central Bank of the OECD countries, bonds issued by international institutions such as IBRD, ADB, IADB, AFDB, EIB and ERBD, non-sovereign bonds	3%	-	-
III. Credit institution bonds				
6.	Credit institution bonds having remaining maturity of less than 1 year, including convertible bonds	3%	-	-
	Credit institution bonds having remaining maturity of 1 to under 3 years, including convertible bonds	8%	-	-
	Credit institution bonds having remaining maturity of 3 to under 5 years, including convertible bonds	10%	-	-
	Credit institution bonds having remaining maturity of 5 years or more, including convertible bonds	15%	-	-
IV. Corporate bonds				
7.	Listed corporate bonds		-	
	Listed bonds having remaining maturity of less than 1 year, including convertible bonds	8%	-	-
	Listed bonds having remaining maturity of 1 to under 3 years, including convertible bonds	10%	-	-
	Listed bonds having remaining maturity of 3 to under 5 years, including convertible bonds	15%	-	-
	Listed bonds having remaining maturity of 5 years or more, including convertible bonds	20%	-	-

FINANCIAL SAFETY RATIO REPORT (COND'T)  
As at 31 December 2024

II. CALCULATION SHEET ON RISK VALUES (CONT'D)

A. MARKET RISK (CONT'D)

Investment items	Risk coefficient (%)	Scale of risk VND	Risk value VND
	(1)	(2)	(3)= (1)x(2)
8. Unlisted corporate bonds			
Unlisted bonds issued by listed corporations having remaining maturity of less than 1 year, including convertible bonds	15%	-	-
Unlisted bonds issued by listed corporations having remaining maturity of 1 to under 3 years, including convertible bonds	20%	-	-
Unlisted bonds issued by listed corporations having remaining maturity of 3 to under 5 years, including convertible bonds	25%	-	-
Unlisted bonds issued by listed corporations having remaining maturity of 5 years or more, including convertible bonds	30%	-	-
Unlisted bonds issued by other corporations having remaining maturity of less than 1 year, including convertible bonds	25%	-	-
Unlisted bonds issued by other corporations having remaining maturity of 1 to under 3 years, including convertible bonds	30%	-	-
Unlisted bonds issued by other corporations having remaining maturity of 3 to under 5 years, including convertible bonds	35%	-	-
Unlisted bonds issued by other corporations having remaining maturity of 5 years or more, including convertible bonds	40%	-	-
V. Shares			
9. Ordinary shares, preferred shares of entities listed in Ho Chi Minh Stock Exchange; open-ended fund certificates	10%	39,054,643,100	3,905,464,310
10. Ordinary shares, preferred shares of entities listed in Hanoi Stock Exchange	15%	-	-
11. Ordinary shares, preferred shares of unlisted public entities registered for trading through UpCom system	20%	290,000,000	58,000,000
12. Ordinary shares, preferred shares of public entities registered for custody, but not yet listed or registered for trading: shares under IPO	30%	-	-
13. Shares of other public companies	50%	-	-



FINANCIAL SAFETY RATIO REPORT (COND'T)

As at 31 December 2024

II. CALCULATION SHEET ON RISK VALUES (CONT'D)

A. MARKET RISK (CONT'D)

Investment items		Risk coefficient (%)	Scale of risk VND	Risk value VND (3)= (1)x(2)
		(1)	(2)	
VI. Certificates of securities investment funds				
14.	Public funds, including public securities investment companies	10%	39,917,365,730	3,991,736,573
15.	Member funds, including private securities investment companies	30%	-	-
VII. Restricted securities trading				
16.	Securities of unlisted public companies being warned due to delayed disclosure of audited/reviewed financial statements	30%	-	-
17.	Listed securities being warned	20%	-	-
18.	Listed securities under control	25%	-	-
19.	Securities restricted, temporarily suspended from trading	40%	-	-
20.	Delisted, cancelled securities	80%	-	-
VIII. Derivative securities				
21.	Stock index futures contracts	8%	-	-
22.	Government bond futures contracts	3%	-	-
IX. Other securities				
23.	Shares listed in foreign markets included in the benchmark	25%	-	-
24.	Shares listed in foreign markets not included in the benchmark	100%	-	-
25.	Covered warrants listed on Ho Chi Minh Stock Exchange	8%	-	-
26.	Covered warrants listed on Hanoi Stock Exchange	10%	-	-
27.	Shares and bonds of un-issued companies that do not have the latest audited financial statements up to the time of reporting or have audited financial statements but have contrary adverse audit opinion, disclaimer opinion or qualified opinion	100%	-	-

FINANCIAL SAFETY RATIO REPORT (COND'T)

As at 31 December 2024

II. CALCULATION SHEET ON RISK VALUES (CONT'D)

A. MARKET RISK (CONT'D)

Investment items		Risk coefficient (%)	Scale of risk VND	Risk value VND
		(1)	(2)	(3)= (1)x(2)
28.	Shares, capital contribution and other securities	80%	-	-
29.	Covered warrants issued by the Company Calculation: Market risk value = Max {(P0 x Q0/k - P1 x Q1) x r - MD), 0}			
30.	Securities formed from hedging activities for the issued covered warrants (in case covered warrants are not profitable)			
31.	The positive difference between the value of the underlying securities used by the Company to hedge against the risks of covered warrants and the value of the underlying securities necessary to hedge for covered warrants		-	-
X. Additional risks (determined based on equity that has fully accounted for provisions)				
	Stock code	Additional rate	Scale of risk VND	Risk value VND
1.	GFM-VIF Fund Certificate - Genesis Fund Management Joint Stock Company	20%	3,991,736,573	798,347,315
2.	Entrusted securities investment - Genesis Fund Management Joint Stock Company	20%	3,513,987,810	702,797,562
TOTAL MARKET RISK VALUE (A= I+II+III+IV+V+VI+VII+VIII+IX+X)				8,753,548,198

**FINANCIAL SAFETY RATIO REPORT (CONT'D)**  
*As at 31 December 2024*

**II. CALCULATION SHEET ON RISK VALUES (CONT'D)**

**B. SETTLEMENT RISK**

	<b>Risk value VND</b>
Risks of undue items	203,749,556
Risks of overdue items	-
Risks of other contracts and transactions	-
Increases	-
<b>Total settlement risk value</b>	<b>203,749,556</b>



FINANCIAL SAFETY RATIO REPORT (COND'T)

As at 31 December 2024

II. CALCULATION SHEET ON RISK VALUES (CONT'D)

B. SETTLEMENT RISK (CONT'D)

Details:

Type of transactions	Risk coefficient	Risk value (VND)						Total risk value VND
		0%	0,8%	3,2%	4,8%	6,0%	8,0%	
		(1)	(2)	(3)	(4)	(5)	(6)	
I. Risks of undue items								
1.	Term deposits, certificates of deposits and lens without collaterals and receivables from transaction activities and securities trading operations, and other items exposed to settlement risk	-	-	-	-	-	203,749,556	203,749,556
2.	Financial assets lendings/economic agreements with similar nature	-	-	-	-	-	-	-
3.	Financial assets borrowings/economic agreements with similar nature	-	-	-	-	-	-	-
4.	Reverse repurchase agreements/economic agreements with similar nature	-	-	-	-	-	-	-
5.	Repurchase agreements/economic agreements with similar nature	-	-	-	-	-	-	-
6.	Loan escrow agreements (loans for purchase of stocks)/economic agreements with similar nature	-	-	-	-	-	-	-
Total settlement risk value of undue items								203,749,556
II. Risks of overdue items								
No	Overdue period	Risk coefficient %		Scale of risk VND		Risk value VND		
1.	0 - 15 days after due date of payment, transferring securities	16		-		-		
2.	16 - 30 days after due date of payment, transferring securities	32		-		-		
3.	31 - 60 days after due date of payment, transferring securities	48		-		-		
4.	From 60 days after due date of payment, transferring securities	100		-		-		
Total settlement risk value of overdue items								-



II. CALCULATION SHEET ON RISK VALUES (CONT'D)

B. SETTLEMENT RISK (CONT'D)

Details:

FINANCIAL SAFETY RATIO REPORT (COND'T)

As at 31 December 2024

Type of transactions		Risk coefficient		Risk value (VND)					Scale of risk		Total risk value VND		
				0%	0,8%	3,2%	4,8%	6,0%					8,0%
				(1)	(2)	(3)	(4)	(5)					(6)
III. Risks of other advances, contracts and transactions													
		Risk coefficient			%			Risk value VND					
1.	Contracts, transactions and amounts of capital use other than transactions and contracts recorded at Points a, b, c, d, dd, e, Clause 1, Article 10 of this Circular; Receivables from debt trading with transaction partners other than Vietnam Asset Management Company (VAMC) and Vietnam Debt Trading Company Limited Liability Company (DATC) (Details for each subject). The advance accounts for more than 5% of equity with the remaining repayment period of less than 90 days (Details for each subject).	100						-					
2.	The advance accounts for 0% - 5% of equity with the remaining repayment period of less than 90 days (Details for each subject).	8						-					
Total settlement risk value of other advances, contracts and transactions													
IV. Increases													
Details for each loan and subject		Risk coefficient			Scale of risk			Risk value					
Total increases								-					
TOTAL SETTLEMENT RISK VALUE (B=I+II+III)								203,749,556					

**FINANCIAL SAFETY RATIO REPORT (CONT'D)**  
*As at 31 December 2024*

**II. CALCULATION SHEET ON RISK VALUES (CONT'D)**

**C. OPERATIONAL RISK**

NO	ITEMS	VALUE VND
I.	Total operating expenses incurring during the 12 month period up to December 2024	26,080,696,324
II.	Deductions from total expenses	5,989,475,362
	1. Depreciation expenses	752,375,003
	2. Provision made/reversed for impairment of financial assets and collaterals	-
	3. Provision made/reversed for impairment of long-term financial assets	-
	4. Provision made/reversed for impairment of receivables	-
	5. Provision made/reversed for impairment of other short-term assets	-
	6. Provision made/reversed for impairment of financial assets recorded in profit or loss	5,237,100,359
	7. Interest expenses	-
III.	Total expenses after deductions (III = I – II)	20,091,220,962
IV.	25% of Total expense after deductions (IV = 25% * III)	5,022,805,241
V.	20% Legal capital of the Company	17,000,000,000
	<b>TOTAL OPERATIONAL RISK VALUE (Max {IV, V})</b>	<b>17,000,000,000</b>

**III. SUMMARY TABLE ON RISK VALUES AND LIQUID CAPITAL**

No	Item	Risk values/ liquid capital VND
1.	Total market risk value	8,753,548,198
2.	Total settlement risk value	203,749,556
3.	Total operational risk value	17,000,000,000
4.	Total risk value (4=1+2+3)	25,957,297,754
5.	Liquid capital	126,611,387,433
6.	Liquid capital ratio (6=5/4)	487,77%

**Nguyen Thanh Minh**  
Chief Accountant

**Le Thanh Hien**  
Internal Control  
Department

**Hoang Xuan Hung**  
General Director

*Ha Noi, 25 March 2025*



**NOTES TO THE FINANCIAL SAFETY RATIO REPORT**

*(These notes are an integral part of and should be read in conjunction with the report)*

**1. BUSINESS OVERVIEW**

**1.1. OWNERSHIP STRUCTURE**

Vietnam construction Securities Joint Stock Company ("the Company") was established and operates under Decision No. 96/UBCK-GP dated 21 August 2008, and subsequent amended licenses issued by the State Securities Commission. The most recent Business Registration Certificate No. 0102973463 was issued by the Hanoi Department of Planning and Investment on 04 January 2023. The Company's charter capital is VND 168,000,000,000.

The number of employees as at 31 December 2024 is 33 members (at 01 January 2024 was 29).

The Company's head office is located at: 11th floor, TRN Tower, 54A Nguyen Chi Thanh, Lang Thuong ward, Dong Da district, Hanoi.

The company has a dependent accounting entity with legal status, which is Vietnam Construction Securities Joint Stock Company – Ho Chi Minh City Branch, located on the 20th floor of TNR Building, 180-192 Nguyen Cong Tru, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City. It was established according to Decision No. 1064/QĐ-UBCK dated 27 November 2018

**1.2 BUSINESS LINES AND PRINCIPAL ACTIVITIES**

**Main activities**

Main business activities in the period include: Securities brokerage; proprietary trading; financial advisory services; securities investment consulting; securities depository.

**Restrictions on investment**

The Company's investment portfolio and restrictions align with the investment objectives and policies clearly stipulated in the Company's Charter and current securities law:

1. Securities companies are not allowed to buy or contribute capital to buy real estate unless it is used as head offices, branches, or transaction offices directly performing services or core business functions of the securities companies.
2. Securities companies can buy and invest in real property as prescribed in Clause 1 of this Article and fixed assets, provided that the residual value of fixed assets and real property does not exceed 50% of their total assets.
3. Total investment in corporate bonds by a securities company must not exceed 70% of its equity. Securities companies with licenses for proprietary trading of securities may buy back listed bonds according to relevant regulations on bond repurchases.
4. A securities company is not allowed to directly perform or give trust to another entity or person to perform the following acts:
  - a) Holding stocks of or making capital contributions to any company owning more than 50% of the former's charter capital, except in the case of buying the odd lot of stocks upon the customer's request;
  - b) Joining with related persons to own at least 5% of the charter capital of another securities company;
  - c) Holding over 20% of the total number of outstanding shares or fund certificates of a listed entity;

**NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)**

*(These notes are an integral part of and should be read in conjunction with the report)*

**1. BUSINESS OVERVIEW (CONT'D)**

**1.2 BUSINESS LINES AND PRINCIPAL ACTIVITIES (CONT'D)**

**Restrictions on investment (cont'd)**

- d) Holding over 15% of total outstanding shares or fund certificates of an unlisted entity. This restriction shall not be applied to member fund certificates, exchange-traded funds, and open-ended funds;
- e) Investing in or contributing to over 10% of the total contributed capital of a limited liability company or business project;
- f) Investing in or contributing to over 15% of the total equity of a business entity or project;
- g) Investing more than 70% of equity in stocks, share capital, and business projects, including more than 20% of equity that is invested in unlisted stocks, share capital, and business projects.

Normal production and business cycle: The Company's normal production and business cycle is carried out in a period of not more than 12 months.

**2. BASIS OF PREPARATION OF FINANCIAL SAFETY RATIO REPORT**

**Basis of preparation**

The Financial safety ratio report of the Company is presented in Vietnamese dong (VND) and prepared in accordance with the regulations under Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance stipulating Financial safety ratio and remedies for securities trading organizations that fail to meet the Financial safety criteria ("Circular No. 91/2020/TT-BTC").

This Financial safety ratio report is prepared on the basis of the financial statements of the Company for the period from 01 January 2024 to 31 December 2024.

**3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT**

**3.1 Liquid capital ratio**

Liquid capital ratio is a measure of the Company's financial security, reflecting the Company's ability to meet its financial obligations and its ability to mitigate risks arising in the course of its business operations.

Liquid capital ratio of the Company is determined by using the formula:

$$\text{Liquid capital ratio} = \frac{\text{Liquid capital}}{\text{Total exposures to risks}} \times 100\%$$

Where total exposures to risks are the sum of exposures to market risk (Note 3.3), settlement risk (Note 3.4), and operational risk (Note 3.5).



**NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)**

*(These notes are an integral part of and should be read in conjunction with the report)*

**3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (COND'T)**

**3.2 Liquid capital**

In accordance with Circular No. 91/2020/TT-BTC, the Company's liquid capital is the total equity that can be converted into cash within ninety (90) days, details as follows:

- Owners' equity;
- Charter capital supplementary reserve;
- Operational risk and financial reserve;
- Undistributed profits;
- Balance of provision for impairment of assets;
- Decreases in liquid capital;
- Increases in liquid capital.

***Decreases in liquid capital***

Decreases in liquid capital of the Company for the period include:

- The value of assets used to secure the obligations of other organizations and individuals with remaining terms of more than ninety (90) days. The value of this asset is determined in accordance with the provisions of Circular No. 91/2020/TT-BTC;
- Total decreases in the value of financial assets recorded at book value, not including securities excluded from liquid capital, on the basis of the difference between book value and market price determined in Appendix II accompanying Circular No. 91/2020/TT-BTC. This data has been presented in undistributed profits (including unrealized profits);
- Long-term assets;
- Short-term assets, including:
  - Prepaid items;
  - Receivables with the remaining recovery period or settlement period of more than ninety (90) days;
  - Advances with the remaining recovery period of more than ninety (90) days;
  - Other short-term assets.
- Decreases in liquid capital do not include: Provisions for impairment of financial assets recorded at book value, provisions for impairment of other assets, and provisions for non-performing receivables.

***Increases in liquid capital***

Increases in liquid capital of the Company for the period include:

Total increases in the value of investments and financial assets recorded at book value, not including securities specified in Clause 7, Article 5; Clause 5, Article 6 of Circular No. 91/2020/TT-BTC, on the basis of the difference between book value and market price determined in Appendix II accompanying Circular No. 91/2020/TT-BTC. This data has been presented in undistributed profits (including unrealized profits).

**NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)**

*(These notes are an integral part of and should be read in conjunction with the report)*

**3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (COND'T)**

**3.3 Market risk value**

Market risk value is a value equivalent to a loss likely to be incurred when the market price of assets owned and expected to be owned by an organization according to underwriting commitment adversely fluctuates.

- According to the provisions of Circular No. 91/2020/TT-BTC, market risk must be determined for the following assets:
  - Securities from proprietary trading accounts, excluding the number of covered warrants that are yet to be completely issued (applicable to securities companies) or securities trading accounts (applicable to fund management companies and securities companies not engaged in proprietary trading of securities), entrusted securities, and other investment securities, including securities pending settlement;
  - Securities provided by other individuals and organizations in accordance with regulations of law, including securities borrowed by the securities-trading organization itself and securities borrowed on behalf of other individuals and organizations;
  - Clients' securities used by the securities-trading organization as secured assets, then either used by the trader or lent to a third party in accordance with regulations of law;
  - Cash, cash equivalents, negotiable instruments, and valuable papers owned by the securities-trading organization;
  - The securities that are underwritten by the securities-trading organization in the form of firm commitment, which remain undistributed and to which full payment has not been made throughout the underwriting period.

During the year, the Company is exposed to market risks for the following financial assets: Cash and cash equivalents, unlisted bonds, listed bonds and stocks.

- Market risk is defined as follows:

***Market risk value = Net position x Asset price x Market risk coefficient***

***Market risk coefficient:*** Determined according to Appendix 1, accompanying Circular No. 91/2020/TT-BTC; specifically:



**NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)**

*(These notes are an integral part of and should be read in conjunction with the report)*

**3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (COND'T)**

**3.4 Market risk value**

No	ASSETS	Market risk value (%)
<b>I</b>	<b>CASH</b>	
1	Cash on hand (VND)	0
2	Cash equivalent	0
3	Valuable papers, transferable instruments on the money market, certificates of deposit	0
<b>II</b>	<b>DEBT SECURITIES</b>	
7	Listed/Registered corporate bonds	
	Listed bonds with a maturity period of less than 1 year remaining, including convertible bonds	8
	Listed bonds have a remaining maturity period of 1 to less than 3 years, including convertible bonds	10
	Listed bonds have a remaining maturity period of 3 years to less than 5 years, including convertible bonds	15
	Listed bonds with a remaining maturity of 5 years or more, including convertible bonds	20

Market risk value: Determined according to Appendix 1, issued together with Circular No. 91/2020/TT-BTC; specifically

No	ASSETS	Market risk value (%)
8	Unlisted corporate bonds	
	Unlisted bonds issued by listed enterprises with a maturity period of less than 1 year, including convertible bonds	15
	Unlisted bonds issued by listed enterprises with a remaining maturity period of between 1 year and less than 3 years, including convertible bonds	20
	Unlisted bonds issued by listed enterprises with a remaining maturity period of 3 years to less than 5 years, including convertible bonds	25
	Unlisted bonds issued by listed enterprises with a maturity period of 5 years or more, including convertible bonds	30



**NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)**

*(These notes are an integral part of and should be read in conjunction with the report)*

**3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)**

**3.3 Market risk value (cont'd)**

No	ASSETS	Market risk value (%)
<b>III</b>	<b>STOCK</b>	
9	Common stocks, preferred shares of organizations listed on the Ho Chi Minh City Stock Exchange; Open-ended fund certificate	10
10	Common stocks, preferred stocks of organizations listed on the Hanoi Stock Exchange	15
11	Common stocks, preferred shares of unlisted public companies, registered for trading via the UpCom Stock Exchange	20
12	Ordinary stocks and preference stocks of public companies that have registered for depository but have not yet been listed or registered for trading; Shares in the Initial Public Offering (IPO)	30
13	Stocks of other public companies	50
<b>V</b>	<b>RESTRICTED SECURITIES</b>	
19	Securities are suspended, trading is restricted	40
20	Securities are delisted, delisted or traded	80

**NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)**

*(These notes are an integral part of and should be read in conjunction with the report)*

**3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)**

**3.3 Market risk value (cont'd)**

Asset price: Determined according to Appendix II - Principles of securities valuation, accompanying Circular No. 91/2020/TT-BTC; specifically:

No	Asset Class	Principles of pricing transactions in the market
<b>Cash and cash equivalents, money market instruments</b>		
1	Cash (VND)	Account balance as at the calculation date
2	Foreign Currency	The value converted into VND at the exchange rate at credit institutions licensed for foreign exchange business calculated on the calculation date
3	Term deposits	The value of deposits plus interest that have not been paid up to the date of calculation
4	Treasury bills, bank drafts, commercial papers, negotiable certificates of deposit, bonds and discounted money market instruments	Purchase price plus accrued interest as at the date of calculation
<b>Bonds</b>		
5	Listed Bonds	<p>- The average base price on the trading system at the Stock Exchange of ordinary transactions on the latest trading day plus accumulated interest (if the base price does not include accumulated interest);</p> <p>- In case there is no transaction for more than two (02) weeks as at the calculation date, it is the largest of the following values:</p> <p>+ Purchase price plus accumulated interest;</p> <p>+ Par value plus accumulated interest;</p> <p>+ The price is determined according to the internal method of the securities trading organization, including accumulated interest.</p> <p>Namely:</p> <p>Max (Purchase price plus accrued interest, Face value plus accrued interest, Price determined by internal method, including accrued interest).</p>
6	Unlisted bonds	<p>It is the largest of the following values:</p> <p>+ The base price (if any) on the Asian reporting systems selected by the securities trading organization, plus the accumulated interest;</p> <p>+ Purchase price plus accumulated interest;</p> <p>+ Par value plus accumulated interest;</p> <p>+ The price according to the internal regulations of the securities trading organization, including accumulated interest.</p> <p>Namely:</p> <p>Max (Base price (if any), Purchase price plus accumulated interest, Par value plus accumulated interest, Price determined by internal method, including accumulated interest).</p>



**NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)**

*(These notes are an integral part of and should be read in conjunction with the report)*

**3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)**

**3.3 Market risk value (cont'd)**

No	Asset Class	Principles of pricing transactions in the market
<b>Stock</b>		
7	Stocks listed on the Ho Chi Minh City Stock Exchange	<ul style="list-style-type: none"> <li>- The closing price of the latest trading day on the calculation date;</li> <li>- In case there is no transaction for more than two (02) weeks as at the calculation date, it is the largest price in the following values: <ul style="list-style-type: none"> <li>+ Book value;</li> <li>+ Purchase price;</li> <li>+ The price according to the internal method of the securities trading organization.</li> </ul> </li> </ul> <p>Namely: Max (Book Value, Purchase Price, Determined Price by Internal Method)</p>
8	Stocks listed on the Hanoi Stock Exchange	<ul style="list-style-type: none"> <li>- The closing price of the latest trading day on the calculation date;</li> <li>- In case there is no transaction for more than two (02) weeks as at the calculation date, it is the largest of the following values: <ul style="list-style-type: none"> <li>+ Book value;</li> <li>+ Purchase price;</li> <li>+ The price according to the internal method of the securities trading organization.</li> </ul> </li> </ul> <p>Namely: Max (Book value, Purchase price, Confirmed price according to internal methods).</p>
9	Stocks of public companies registered for trading on the UpCom system	<ul style="list-style-type: none"> <li>- The closing price of the latest trading day on the calculation date;</li> <li>- In case there is no transaction for more than two (02) weeks as at the calculation date, it is the largest of the following values: <ul style="list-style-type: none"> <li>+ Book value;</li> <li>+ Purchase price;</li> <li>+ The price according to the internal method of the securities trading organization.</li> </ul> </li> </ul> <p>Namely: Max (Book Value, Purchase Price, Price determined by internal method).</p>
10	Stocks that have been registered or deposited but have not yet been listed or registered for trading	<ul style="list-style-type: none"> <li>- The average value is based on the quotations of at least 03 securities companies that are not related persons on the latest trading day before the time of calculation.</li> <li>- In case there is not enough quotation of at least 03 securities companies, it is the largest value of the following values: <ul style="list-style-type: none"> <li>+ Prices from quotations;</li> <li>+ Price of the latest reporting period;</li> <li>+ Book value;</li> <li>+ Purchase price;</li> <li>+ The price according to the internal regulations of the securities trading organization.</li> </ul> </li> </ul> <p>Namely: Max (Price from quotations, Price of the latest reporting period, Book value, Purchase price, Price according to internal regulations of the securities trading organization).</p>

**NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)**

*(These notes are an integral part of and should be read in conjunction with the report)*

**3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)**

**3.3 Market risk value (cont'd)**

No	Asset Class	Principles of pricing transactions in the market
<b>Money and cash equivalents, money market instruments</b>		
11	Stocks suspended from trading, delisted or unregistered for trading	It is the largest of the following values: + Book value; + Face value; + The price according to the internal method of the securities trading organization. Namely: Max (Book Value, Face Value, Price determined by internal method).
12	Shares of organizations in a state of dissolution or bankruptcy	80% of the liquidation value of such shares (the price of shares divided by the dissolution or bankruptcy announced by the organization or book value) on the date of the latest balance sheet, or the price according to internal regulations of the securities trading organization.
13	Shares, other contributed capital	It is the largest of the following values: + Book value; + Purchase price/value of contributed capital; + The price according to the internal regulations of the securities trading organization. Namely: Max (Book value, Purchase price/value of contributed capital, Price according to internal regulations of the securities trading organization).

- Market risk value of assets is increasingly adjusted in case the Company overinvests in these assets, except for the securities issued under underwriting contracts in the form of firm commitments, Government bonds, and bonds guaranteed by the Government. Market risk value will be adjusted in accordance with the following principles:
  - a) Increased by 10% in case the total investment in an organization's shares and bonds accounts for from over 10% to 15% of the securities-trading organization's equity;
  - b) Increased by 20% in case the total investment in an organization's shares and bonds accounts for from over 15% to 25% of the securities-trading organization's equity;
  - c) Increased by 30% in case the total investment in an organization's share and bond accounts for more than 25% of the securities-trading organization's equity.

**3.5 Settlement risk value**

Settlement risk value is the potential loss that may occur when a counterparty fails to fulfill its settlement obligation or transfer assets on time as committed.

- The Company shall determine the settlement risk value of the following contracts and transactions:
  - a) Term deposits at credit institutions, loans provided to other individuals and organisations;
  - b) Securities margin lending and purchase contracts in accordance with regulations of law;



**NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)**

*(These notes are an integral part of and should be read in conjunction with the report)*

**3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)**

**3.4 Settlement risk value (cont'd)**

- c) Receivables of securities trading organizations that are within their terms, receivables from customers in securities brokerage activities;
- d) Overdue receivables.
- For contracts specified in Points a, b, c, Clause 1, Article 10 of Circular No. 91/2020/TT-BTC, the settlement risk value before the deadline for transfer of securities, cash, and contract liquidation shall be determined as follows:

$$\text{Settlement risk value} = \frac{\text{Settlement risk coefficient of counterparty}}{\text{settlement risk}} \times \text{Value of assets exposed to}$$

In which:

- a) The settlement risk coefficient by partner shall be determined according to credit ratings of trading partner(s) under the rules prescribed in Note 3.4.1.
- b) The value of assets with potential settlement risk shall be determined according to Note 3.4.2.
- For overdue receivables, including unreceived money from maturing transactions and contracts specified at Points a, dd, g, Clause 1, Article 10 of Circular No. 91/2020/TT-BTC, the value of payment risk is determined according to the following principles:

$$\text{Settlement risk value} = \frac{\text{Settlement risk coefficient by time}}{\text{settlement risk}} \times \text{Value of assets with potential}$$

In which:

- a) The settlement risk coefficient by time shall be determined according to the overdue settlement period under the rules prescribed in Note 3.4.1.;
- b) The value of assets with potential settlement risk shall be determined as follows:
  - For lendings for escrow stock purchases: This value shall be determined according to the rules prescribed in Note 3.4.2.
  - For receivables, mature bonds and due debt instruments: This value is the value of receivables calculated according to their par value. The unpaid interests and related expenses shall be added, and actually received payments (if any) shall be deducted.
- The settlement risk value shall be increased in the following cases:
  - a) Increased by 10% in case the value of deposit contract, certificates of deposit, loans, due receivables, securities purchase contract with a commitment to resell securities, sale contract with a commitment to repurchase securities, total value of loans provided for an organization, individual and group of relevant organizations or individuals (if any), accounts for from 10% to 15% of the equity;
  - b) Increased by 20% in case the value of deposit contract, certificates of deposit, loans, due receivables, securities purchase contract with a commitment to resell securities, sale contract with a commitment to repurchase securities, total value of loans provided for an organization, individual and group of relevant organizations or individuals (if any), accounts for from 15% to 25% of the equity;
  - c) Increased by 30% in case the value of deposit contract, certificates of deposit, loans, due receivables, securities purchase contract with a commitment to resell securities, sale contract with a commitment to repurchase securities, total value of loans provided for an organization, individual and group of relevant organizations or individuals (if any), or an individual and parties related to him/her (if any), accounts for more than 25% of the equity.

**NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)**

*(These notes are an integral part of and should be read in conjunction with the report)*

**3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)**

**3.4.1 Settlement risk coefficient**

Settlement risk coefficient is determined by partner and time.

**a) Settlement risk coefficient by partner**

STT	Subjects for securities trading organizations	Payment Risk Factor
1	The Government, Government-guaranteed issuers and Central Banks of OECD countries; People's Committees of provinces and centrally-run cities;	0%
2	Stock Exchange, Vietnam Securities Depository and Clearing Corporation	0,8%
3	Credit institutions, financial institutions, and securities trading organizations established in OECD countries and have credit coefficients that meet other conditions according to internal regulations of securities trading organizations	3,2%
4	Credit institutions, financial institutions, securities trading organizations established outside OECD countries; or established in OECD countries and failing to meet other conditions according to internal regulations of securities trading organizations	4,8%
5	Credit institutions, financial institutions, securities trading organizations, securities investment funds, securities investment companies established and operating in Vietnam	6%
6	Other organizations, individuals and subjects	8%

**b) Settlement risk coefficient by time**

TT	Overdue time for payment and transfer of securities	Risk Factor
1	From 0 to 15 days after deadline for payment and transfer of securities	16%
2	From 16 to 30 days after the deadline for payment and transfer of securities	32%
3	From 31 to 60 days after the deadline for payment and transfer of securities	48%
4	Over 60 days after the deadline for payment and transfer of securities	100%



**NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)**

*(These notes are an integral part of and should be read in conjunction with the report)*

**3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (CONT'D)**

**3.4.2 Value of assets with potential settlement risk**

No	Type of transaction	Value of assets exposed to settlement risk
1	Term deposits, certificates of deposits, unsecured loan amounts; contracts, transactions, capital use according to Point k, Clause 1, Article 10, Circular 91	Total balance of term deposits, certificate of deposit, loan value, contract value, transaction value plus dividends, coupons, preference value (for securities) or deposit interest, loan interest, other surcharges (for credit).
2	Securities lending	Max {(Market value of the contract - Collateral value (if any)), 0}
3	Securities borrowing	Max {(Collateral value - Market value of the contract), 0}
4	Reverse repurchase agreements	Max {(Contract value based on purchase price - Market value of the contract x (1 - Market risk coefficient)), 0}
5	Repurchase agreements	Max {(Market value of the contract x (1 - Market risk coefficient) - Contract value based on selling price), 0}
6	Margin contracts (loans to customers to purchase securities)/other economic agreements with the similar nature	Max {(Margin balance - Collateral value), 0}

**Value of secured asset**

$$\text{Value of secured asset} = \frac{\text{Volume of secured assets}}{\text{assets}} \times \text{Asset price} \times (1 - \text{Market risk coefficient})$$

**3.5 Operational risk**

Exposures to operational risk are the potential losses that may be incurred due to a technical, systematic, or professional procedure breakdown; a human error in the course of performance; working capital shortages resulting from investment costs or losses; or for other objective reasons.

The operational risk of a securities-trading organization is either 25% of such trader's operating costs in twelve (12) months by the time of calculation or 20% of the minimum charter capital for business operations of the securities-trading organization, whichever is greater.

The operating cost of a securities-trading organization equals the total costs incurred in a period minus:

**NOTES TO THE FINANCIAL SAFETY RATIO REPORT (CONT'D)**

*(These notes are an integral part of and should be read in conjunction with the report)*

**3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF  
FINANCIAL SAFETY RATIO REPORT (CONT'D)**

**3.5 Operational risk**

The operating cost of a securities-trading organization equals the total costs incurred in a period minus:

- a) Depreciation expense;
- b) Reverse/provision expense for the impairment of short-term and mortgage assets;
- c) Reverse/provision expense for the impairment of long-term financial assets;
- d) Reverse/provision expense for the impairment of receivables;
- e) Reverse/provision expense for the impairment of other short-term assets;
- f) Loss from revaluation of financial assets at fair value through profit and loss;
- g) Interest expense.



**Nguyen Thanh Minh**  
Chief Accountant



**Le Thanh Hien**  
Internal Control  
Department



**Hoang Xuan Hung**  
General Director

*Ha Noi, 25 March 2025*