

IB SECURITIES JOINT STOCK COMPANY

(Incorporated in the Socialist Republic of Vietnam)

**REVIEWED FINANCIAL
SAFETY RATIO REPORT**

As at 30 June 2019



TABLE OF CONTENTS

<u>CONTENTS</u>	<u>PAGE(S)</u>
FINANCIAL SAFETY RATIO REPORT	1
REPORT ON REVIEW OF THE FINANCIAL SAFETY RATIO REPORT	2 - 3
SUMMARY OF RISK VALUE AND LIQUID CAPITAL	4
NOTES TO THE FINANCIAL SAFETY RATIO REPORT	5 - 18



To: The State Securities Commission of Vietnam
FINANCIAL SAFETY RATIO REPORT

As at 30 June 2019

We hereby confirm that:

- The report is prepared based on the data obtained as at the reporting date in compliance with Circular No. 87/2017/TT-BTC dated 15 August 2017 issued by the Ministry of Finance on the financial safety ratio and the handling measures for the securities-trading institutions that fail to achieve the financial safety ratio;
- Any subsequent events that could have effects on the financial position of the Company will be updated in the report over the next reporting period;
- We take full responsibility to the Law for the accuracy and truthfulness of the report.



Nguyen Thi Thu Hang
Chief Accountant



Duong Thi Kim Oanh
In charge of
Internal Control Division



Nguyen Thi Tuyet
General Director

Hanoi, 09 August 2019



No: 0207/VN1A-HN-BC

REPORT ON REVIEW OF THE FINANCIAL SAFETY RATIO REPORT

**To: Boards of Directors and Management
 IB Securities Joint Stock Company**

We have reviewed the financial safety ratio report as at 30 June 2019 (the "Financial safety ratio report") of IB Securities Joint Stock Company (the "Company"), prepared on 09 August 2019 as set out from page 04 to page 18. The accompanying financial safety ratio report is prepared in accordance with Circular No. 87/2017/TT-BTC dated 15 August 2017 (Circular No. 87/2017/TT-BTC) issued by the Ministry of Finance on the financial safety ratio and the handling measures for the securities-trading institutions that fail to achieve the financial safety ratio.

Board of Management's Responsibility for the Financial Safety Ratio Report

The Board of Management is responsible for the preparation and fair presentation of the financial safety ratio report in accordance with the regulations of Circular No. 87/2017/TT-BTC of the Ministry of Finance on the financial safety ratio and the handling measures for the securities-trading institutions that fail to achieve the financial safety ratio and for such internal control as the Board of Management determines is necessary to enable the preparation of the financial safety ratio report that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on the financial safety ratio report based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements (VSRE) 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of the financial safety ratio report as at 30 June 2019 consists of making inquiries, primarily of persons responsible for figures and notes to the financial safety ratio report, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

REPORT ON REVIEW OF THE FINANCIAL SAFETY RATIO REPORT (Continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial safety ratio report does not present fairly, in all material respects, the financial safety ratio of the Company as at 30 June 2019 in accordance with the regulations on the preparation and presentation of financial safety ratio report of Circular No. 87/2017/TT-BTC of the Ministry of Finance on the financial safety ratio and the handling measures for the securities-trading institutions that fail to achieve the financial safety ratio.

Reporting policies and limits on the recipients and users of the financial safety ratio report

The financial safety ratio report describes the significant policies for the preparation of financial safety ratio report. This financial safety ratio report is prepared to assist the Company in meeting the requirements of the competent State authorities as stipulated in Circular No. 87/2017/TT-BTC of the Ministry of Finance on the financial safety ratio and the handling measures for the securities-trading institutions that fail to achieve the financial safety ratio. Therefore, this financial safety ratio report may not be appropriate for other purposes.



Tran Thi Thuy Ngoc
Deputy General Director
Audit Practising Registration Certificate
No. 0031-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

09 August 2019
Hanoi, S.R. Vietnam

SUMMARY OF RISK VALUE AND LIQUID CAPITAL

As at 30 June 2019

Unit: VND

No.	Items	Notes	30/6/2019
1	Total market risk value	4	375,857,191,474
2	Total settlement risk value	5	15,418,688,824
3	Total operational risk value	6	60,000,000,000
4	Total risk value (4=1+2+3)		451,275,880,298
5	Liquid capital	7	1,363,407,323,332
6	Liquid capital ratio (6=5/4)		302%

Nguyen Thi Thu Hang
Chief Accountant

Duong Thi Kim Oanh
In charge of
Internal Control Division



Nguyen Thi Tuyet
General Director

Hanoi, 09 August 2019

These accompanying notes are an integral part of the financial safety ratio report

NOTES TO THE FINANCIAL SAFETY RATIO REPORT

These notes are an integral part of and should be read in conjunction with the accompanying financial safety ratio report

1. GENERAL INFORMATION

Structure of ownership

IB Securities Joint Stock Company (the "Company") was incorporated in Vietnam as a joint stock company under Vietnam Enterprise Law and Establishment and Operation License No. 70/UBCK-GP dated 10 December 2007 issued by the State Securities Commission of Vietnam with the original name of Vincom Securities Joint Stock Company and initial charter capital of VND 300,000,000,000. The Company was officially renamed as IB Securities Joint Stock Company under the Amended License No. 09/GPDC-UBCK dated 21 May 2014. On 21 June 2019, the State Securities Commission granted the Amended License No. 39/GPDC-UBCK with the increased of charter capital of the Company to VND 1,161,086,380,000.

The number of employees as at 30 June 2019 was 72 (31 December 2018: 66).

Operating industry and principal activities

The Company operates in the securities sector.

The principal activities of the Company are to provide securities brokerage, principal investments, financial advisory and securities underwriting services, securities depository.

The Boards of Directors and Management

The members of the Boards of Directors and Management of the Company who held the office during the period and to the date of this report are as follows:

Board of Directors

Ms. Nguyen Thi Tuyet	Chairwoman
Ms. Cao Thi Hong	Member
Ms. Tran Thi Hong Ha	Member
Mr. Nguyen Tuan Dung	Member
Mr. Phi Anh Tuan	Member

Board of Management

Ms. Nguyen Thi Tuyet	General Director
Mr. Do Ngoc Dinh	Deputy General Director

10 -
TY
HUU H
TE
AM
P. H

**IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)**

2. FINANCIAL SAFETY RATIO REPORT CONVENTION AND PURPOSE OF USE

Financial safety ratio report convention and purpose of use

The accompanying financial safety ratio report is prepared in accordance with Circular No. 87/2017/TT-BTC ("Circular No. 87") dated 15 August 2017 issued by the Ministry of Finance on the financial safety ratio and the handling measures for the securities-trading institutions that fail to achieve the financial safety ratio. This report is solely used to submit to the competent State authorities.

Financial year

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

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

The significant policies, which have been adopted by the Company in the preparation of the financial safety ratio report, are as follows:

Liquid capital ratio

Liquid capital ratio of the Company is calculated under Circular No. 87 as follows:

$$\text{Liquid capital ratio} = \frac{\text{Liquid capital} \times 100\%}{\text{Total risk value}}$$

In which total risk value includes total market risk value, settlement risk value and operational risk value.

Liquid capital

Liquid capital is owners' equity which can be converted into cash within ninety (90) days. Liquid capital shall be adjusted by increases or decreases as specified in Articles 5 of Circular No. 87.

Market risk value

Market risk value is the potential loss in value of the Company's assets and assets expected to be owned under underwriting commitments due to adverse market movements. The formula for determining market risk value under Circular No. 87 is as follows:

$$\text{Market risk value} = \text{Net position} \times \text{Asset price} \times \text{Market risk coefficient}$$

In which, net position of securities at a point of time means the number of securities currently held by the Company after reducing the number of lent securities, securities hedged by put warrants, future contracts and the adding number of borrowed securities under legal regulations.



IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (Continued)

Market risk value (Continued)

The below securities and assets shall not be included in market risk value:

- Treasury stocks;
- Securities issued by institutions which are related parties of the Company;
- Securities restricted from transfer for over ninety (90) days from the date of the report;
- Bonds, debt instruments and valuable papers on the monetary market which are due.

Asset price

Asset price shall be determined according to valuation principles under Circular No. 87 as follows:

No.	Types of assets	Principles for determination of market prices
Cash and cash equivalents, monetary market instruments		
1.	Cash (VND)	Balance as at the date of calculation
2.	Foreign currencies	Value to be converted into VND using exchange rate at the date of calculation disclosed by credit institutions licensed to deal in foreign exchange
3.	Time deposits	Principal plus accrued interest up to the date of calculation
4.	Treasury bills, bank drafts, bills of exchange, transferrable certificates of deposit, bonds and discountable monetary market instruments	Purchase price plus accrued interest up to the date of calculation
Bonds		
5.	Listed bonds	<p>- Average quoted price on the trading system of the Stock Exchange on the latest trading date plus accrued interest (if quoted price excludes accrued interest);</p> <p>- In case there is no transaction in more than two (02) weeks prior to the date of calculation, the price of these bonds is the highest among the following values:</p> <p>+ Purchase price plus accrued interest;</p> <p>+ Par value plus accrued interest;</p> <p>+ Price determined by internal methods of securities-trading institutions, including accrued interest.</p> <p>i.e. Max (Purchase price plus accrued interest; par value plus accrued interest; price determined by internal methods, including accrued interest).</p>

IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (Continued)

Market risk value (Continued)

Asset value (Continued)

No.	Types of assets	Principles for determination of market prices
Bonds (Continued)		
6.	Unlisted bonds	Price of these bonds is the highest among the following values: + Quoted price (if any) on the quoting systems selected by securities-trading institutions, plus accrued interest; + Purchase price plus accrued interest; + Par value plus accrued interest; + Price determined by internal regulations of securities-trading institutions, including accrued interest. i.e. Max (Quoted price (if any); purchase price plus accrued interest; par value plus accrued interest; price determined by internal methods, including accrued interest).
Shares		
7.	Shares listed on the Ho Chi Minh Stock Exchange	- Closing price on the latest trading date up to the date of calculation; - In case there is no transaction in more than two (02) weeks prior to the date of calculation, the price of the share is the highest among the following values: + Book value; + Purchase price; + Price determined by internal methods of securities-trading institutions. i.e. Max (Book value; purchase price; price determined by internal methods).
8.	Shares listed on the Hanoi Stock Exchange	- Closing price of the latest trading date up to the date of calculation; - In case there is no transaction in more than two (02) weeks prior to the date of calculation, the price of the share is the highest among the following values: + Book value; + Purchase price; + Price determined by internal methods of securities-trading institutions. i.e. Max (Book value; purchase price; price determined by internal methods).

IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (Continued)

Market risk value (Continued)

Asset value (Continued)

No.	Types of assets	Principles for determination of market prices
Shares (Continued)		
9.	Shares of public-interest enterprises registered for trading on the UpCom system	- Closing price of the latest trading date up to the date of calculation; - In case there is no transaction in more than two (02) weeks prior to the date of calculation, the price of the share is the highest among the following values: + Book value; + Purchase price; + Price determined by internal methods of securities-trading institutions. i.e. Max (Book value; purchase price; price determined by internal methods).
10.	Shares already registered or deposited but not yet listed or registered for trading	Average value based on quotations of at least three securities companies other than related parties on the latest trading date up to the date of calculation. - In case there are only quotations of less than three securities companies, the price of the share is the highest among the following values: + Quoted prices; + Price of the latest reporting period; + Book value; + Purchase price; + Price determined by internal regulations of securities-trading institutions. i.e. Max (Quoted prices; price of the latest reporting period; book value; purchase price; price determined by internal regulations).
11.	Shares suspended from trading or delisted or deregistered for trading	The price of these shares is the highest among the following values: + Book value; + Par value; + Price determined by internal methods of securities-trading institutions. i.e. Max (Book value; par value; price determined by internal methods).

IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (Continued)

Market risk value (Continued)

Asset value (Continued)

No.	Types of assets	Principles for determination of market prices
Shares (Continued)		
12.	Shares of institutions in state of dissolution or bankruptcy	80% of the disposal value of these shares (share price declared by the solved or bankrupt institutions or book value) as at the latest balance sheet date, or price determined by internal regulations of securities-trading institutions
13.	Shares and other capital contributions	The price of these shares or capital contributions is the highest among the following values: + Book value; + Purchase price/value of capital contribution; + Price determined by internal regulations of securities-trading institutions. i.e. Max (Book value; purchase price/value of capital contribution; price determined by internal regulations)
Funds/Shares of Securities investment companies		
14.	Public-interest closed-end funds/ETF funds	- Closing price of the latest trading date up to the date of calculation; - In case there is no transaction in more than two (02) weeks prior to the date of calculation, the price is net asset value (NAV)/a fund certificate in the last reporting period up to the date of calculation
15.	Member funds/open-end funds/stocks of securities investment companies that are private placements	NAV per a capital contribution unit/a fund certificate unit/a share in the latest reporting period up to the date of calculation.
16.	Other cases	Under internal regulations of securities-trading institutions
Fixed assets		
17.	Land use rights	Price determined by independent valuers selected by securities-trading institutions.
18.	Buildings/structures including construction in progress	Price determined by independent valuers selected by securities-trading institutions/accumulated expenses for construction in progress
19.	Equipment, machinery, vehicles	Net book value of assets
20.	Other fixed assets	Price determined by independent valuers selected by securities-trading institutions.

250
 IG
 IEM
 OIT
 TN
 4-7

IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (Continued)

Market risk value (Continued)

Market risk coefficient

Market risk coefficient shall be determined based on each item of assets according to Circular No. 87 as presented in Note 4.

Increase in market risk value

The above market risk value of each asset shall be increased in case the securities-trading institution invests too much in that asset, except for securities that are subject to underwriting in the form of firm commitment, Government bonds and Government-guaranteed bonds. The increases shall be calculated using the following principles:

- An increase by 10% in case the value of the investment in shares and bonds of an institution accounts for from 10% to 15% of the equity of the Company;
- An increase by 20% in case the value of the investment in shares and bonds of an institution accounts for from 15% to 25% of the equity of the Company;
- An increase by 30% in case the value of the investment in shares and bonds of an institution accounts for 25% or higher of the equity of the Company.

Dividends, bond yields, preferred rights of the securities (if any), or interests of deposits and cash equivalents, negotiable instruments and valuable papers shall be added to asset value when determining market risk value.

Settlement risk value

Settlement risk value means the potential loss when counterparties default on their contractual obligations or fail to fulfil their committed obligations. Settlement risk value is determined at maturity date of the contracts as follows:

Undue settlement risk value of securities, cash and contracts shall be determined as follows:

$$\text{Undue settlement risk value} = \text{Settlement risk coefficient by counterparty} \times \text{Exposures of settlement risk}$$

The principles of determining undue settlement risk value are applied for the following contracts:

- Time deposits at credit institutions and loans to other institutions and individuals;
- Securities-borrowing contracts in compliance with law;
- Securities repurchase agreements in compliance with law;
- Securities reverse repurchase agreements in compliance with law;
- Securities margin lending and purchase contracts in compliance with law; and
- Trade receivables, other receivables and other assets that are exposed to settlement risk.

For overdue receivables and securities not yet received on time, including securities and amounts not yet received from above transactions and contracts, the overdue settlement risk value shall be calculated using the following formula:

$$\text{Overdue settlement risk value} = \text{Settlement risk coefficient by overdue period} \times \text{Exposures of settlement risk}$$

IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (Continued)

Market risk value (Continued)

Settlement risk coefficient

Settlement risk coefficient by counterparty shall be determined according to Circular No. 87 as follows:

No.	Counterparties exposed settlement risk to the Company	Settlement risk coefficient
1.	Government, the issuers guaranteed by the Government and Central Bank of OECD countries; People's Committees of central-affiliated provinces and cities	0%
2.	Securities Exchange, Vietnam Securities Depository Center	0.8%
3.	Credit institutions, financial organisations, securities-trading institutions being established in OECD countries and meeting credit ratings as prescribed by the internal regulations of the securities-trading institutions	3.2%
4.	Credit institutions, financial organisations, securities-trading institutions established in non-OECD countries or in OECD countries and failing to meet the other conditions as prescribed by the internal regulation of the securities-trading institutions	4.8%
5.	Credit institutions, financial organisations, securities-trading institutions being established and operating in Vietnam	6%
6.	Other organisations and individuals	8%

Settlement risk coefficient by overdue period shall be determined according to Circular No. 87 as follows:

No.	The overdue period of securities payment and transfer	Settlement risk coefficient
1.	0 - 15 days after the due date of securities payment and transfer	16%
2.	16 - 30 days after the due date of securities payment and transfer	32%
3.	31 - 60 days after the due date of securities payment and transfer	48%
4.	From more than 60 days after the due date of securities payment and transfer	100%

The due date of securities payment/receipt is T+2 (for listed stock), T+1 (for listed bond), or T+n (for agreements transactions outside the trading system during n days as agreed by both parties).



IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (Continued)

Market risk value (Continued)

Exposures of settlement risk

Exposures of settlement risk for securities lending and borrowing, margin trading, repurchase trading

No.	Types of trading	Exposures of settlement risk
1.	Term deposits, unsecured loans	The entire value of loans
2.	Securities lending	Max {Market value of the contract - Value of collateral (if any), 0}
3.	Securities borrowing	Max {Value of collaterals - Market value of the contract, 0}
4.	Reverse repurchase agreement	Max {Purchase price of the contract - market value of the contract x (1-market risk coefficient), 0}
5.	Repurchase agreement	Max {Market value of the contract x (1 - market risk coefficient) - Selling price of the contract, 0}
6.	Margin lending and purchase contracts (for clients taking loans to purchase securities)/ other economic agreements with the same nature	Max {Credit balance - value of collaterals (if any), 0}

The loan balance includes the principals, interest and fees;

In case the customers' collaterals have no reference to market price, it will be determined by the internal regulations of the Company.



IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT (Continued)

Market risk value (Continued)

Exposures of settlement risk (Continued)

Exposures of settlement risk for securities-trading activities

No.	Overdue status	Exposures of settlement risk
A - For securities sale (the selling party is Company or its customers under the securities brokerage activities)		
1.	Before the due date for payment	0
2.	After the due date for payment	The market value of the Contract (in case the market value is lower than the trading price)
		0 (in case the market value is higher than the trading price)
B - For securities purchase (the buying party is the Company or its customers)		
1.	Before the due date for securities transfer	0
2.	After the due date for securities transfer	The market value of the Contract (in case the market value is higher than the trading price)
		0 (in case the market value is higher than the trading price)

The due date of securities payment/receipt is T+2 (for listed shares), T+1 (for listed bonds), or T+n (for agreements transactions outside the trading system during n days as agreed by both parties).

For receivables, matured bonds and matured debt instruments: Exposures of settlement risk are the receivables amount at par value, plus accrued interests, related expenses and minus actual receipt of the receivables (if any).

Decrease in exposures of settlement risk

The Company may adjust the exposures of settlement risk by deducting the value of collaterals provided by its counterparties and customers as stipulated in Clause 1, Article 10 of Circular No. 87 if these contracts and transactions fully satisfy the following conditions:

- a) Counterparties and customers provide collateral to ensure the performance of their obligations which are cash and cash equivalents, valuable papers and negotiable instruments traded on the monetary market or securities listed or registered to be traded on the Stock Exchange, Government bonds and bonds guaranteed by the Ministry of Finance;



IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)

3. SUMMARY OF SIGNIFICANT POLICIES FOR THE PREPARATION OF FINANCIAL SAFETY RATIO REPORT(Continued)

Market risk value (Continued)

Decrease in exposures of settlement risk (Continued)

- b) The Company may control, manage, use and transfer collateral in case its counterparties default on their contractual obligations.

The value of collaterals to be deducted shall be determined as follows:

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

Asset price shall be determined in accordance with Circular No. 87 and presented in Note 3.

Market risk coefficient shall be determined in accordance with Circular No. 87 and presented in Note 4.

Increase in settlement risk value

The settlement risk value shall be increased in the following cases:

- a) An increase of 10% in case the amount of total lendings to an institution, individual and a group of related institutions or individuals (if any) accounts for from 10% to 15% of the owners' equity of the Company;
- b) An increase of 20% in case the amount of total lendings to an institution, individual and a group of related institutions or individuals (if any) accounts for from 15% to 25% of the owners' equity of the Company;
- c) An increase of 30% in case the amount of total lendings to an institution, individual and a group of related institutions or individuals (if any) accounts for 25% or more of the owners' equity of the Company.

Operational risk value

Operational risk value means the potential loss due to breakdown in technique, systems and processing, failing in business operations due to human errors, or due to capital shortages resulting from unexpected investment costs or losses or other objective reasons.

Operational risk value of the Company is maximum of the followings: 25% of such institution's operating maintenance expenses within consecutive twelve (12) months up to the nearest month, or 20% of the legal capital.

Operating maintenance expenses of the Company are total expenses incurred during the period after deducting of:

- a) Depreciation and amortisation costs;
- b) Provision expense or reversal of impairment of short-term financial assets and collaterals;
- c) Provision expense or reversal of impairment of long-term financial assets;
- d) Provision expense or reversal of doubtful debts;
- e) Provision expenses or reversal of other short-term assets.

IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)

4. MARKET RISK VALUE

Unit: VND

Investment portfolio as at 30 June 2019	Risk coefficient	Risk exposures	Risk value
	(1)	(2)	(3)=(1)x(2)
I. Cash and cash equivalents, money market instruments			
1. Cash (VND)	0%	2,701,922	-
2. Cash equivalents	0%	102,729,663,598	-
II. Corporate bonds			
1. Unlisted bonds with remaining maturity of less than 01 year, including convertible bonds	25%	147,273,835,162	36,818,458,791
2. Unlisted bonds with maturity from 01 to 03 years, including convertible bonds	30%	722,045,912,927	216,613,773,878
III. Shares			
1. Ordinary shares, preference shares of organizations listed on the Ho Chi Minh Stock Exchange; open-end fund certificates	10%	230,871,386,970	23,087,138,697
2. Ordinary shares, preference shares of organizations listed on the Hanoi Stock Exchange	15%	26,320,145,859	3,948,021,879
3. Ordinary shares, preference shares of organizations not yet listed, and registered for UpCom trading	20%	272,093,256,667	54,418,651,333
IV. Securities investment fund certificates			
1. Member funds, separate investment companies	30%	12,449,928,126	3,734,978,438
V. Securities restricted from transfer			
1. Securities temporarily suspended from trading	40%	7,867,172	3,146,869
2. Securities delisted or deregistered for trading	50%	302,581	151,290
VI. Increase in risk value			
Securities code			
1. Bonds of Huy Hoang Equipment and Installation Construction Company Limited	10%	45,629,377,691	4,562,937,769
2. Bonds of Post and Telecommunication Investment and Construction Joint Stock Company	10%	34,519,741,667	3,451,974,167
3. Bonds of Eco & More Environment and Fresh Water Investment Joint Stock Company	20%	62,490,323,171	12,498,064,634
4. Bonds of Hai An Investment Technology and Education Joint Stock Company	20%	62,676,168,444	12,535,233,689
5. Shares of Vietnam Electrical Equipment Joint Stock Corporation	20%	20,923,300,200	4,184,660,040
A. TOTAL MARKET RISK VALUE (A= I+II+III+IV+V+VI)			375,857,191,474

IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)

5. SETTLEMENT RISK VALUE

Unit: VND

Transactions	Risk value			Total risk value
	(2)	(5)	(6)	
I. Settlement risk before due date				
1. Time deposits, unsecured loans and receivables from securities trading and business activities	-	-	1,862,424,765	1,862,424,765
II. Overdue settlement risk				
Overdue period		Risk coefficient	Risk exposure	Risk value
1. 60 days or more		100%	13,556,264,059	13,556,264,059
B. TOTAL SETTLEMENT RISK VALUE (B = I+II)				15,418,688,824

(2) Settlement risk value for Stock Exchanges and Vietnam Securities Depository;

(5) Settlement risk value for credit institutions, financial organisations, securities-trading institutions which are established and operating in Vietnam;

(6) Settlement risk value for other organizations and individuals.

6. OPERATIONAL RISK VALUE

	Amount VND
I. Total of operation costs arising within 12 months	235,201,566,683
II. Deductions	1,615,543,420
1. Depreciation and amortization	2,497,819,290
2. Provision for devaluation of short-term investments	(293,634,343)
3. Reversal of provision for impairment of receivables	(588,641,527)
III. Total costs after deductions (III = I - II)	233,586,023,263
IV. 25% of total costs after deductions (IV = 25% III)	58,396,505,816
V. 20% of the Legal Capital of the Company	60,000,000,000
C. TOTAL OPERATIONAL RISK VALUE (C=Max {IV, V})	60,000,000,000

IB SECURITIES JOINT STOCK COMPANY
NOTES TO THE FINANCIAL SAFETY RATIO REPORT (Continued)


7. LIQUID CAPITAL

Unit: VND

No.	Contents	Liquid capital		
		Liquid capital	Deductions	Additional
A. Owners' equity				
1.	Owners' equity excluding redeemable preferred shares (if any)	1,161,086,380,000	-	-
2.	Charter capital supplementary reserve	24,991,348,296	-	-
3.	Financial reserve	27,453,610,251	-	-
4.	Other reserves	2,462,261,955	-	-
5.	Retained earnings	149,685,901,895	-	-
6.	Provision for impairment of assets	12,227,825,018	-	-
7.	The entire deduction or addition of securities under financial investment items	-	-	2,452,237,369
1A.	Total	1,377,907,327,415	-	2,452,237,369
B. Short-term assets				
I. Financial assets				
1.	Financial assets at fair value through profit or loss (FVTPL)	-	519,000	-
	Securities deducted from liquid capital	-	519,000	-
II. Other short-term assets				
1.	Advances	-	456,601,000	-
	Advances with remaining repayment term more than 90 days	-	456,601,000	-
2.	Office supplies, tools and equipment	-	77,547,448	-
3.	Short-term prepayments	-	338,796,207	-
4.	Taxes and other receivables from the State Budget	-	558,063,528	-
5.	Other short-term assets	-	334,519,042	-
1B.	Total	-	1,766,046,225	-
C. Long-term assets				
I. Other long-term assets				
1.	Other long-term investments	-	1,500,000,000	-
II. Fixed assets				
III. Other long-term assets				
1.	Long-term mortgages, pledges, collaterals, deposits	-	930,912,770	-
2.	Long-term prepayments	-	172,804,471	-
3.	Deposit to payment support fund	-	9,162,304,463	-
1C.	Total	-	15,186,195,227	-
LIQUID CAPITAL = 1A-1B-1C		1,363,407,323,332		


Nguyen Thi Thu Hang
 Chief Accountant


Duong Thi Kim Oanh
 In charge of
 Internal Control Division


Nguyen Thi Tuyet
 General Director

Hanoi, 09 August 2019