

# **KIS Vietnam Securities Corporation**

Financial safety ratio report

For the year ended 31 December 2024



# **KIS Vietnam Securities Corporation**

Financial safety ratio report

For the year ended 31 December 2024



# KIS Vietnam Securities Corporation

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# KIS Vietnam Securities Corporation

## GENERAL INFORMATION

### THE COMPANY

KIS Vietnam Securities Corporation ("the Company") is a joint stock company established under the Corporate Law of Vietnam according to Business Registration No. 0305066125 issued by Ho Chi Minh City Department of Planning and Investment dated 05 July 2007. The Company operates under Securities Establishment and Trading License No. 56/UBCK-GPHĐKD issued by the State Securities Commission on 05 July 2007 and other subsequent amendments (the latest amended License No. 16/GPDC-UBCK dated 27 February 2025).

The Company's primary activities in the year are to provide brokerage service, proprietary trading, securities investment consulting, securities custodian service and underwriting for securities issues

The Company's head office is located on the 3<sup>rd</sup> floor and 11<sup>th</sup> floor, TNR Building, 180 - 192 Nguyen Cong Tru Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City.

As at 31 December 2024, the Company has one (1) branch located in Ha Noi and one (1) branch located in Ho Chi Minh City, two (2) transaction offices in Hanoi and two (2) transaction offices in Ho Chi Minh City.

The number of the Company's employees as at 31 December 2024 is 289 persons (31 December 2023: 279 persons).

### BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are as follows:

<u>Name</u>	<u>Title</u>	<u>Date of appointment/resignation</u>
Mr. Lee Hun Woo	Acting Chairman	Appointed on 1 January 2025
	Member	Appointed on 13 January 2023
Mr. Park Won Sang	Member	Appointed on 20 April 2022
	Chairman	Resigned on 1 January 2025
Mr. Chun Sung Woo	Member	Appointed on 24 April 2024
Mr. Park Ki Soon	Member	Resigned on 24 April 2024

### BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are as follows:

<u>Name</u>	<u>Title</u>	<u>Date of appointment/resignation</u>
Ms. Nguyen Thi Hoa	Head of Board	Appointed on 20 April 2022
Ms. Nguyen Thi Cam Thanh	Member	Appointed on 21 September 2022
Ms. Nguyen Thi Cam Phuong	Member	Appointed on 24 April 2024
Mr. Chun Sung Woo	Member	Resigned on 24 April 2024

# KIS Vietnam Securities Corporation

GENERAL INFORMATION (continued)

## GENERAL DIRECTOR AND CHIEF ACCOUNTANT

General Director and Chief Accountant during the year and at the date of this report are as follows:

<u>Name</u>	<u>Title</u>	<u>Date of appointment/resignation</u>
Mr. Shin Hyun Jae	General Director	Appointed on 5 February 2025
Mr. Park Won Sang	General Director	Resigned on 5 February 2025
Ms. Truong Thi Kim Dung	Chief Accountant	Appointed on 11 July 2008

## LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is as follows:

<u>Name</u>	<u>Title</u>	<u>Date of appointment/resignation</u>
Mr. Shin Hyun Jae	General Director	Appointed on 5 February 2025
Mr. Park Won Sang	General Director	Resigned on 5 February 2025

## AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

# KIS Vietnam Securities Corporation

## REPORT OF GENERAL DIRECTOR

General Director of KIS Vietnam Securities Corporation ("the Company") is pleased to present this report and the financial safety ratio report of the Company as at 31 December 2024.

### GENERAL DIRECTOR'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL SAFETY RATIO REPORT

General Director of the Company confirmed that it has complied with the requirements of Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratios and remedies applicable to securities companies that fail to meet the stipulated financial safety ratios ("Circular 91") and *Note 2.1* to the financial safety ratio report in the preparation and presentation of the financial safety ratio report as at 31 December 2024.

### STATEMENT BY GENERAL DIRECTOR

General Director does hereby state that, in its opinion, the accompanying financial safety ratio report is prepared in accordance with the requirements of Circular 91 and *Note 2.1* to the financial safety ratio report.



Mr. Shin Hyun Jae  
General Director

Ho Chi Minh City, Vietnam

5 March 2025

Reference: 12556329/68378369

## REPORT ON AUDIT OF FINANCIAL SAFETY RATIO REPORT

**To: The Shareholders of KIS Vietnam Securities Corporation**

We have audited the accompanying financial safety ratio report of KIS Vietnam Securities Corporation ("the Company") as at 31 December 2024 as prepared on 5 March 2025 and set out on pages 6 to 32. The report has been prepared by the Company's General Director in accordance with the regulations under Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratios and remedies applicable to securities companies that fail to meet the stipulated financial safety ratios ("Circular 91") and *Note 2.1* to the financial safety ratio report.

### ***General Director's responsibility***

The Company's General Director is responsible for the preparation and fair presentation of the financial safety ratio report in accordance with Circular 91 and *Note 2.1* to the accompanying financial safety ratio report, and for such internal control as General Director determines is necessary to enable the preparation and presentation of the financial safety ratio report that are 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 audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial safety ratio report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial safety ratio report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial safety ratio report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial safety report 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 Company's internal control. An audit also includes evaluating the appropriateness of policies used as well as evaluating the overall presentation of the financial safety ratio report.

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

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**Opinion**

In our opinion, the financial safety ratio report as at 31 December 2024 is prepared and presented, in all material respects, in accordance with the regulations on preparation of the financial safety ratio report of Circular 91 and *Note 2.1* to the financial safety ratio report.

**Basis of preparation and restriction on use of audit report**

We draw attention to *Note 2.1* and *Note 3* to the financial safety ratio report, which describes the applicable regulations, interpretations and policies for preparation of the financial safety ratio report. Also, as described in *Note 2.2*, the financial safety ratio report has been prepared to comply with the regulations on preparation and disclosure of the financial safety ratio report. As a result, this report may not be suitable for other purposes.

**Ernst & Young Vietnam Limited**



*Vu Tien Dung*

Vu Tien Dung  
Deputy General Director  
Audit Practicing Registration  
Certificate No. 3221-2025-004-1



Hoang Thi Hong Minh  
Auditor  
Audit Practicing Registration  
Certificate No. 0761-2023-004-1

Ho Chi Minh City, Vietnam

5 March 2025

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Ho Chi Minh City, 5 March 2025

## FINANCIAL SAFETY RATIO REPORT

As at 31 December 2024

**To: The State Securities Commission**

We hereby confirm that:

- (1) The report is prepared on the basis of updated data at the reporting date and in accordance with regulations under Circular No. 91/2020/TT-BTC dated 13 November 2020 issued by the Ministry of Finance on financial safety ratios and remedies applicable to securities trading companies that fail to meet the stipulated financial safety ratios;
- (2) Subsequent events after the date of this report that can have effects on the financial position of the Company will be updated in the next reporting period;
- (3) We bear full legal responsibility for the accuracy and truthfulness of the contents of our report.

Ms. Truong Thi Kim Dung  
Chief Accountant

Ms. Phan Tuyet Minh  
Head of  
Internal Control Department



Mr. Shin Hyun Jae  
General Director

Ho Chi Minh City, Vietnam

5 March 2025

# KIS Vietnam Securities Corporation

FINANCIAL SAFETY RATIO REPORT  
as at 31 December 2024

## SUMMARY OF RISK VALUE AND LIQUID CAPITAL

No	Items	Notes	Risk value/ Liquid capital VND
1	Total market risk value	4	256,888,689,532
2	Total settlement risk value	5	320,792,693,298
3	Total operational risk value	6	324,044,408,657
4	<b>Total risk value (4=1+2+3)</b>		<b>901,725,791,487</b>
5	<b>Liquid capital</b>	7	<b>5,168,157,667,959</b>
6	<b>Liquid capital ratio (6=5/4) (%)</b>		<b>573%</b>

Ms. Trương Thị Kim Dung  
Chief Accountant

Ms. Phan Tuyet Minh  
Head of Internal Control Department



Mr. Shin Hyun Jae  
General Director

Ho Chi Minh City, Vietnam

5 March 2025



# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT  
as at 31 December 2024

## 1. CORPORATE INFORMATION

KIS Vietnam Securities Corporation ("the Company") is a joint stock company established under the Corporate Law of Vietnam according to Business Registration No.0305066125 issued by Ho Chi Minh City Department of Planning and Investment dated 05 July 2007. The Company operates under Securities Establishment and Trading License No. 56/UBCK-GPHĐKD issued by the State Securities Commission on 05 July 2007 and other subsequent amendments (the latest amended License No. 16/GPDC-UBCK dated 27 February 2025).

The Company's primary activities in the year are to provide brokerage service, proprietary trading, securities investment consulting, securities custodian service and underwriting for securities issues.

### ***Charter capital***

According to the statement of financial position as at 31 December 2024, the Company's charter capital amounts to VND3,761,579,550,000 while its owners' equity is VND5,750,128,003,115 and its total assets are VND13,436,481,230,715.

### ***Location and network***

The Company's head office is located on the 3<sup>rd</sup> floor and 11<sup>th</sup> floor, TNR Building, 180 - 192 Nguyen Cong Tru Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City.

As at 31 December 2024, the Company has one (01) branch located in Ha Noi and one (01) branch located in Ho Chi Minh City, two (02) transaction offices in Hanoi and two (02) transaction offices in Ho Chi Minh City.

### ***Employee***

The number of the Company's employees as at 31 December 2024 is 289 persons (31 December 2023: 279 persons).

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 2. BASIS OF PRESENTATION

### 2.1 *The applicable regulations*

The financial safety ratio report of the Company is prepared and presented in accordance with the regulations under Circular No. 91/2020/TT-BTC ("Circular 91") dated 13 November 2020 issued by the Ministry of Finance on financial safety ratios and remedies applicable to securities companies that fail to meet the stipulated financial safety ratios. The financial safety ratio report is prepared on the basis of the financial statement of the Company at the reporting date.

### 2.2 *Purpose of preparation*

The financial safety ratio report is prepared to comply with the regulations on the preparation and disclosure of the Company's financial safety ratio report and may not be suitable for other purposes.

### 2.3 *Reporting currency*

The Company prepares this report in Vietnam dong ("VND").

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

### 3.1 *Liquid capital ratio*

Liquid capital ratio of the Company is determined using the formula specified in accordance with Circular 91 as follows:

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

In which, total risk value are the sum of market risk value, settlement risk value, and operational risk value.

### 3.2 *Liquid capital*

In accordance with Circular 91, the Company's liquid capital is the total equity that can be converted into cash within ninety (90) days, details as follow:

- ▶ Owners' equity, excluding redeemable preferred share (if any);
- ▶ Share premium, excluding redeemable preferred share (if any);
- ▶ Convertible bonds - Equity component (applicable to securities company that is convertible bonds issuer);
- ▶ Other owners' equity;
- ▶ Differences from revaluation of assets at fair value;
- ▶ Foreign exchange rate differences;
- ▶ Charter capital supplementary reserve;
- ▶ Operational risk and financial reserve;
- ▶ Other reserves in accordance with prevailing regulations;
- ▶ Undistributed retained earnings;
- ▶ Balance of provision for impairment of assets;

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.2 *Liquid capital* (continued)

- ▶ Fifty percent (50%) of the increased in value of revaluated fixed assets in accordance with prevailing regulations (in case of increased revaluation), or minus the decreased in value (in case of decreased revaluation);
- ▶ Decreases to liquid capital (*Note 3.2.1*);
- ▶ Increases to liquid capital (*Note 3.2.2*); and
- ▶ Other capital (if any).

#### 3.2.1 *Decreases to liquid capital*

The company's liquid capital is decreased due to the following items:

- ▶ Treasury shares (if any);
- ▶ Total decreases in value of financial assets recognised at cost equivalent to the difference between market value and carrying value of the assets, excluding the securities issued by the Company's related parties as well as the securities restricted to transfer with the remaining restriction period of more than ninety (90) days as from the date of financial safety ratio report;
- ▶ The escrow value, in case the Company places collateral assets to the banks for banks' guarantee upon the Company's issuance of covered warrants, is determined as the minimal value of the followings: the value of banks' guarantee and the value of collateral assets (equivalent to volume of assets \* asset price \* (1 - Market risk coefficient));
- ▶ The value of the Company's assets used as collaterals for the Company's obligations with other institutions and individuals, of which the remaining terms are of more than ninety (90) days, (equivalent to volume of assets \* asset price \* (1 - Market risk coefficient));
- ▶ Short-term assets including prepayments, receivables and advances of which the remaining recovery period or settlement period is more than ninety (90) days, and other short-term assets;
- ▶ Long-term assets;
- ▶ The qualified, adverse or disclaimed items on the audited and reviewed financial statements (if any);
- ▶ Securities issued by the Company's related parties in the following cases:
  - The parent company, subsidiaries of the Company;
  - Subsidiaries of the Company's parent company.
- ▶ Securities restricted to transfer with the remaining restricted period of more than 90 days as from the calculation date;
- ▶ Irrecoverable items from other counter parties which are assessed as completely insolvent, are determined at the contract value.

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.2 *Liquid capital* (continued)

#### 3.2.1 *Decreases to liquid capital* (continued)

When determining decreased items to liquid capital, the Company adjusts to reduce the decreasing value as follows:

- ▶ For assets being used to secure the Company's obligations to other organizations or individuals the decrease value shall be deducted by the minimal value of the followings: market value of the assets, residual value of the obligation;
- ▶ For assets secured by assets belonging to other organizations or individuals, the decrease value shall be deducted by the minimal value of the followings: market value of the collaterals, book value.

Accordingly, the value of the collateral use in calculating the deductions from the decreases to liquid capital is determined as: quantity of the asset \* asset price \* (1 – Market risk coefficient) in accordance with Circular 91.

The decreases to liquid capital does not include the following items in short-term and long-term assets:

- ▶ Assets subject to market risk determination in accordance with Circular 91, except for securities issued by a subsidiary, parent company or subsidiary of the Company's parent company or securities restricted to transfer with the remaining restriction period of more than ninety (90) days as from the date of calculation;
- ▶ Liquidity risk must be determined for contracts and transactions in accordance with Circular 91;
- ▶ Provisions for impairment of assets;
- ▶ Provision for bad debts.

The Company does not calculate risk value for items that have been deducted from the liquid capital.

#### 3.2.2 *Increases to liquid capital*

The Company's liquid capital is increased due to the following items:

- ▶ Total increases in value of financial assets recognised at cost equivalent to the difference between market value and carrying value of the assets, excluding the securities issued by the Company's related parties as well as the securities restricted to transfer with the remaining restriction period of more than ninety (90) days as from the date of financial safety ratio report; and
- ▶ Debts that are convertible to equity, including: convertible bonds, preferred shares and other debt instruments registered to supplement liquid capital with the State Securities Commission and satisfied all conditions stated in Clause 2, Article 7 of Circular 91.
- ▶ Other debt instruments issued by the Company with the original terms to maturity of more than ten (10) years and registered with the State Securities Commission of Vietnam to supplement the liquid capital.

The total value of debt items used to supplement liquid capital is in maximum 50% of the Company's owners' equity. Regarding convertible debts and debts registered to supplement the Company's liquid capital with the State Securities Committee, the Company deducts 20% of their original value each year during the last five (05) years prior to maturity/conversion into common shares and deducts 25% of residual value quarterly during the last four (04) quarters prior to maturity/conversion into common shares.

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.3 Market risk value

Market risk value is the potential losses which may occur when the market value of the Company's assets fluctuates in a negative trend. Market risk value for the Company's assets includes cash and cash equivalent, money market instruments, bonds, shares, and funds/shares of securities investment companies that are determined by the Company at the end of the transaction day using the following formula:

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

In which, net position is the net volume of securities held by the Company at the reporting date, after being deducted by the number of securities lent and increased by the number of securities borrowed in accordance with prevailing regulations.

Market risk value of securities not yet fully distributed from underwriting contracts in the form of a firm commitment, covered warrants issued by the Company and future contracts are determined using the formula presented in Note 3.3.2.

Assets which are excluded when determining market risk value include:

- ▶ Treasury shares;
- ▶ Securities issued by related parties of the Company in the following cases:
  - The parent company, subsidiaries of the Company;
  - Subsidiaries of the Company's parent company.
- ▶ Securities restricted to transfer with the remaining restricted period of more than 90 days as from the calculation date.
- ▶ Bonds, debt instruments and valuable papers in the money market which have matured;
- ▶ Securities which have been hedged by sell warrants or futures contracts; sell warrants and sell options which have been used to hedge for underlying securities.

#### 3.3.1 Market risk coefficient

Market risk coefficient is determined for each account of assets as specified in Appendix I, Circular 91.

#### 3.3.2 Asset price

##### a. Cash and cash equivalents, money market instruments

Value of cash in VND is the cash balance at the calculation date. Value of cash in foreign currencies is the equivalent in VND using the exchange rate published by credit institutions which are allowed to conduct foreign currencies trading at the calculation date.

Value of cash equivalent and money market instruments is the amount deposited or acquisition cost plus accrued interest using the effective interest rate as at the calculation date.

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.3 *Market risk value* (continued)

#### 3.3.2 *Asset price* (continued)

##### b. *Bonds*

Value of listed bonds is the average price quoted on the trading system of Securities Stock Exchange on the latest trading day plus accrued interest. In case there is no transaction for such bonds during more than two (2) weeks prior to the date of calculation, the value of bonds is the highest of the following values, accrued interest included: Acquisition cost; Face value and Price determined by the internal valuation methods.

Value of unlisted bonds is the highest of the following, accrued interest values included: Quoted price on the quotation system selected by the Company (if any); Acquisition cost; Face value; Price determined by the internal valuation methods.

##### c. *Shares*

Value of listed shares are determined based on the quoted closing prices on the Ho Chi Minh Stock Exchange and the Hanoi Stock Exchange on the latest trading day prior to the date of calculation.

Value of unlisted shares which have been registered on the unlisted public companies' market (UPCom) is the quoted closing prices on the latest trading day prior to the date of calculation.

In case there is no transaction of listed shares or shares registered on UPCom during more than two (2) weeks prior to the date of calculation, value of these shares is the highest of the following values: book value; acquisition cost and price determined by internal valuation methods of the Company.

Value of shares which are suspended from trading, delisted or cancelled is the highest of the following values: Book value, Par value, Price determined by internal valuation methods of the Company.

Value of shares which are registered or custodied but has not been listed or registered for trading is the average price of quotations from at least three (03) securities companies which are not related to the Company on the latest trading day prior to the date of calculation. If there are no sufficient quotation from at least three (03) securities companies, the value of shares is the highest of the following values: Quoted price; Value determined in the latest reporting period; Book value; Acquisition cost; Price determined by internal valuation methods of the Company.

Value of shares of organizations in term of dissolution, or of bankruptcy is 80% of the liquidated value of such shares at the date of preparation on the latest balance sheet, or price determined by internal methods of the Company.

The value of other shares or capital contributions is the maximum of book value; acquisition cost/value of capital contribution; price determined by internal methods of the Company.



# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.3 Market risk value (continued)

#### 3.3.2 Asset price (continued)

##### d. Other securities

The value of the covered warrant issued by another securities company is the closing price on the most recent trading day before the calculation date (if the warrant is listed); or the value of the warrant is the purchase price (if the warrant is not listed).

##### e. Funds/stocks of securities investment companies/ETF Funds

Value of public close-end fund is the closing price on the latest trade date prior to the calculation date. In case public close-end fund has no transactions in more than two (02) weeks prior to the calculation date, the value is calculated by net asset value ("NAV") per fund certificate at the latest reporting period prior to the calculation date.

Value of member/open-end fund/shares of securities investment companies in private issuance is the NAV per unit of contributed capital/fund certificate unit/shares at the latest reporting period prior to the calculation date.

Value of other funds/shares is price determined by the internal methods of the Company.

##### f. Undistributed securities from underwriting contracts in form of firm commitment

▶ Market risk value of these securities is determined as the following formula:

*Market risk value*

= {Quantity of undistributed securities, or distributed but not yet paid

x Issuance underwriting price – Value of collaterals (if any)} x Issuance risk coefficient

x  $\left\{ \frac{\text{Market risk coefficient} + \frac{(\text{Issuance underwriting price} - \text{Trading price}) \text{ (if positive)}}{\text{Issuance underwriting price}}}{\text{Issuance underwriting price}} \right\}$

In case of Initial Public Offering (IPO), including initial equitization auction, bonds auction, trading price is equal to book value per share of issuer at the latest period, or initial price (if unable to determine book value), or par value (in case of bonds).

▶ Market risk coefficient is determined in Note 3.3.1

▶ Issuance risk coefficient is determined based on remaining duration to the ending date of the distribution period according to the contract; but not exceed the allowed distribution period in accordance with legislative regulations, as follows:

- Until the last day of the distribution period, if the remaining time is more than sixty (60) days: the issuance risk coefficient is 20%;
- Until the last day of the distribution period, if the remaining time is less than thirty (30) days: the issuance risk coefficient is 60%;
- In the period of the last day of the distribution period to the settlement day: the issuance risk coefficient is 80%.
- After the last settlement day, the Company has to determine the market risk value of securities that have not been distributed using the formula in Note 3.3, in accordance with regulations stated in Clause 4 Article 9 – Circular 91.
- Value of customers' collaterals is determined as follows:

*Value of collaterals = Volume of assets x Asset price x (1 – Market risk coefficient).*

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.3 Market risk value (continued)

#### 3.3.2 Asset price (continued)

##### g. Covered warrant issued by the Company

Market risk value of covered warrants issued by the Company, in case of in-the-money, is determined by the following formula:

$$\text{Value at risk} = \text{Max} \{((P_0 \times Q_0/k - P_1 \times Q_1) \times r - MD), 0\}$$

In which:

$P_0$ : Average closing price of underlying securities in 05 trading days before the calculation date.

$Q_0$ : the number of circulating warrants of a securities company.

$k$ : conversion ratio

$P_1$ : price of the underlying securities determined as prescribed in the Appendix II of Circular 91

$Q_1$ : the number of the underlying securities used by a securities companies as guarantee of the obligation to make payment for the covered warrants issued by such companies

$r$ : the market risk coefficient of the covered warrants determined as prescribed in Appendix I of Circular 91

$MD$ : the margin deposit when the securities companies issue the covered warrants.

The underlying securities in the above formula shall satisfy the following conditions: being included in the issuance plan or registered with the State Securities Commission on the use of these securities to hedge against the risks of the covered warrants issuance; and being the underlying securities of the covered warrants.

In case of loss from covered warrants issued by the Company, the Company shall calculate market risk value of underlying securities from the hedging activities for the issued covered warrants instead of calculating market risk value of the issued covered warrants.

The Company also calculates market risk for the difference between the value of the underlying securities used to hedge against the risk of the covered warrants and the value of the underlying securities necessary to hedge for the covered warrants (corresponding to hedging value).

##### h. Futures contract

Market risk value of futures contracts is determined by the following formula:

$$\text{Market risk value} = \text{Max} \{((\text{Settled price at the end of the day} - \text{Securities purchasing value}) \times \text{Market risk coefficient of futures contract} - \text{Margin value}), 0\}$$

In which:

- ▶ Settled price at the end of the day = Closing price x Open volume
- ▶ Securities purchasing value is the value of underlying securities purchased by the Company to cover for future contractual obligations.
- ▶ Margin value is the value of assets that the Company deposits for investment, proprietary trading and market making transactions related to futures contracts.
- ▶ The market risk coefficient of the futures contract is determined in accordance with regulations stated in Circular 91, in Note 4.

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.3 *Market risk value* (continued)

#### 3.3.3 *Increase in market risk value*

Market risk value of assets increases in case that the Company over-invests in these assets, except for the securities under firm commitment issuance underwriting contract, Government bonds and bonds guaranteed by the Government. The market risk value is adjusted in accordance with following principles:

- ▶ An increase of 10% if the total value of investment in shares and bonds of a securities issuer accounts for more than 10% to 15% of the owners' equity of the Company.
- ▶ An increase of 20% if the total value of investment in shares and bonds of a securities issuer accounts for more than 15% to 25% of the owners' equity of the Company.
- ▶ An increase of 30% if the total value of investment in shares and bonds of a securities issuer accounts for more than 25% of the owners' equity of the Company.

Dividends, coupons, preference right of shares (if any) or interest of deposits, cash equivalents, negotiable instruments and valuable papers shall be added to the value of asset for the purpose of determining the market risk value.

### 3.4 *Settlement risk value*

Settlement risk value is the potential losses which may occur when a counter party fails to fulfil its settlement obligation or transfer assets on time as committed. Settlement risk value is determined at the transaction date as follows:

- ▶ For term deposits at credit institutions; certificates of deposit issued by credit institutions; securities borrowing contracts in accordance with legal regulations; repurchase agreements and reversed repurchase agreements in accordance with prevailing regulations; margin loan contracts in accordance with prevailing regulations; receivables from customers in securities trading activities; receivables from matured bonds, valuable papers, mature debt instruments that have not yet been paid; other receivables, contracts, transactions and capital usages exposed to settlement risk:
- ▶ Settlement risk value before the date of securities transfer, cash settlement, contract liquidation shall be determined using the following formula:

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

- ▶ For underwriting contracts in the form of firm commitment signed with other organizations in a syndicated underwriting contract in which the Company is the lead underwriter, the settlement risk value value equals 30% of the remaining value of unpaid underwriting contracts;
- ▶ For overdue receivables, other receivables and other assets, securities which have not been received on time, including securities and cash which have not been received from term deposits at credit institutions; certificates of deposit issued by credit institutions; securities borrowing contracts in accordance with prevailing regulations; repurchase and reverse repurchase agreements in accordance with prevailing regulations; matured margin loans in accordance with prevailing regulations, settlement risk value is determined as follows:

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

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.4 Settlement risk value (continued)

#### 3.4.1 Settlement risk coefficient

Settlement risk coefficient is determined based on the type of counterparties and the period as specified in Appendix III, Circular 91.

#### 3.4.2 Value of assets exposed to settlement risk

##### a. Securities borrowing, securities lending, margin lending, repurchase and reverse repurchase agreements of customers or of the Company

Value of assets exposed to settlement risk is the market value of the contract determined as follows:

► Settlement risk value is as follows:

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

Margin balance includes outstanding loan principal, interest and other fees.

Customers' collateral value is determined in line with Note 3.4.3. In case the value of collateral does not have any reference in the market, its value is determined by the internal methods of the Company.

Asset price is determined in line with Note 3.3.2.

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.4 Settlement risk value (continued)

#### 3.4.2 Value of assets exposed to settlement risk (continued)

##### b. Securities trading

Value of assets exposed to settlement risk in securities trading as the following standard:

No.	Period	Value of assets exposed to settlement risk
A – For the selling transactions (seller is the Company or its customers under the securities brokerage activities)		
1.	Before the settlement date/year	0
2.	After the settlement date/year	Market value of the contract (if Market value is less than Trading value)
		0 (if Market value is greater than Trading value)
B – For the buying transactions (buyer is the Company or the Company's customer)		
1.	Before the securities transfer date/year	0
2.	After the securities transfer date/year	Market value of the contract (if Market value is less than Trading value)
		0 (if Market value is greater than Trading value)

Settlement/transfer period of securities is T+2 (for listed securities), T+1 (for listed bonds); T+n (for transactions outside the official trading system within n days under agreement of both parties), or in accordance with prevailing regulations (for derivatives).

##### c. Receivables, matured bonds, matured debt instruments

Value of assets exposed to settlement risk is the value of receivables calculated based on par value, plus accrued interest, related costs and less cash received previously (if any).

##### d. Receivables, other receivables and other contracts, transactions, capital usages and assets with potential settlement risk

For contracts and transactions specified at Point k, Clause 1, Article 10, Circular 91, the Company determines as follows:

$$\text{Value of settlement risk} = \text{Value of the asset at risk of payment} \times 100\%$$

For advances with the remaining repayment period of less than 90 days, the Company determines as follows:

Value of assets exposed to settlement risk		Risk coefficient	Value of settlement risk
Value of all advances	accounts for 0% to 5% of owners' equity at the time of calculation	8%	Value of settlement risk = Value of the asset at risk of payment × Risk coefficient
	accounts for more than 5% of owners' equity at the time of calculation	100%	

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.4 Settlement risk value (continued)

#### 3.4.3 Deduction to collateral

The value of collaterals shall be deducted from the Company's value of assets exposed to settlement risk if the related contracts and transactions satisfy the following conditions:

- ▶ Partners or customers use collaterals to ensure their fulfilment of obligations and their collaterals are cash, cash equivalents, valuable papers, negotiable instruments on the money market, securities listed and registered on the Securities Stock Exchange and subsidiaries, Government bonds, bonds guaranteed by the Ministry of Finance;
- ▶ The Company has rights to control, manage, use, and transfer collaterals if partners fail to make payment fully and timely as agreed in the contracts.

Value of asset subjected to deduction is determined as follows:

Collateral value = Volume of assets x Asset price x (1 - Market risk coefficient)

Assets price is determined in accordance with Note 3.3.2.

#### 3.4.4 Increase in settlement risk value

Settlement risk value increases in the following cases:

- ▶ An increase of 10% if the value of deposits contracts, certificates of deposits, loans, undue receivables, repurchase agreements, reversed repurchase agreements, the total value of loans to an organization, an individual and a group of related organizations/ individuals (if any) account for more than 10% to 15% of the owners' equity of the Company;
- ▶ An increase of 20% if the value of deposits contracts, certificates of deposits, loans, undue receivables, repurchase agreements, reversed repurchase agreements, the total value of loans to an organization, an individual and a group of related organizations/ individuals (if any) account for more than 15% to 25% of the owners' equity of the Company;
- ▶ An increase of 30% if the value of deposits contracts, certificates of deposits, loans, undue receivables, repurchase agreements, reversed repurchase agreements, the total value of loans to an organization, an individual and a group of related organizations/ individuals (if any), or an individual and related parties of that individual (if any), account for more than 25% of the owners' equity of the Company.

#### 3.4.5 Net bilateral clearing value of assets exposed to settlement risk

Value of assets exposed to settlement risk is subject to net bilateral clearing in cases:

- ▶ Settlement risk relating to the same partner;
- ▶ Settlement risk occurred to the same type of transaction;
- ▶ The net bilateral clearing is agreed in advance via documents.

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 3. SUMMARY OF SIGNIFICANT POLICIES IN PREPARATION OF FINANCIAL SAFETY RATIO REPORT (continued)

### 3.5 *Operational risk value*

Operational risk value is the potential losses which may occur due to technical errors, system errors and business processes, human errors during performing their work, or due to the lack of capital resulting from expenses, losses arising from investment activities, or other objective reasons.

Operational risk value of the Company is determined at the higher of 25% of the Company's operational maintaining expenses within twelve (12) consecutive months up to reporting date or 20% of the Company's legal capital required for the securities company's business operations as prescribed by law, depending on whichever value is greater.

The Company's operational maintaining expenses are determined from total expenses incurred in the year less: depreciation expense; provision expense/reversal of impairment of short-term, long-term financial assets and mortgage assets; provision expense/reversal of impairment of receivables; provision expense/reversal of impairment of other short-term assets; loss from revaluation of financial assets at fair value through profit and loss ("FVTPL"), interest expense and loss from revaluation outstanding covered warrants payables which has been recognized as expense in the year.

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 4. MARKET RISK VALUE

<i>Investment items</i>		<i>Ratio %</i>	<i>Risk level VND</i>	<i>Risk value VND</i>
		(1)	(2)	(3) = (1) x (2)
<b>I. Cash and cash equivalents, money market instruments</b>				
1	Cash (VND)	0	200,384,675,857	-
2	Cash equivalents	0	903,246,027,397	-
3	Valuable papers, negotiable instruments in the monetary market, certificates of deposits	0	100,117,123,288	-
<b>II. Government bonds</b>				
4	Zero-coupon Government bonds	0	-	-
5	Coupon Government bonds: Government bonds (including sovereign bonds and project bonds issued previously), 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 EBRD, Municipal bonds	3	-	-
<b>III. Credit Institution bonds</b>				
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 and above, including convertible bonds	15	-	-
<b>IV. Corporate bonds</b>				
7	<b>Listed Corporate bonds</b>			
	Listed bonds having remaining maturity of less than 1 year, including convertible bonds	8	36,673,325,618	2,933,866,049
	Listed bonds having remaining maturity of 1 to under 3 years, including convertible bonds	10	137,249,760,000	13,724,976,000
	Listed bonds having remaining maturity of 3 to under 5 years, including convertible bonds	15	59,523,561,644	8,928,534,247
	Listed bonds having remaining maturity of 5 years and above, including convertible bonds	20	-	-



# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 4. MARKET RISK VALUE (continued)

		Ratio %	Risk level VND	Risk value VND
<i>Investment items</i>		(1)	(2)	(3) = (1) x (2)
<b>IV. Corporate bonds (continued)</b>				
8	<b>Unlisted Corporate bonds</b>			
	Unlisted bonds, which was issued by listed corporate, having remaining maturity of less than 1 year, including convertible bonds	15	-	-
	Unlisted bonds, which was issued by listed corporate, having remaining maturity of 1 to under 3 years, including convertible bonds	20	30,045,567,122	6,009,113,424
	Unlisted bonds, which was issued by listed corporate, having remaining maturity of 3 to under 5 years, including convertible bonds	25	176,828,325,694	44,207,081,424
	Unlisted bonds, which was issued by listed corporate, having remaining maturity of 5 years and above, including convertible bonds	30	200,069,610,157	60,020,883,047
	Unlisted bonds, which was not issued by listed corporate, having remaining maturity of less than 1 year, including convertible bonds	25	-	-
	Unlisted bonds, which was not issued by listed corporate, having remaining maturity of 1 to under 3 years, including convertible bonds	30	-	-
	Unlisted bonds, which was not issued by listed corporate, having remaining maturity of 3 to under 5 years, including convertible bonds	35	-	-
	Unlisted bonds, which was not issued by listed corporate, having remaining maturity of 5 years and above, including convertible bonds	40	-	-

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 4. MARKET RISK VALUE (continued)

Investment items		Ratio %	Risk level VND	Risk value VND
		(1)	(2)	(3) = (1) x (2)
<b>V. Shares</b>				
9	Ordinary shares, preferred shares of entities listed in Ho Chi Minh Stock Exchange; open-end fund certificates	10	881,198,172,440	88,119,817,244
10	Ordinary shares, preferred shares of entities listed in Hanoi Stock Exchange	15	150,097,500	22,514,625
11	Ordinary shares, preferred shares of unlisted public entities registered for trading through UpCom system	20	30,814,100	6,162,820
12	Ordinary shares, preferred shares of public entities registered for depository, but not yet listed or registered for trading; shares under IPO	30	-	-
13	Shares of other public companies	50	2,854,044,505	1,427,022,253
<b>VI. Certificates of investment securities funds</b>				
14	Public funds, including public securities investment companies	10	79,892,217,436	7,989,221,744
15	Member funds, including private securities investment companies	30	-	-
<b>VII. Securities under trading restriction</b>				
16	Securities of unlisted public companies are warned due to the delay in disclosing audited/reviewed financial statements as required	30	-	-
17	Listed securities are warned	20	-	-
18	Controlled listed securities	25	-	-
19	Securities suspended temporarily from trading	40	-	-
20	Delisted securities and cancelation transaction securities	80	10,650,000	8,520,000
<b>VIII. Derivative securities</b>				
21	Share index future contracts	8	-	-
Calculation: Value at risk = $\text{Max}\{((\text{Value of payment at the end of the day} - \text{Value of purchased securities to guarantee future contract payment obligations}) \times \text{risk coefficient of future contracts} - \text{Escrow value (The contribution to the clearing fund for the open position of the securities company)}), 0\}$ Value of payment at the end of day = Price paid at the end of the day x Open volume				
22	Government bond futures contracts	3	-	-
Calculation: Value at risk = $\text{Max}\{((\text{Value of payment at the end of the day} - \text{Value of purchased securities to guarantee future contract payment obligations}) \times \text{risk coefficient of future contracts} - \text{Escrow value (The contribution to the clearing fund for the open position of the securities company)}), 0\}$ Value of payment at the end of day = Price paid at the end of the day x Open volume				

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 4. MARKET RISK VALUE (continued)

<i>Investment items</i>		<i>Ratio %</i>	<i>Risk level VND</i>	<i>Risk value VND</i>
		(1)	(2)	(3) = (1) x (2)
<b>VIII. Derivative securities (continued)</b>				
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	240,500,000	19,240,000
26	Covered warrants listed on Hanoi Stock Exchange	10	-	-
27	Shares and bonds of un-public companies that have no audited financial statements as the period of reporting or have audited financial statements with an adverse opinion, disclaimer of opinion or unqualified opinion.	100	-	-
28	Shares, capital contribution and other securities	80	22,248,949,800	17,799,159,840
29	Covered warrants issued by the Company			-
30	Securities formed from hedging activities for the issued covered warrants (In case covered warrant are not profitable)	10	8,180,840,150	818,084,015
31	The 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 warranties.	10	48,544,928,000	4,854,492,800
<b>TOTAL MARKET RISK VALUE (I+II+III+IV+V+VI+VII+VIII)</b>				<b>256,888,689,532</b>

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 5. SETTLEMENT RISK VALUE

	Settlement risk value VND
Risks of undue debts (Note 5.1)	135,615,840,236
Risks of overdue debts (Note 5.2)	171,447,059,821
Additional risk	13,729,793,241
<b>Total settlement risk value</b>	<b>320,792,693,298</b>

### 5.1 Risks of undue debts

Type of transactions	Risk coefficient (%)	Settlement risk value (VND)					Total settlement risk value VND	
		0% (1)	0.8% (2)	3.2% (3)	4.8% (4)	6% (5)		8% (6)
1. Term deposits, certificates of deposits, loans without collaterals and receivables from securities trading operations, and other items exposed to settlement risk		-	2,362,780,017	-	-	133,114,398,208	138,662,011	135,615,840,236
2. Financial assets lending/other agreements with similar nature		-	-	-	-	-	-	-
3. Financial assets borrowings/other agreements with similar nature		-	-	-	-	-	-	-
4. Reverse repurchase agreements/other agreements with similar nature		-	-	-	-	-	-	-
5. Repurchase agreements/other agreements with similar nature		-	-	-	-	-	-	-
<b>TOTAL SETTLEMENT RISK VALUE OF UNDUDE ITEMS</b>							<b>135,615,840,236</b>	

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 5. SETTLEMENT RISK VALUE (continued)

### 5.1 Risks of undue debts (continued)

Settlement risk coefficient based on counterparties is determined as follows:

No.	Counterparties of the Company	Settlement risk coefficient
(1)	Government, issuers guaranteed by the Government, Ministry of Finance, State Bank, Government and Central Banks of OECD countries; People's committees of provinces and cities under central authority	0%
(2)	Securities Stock Exchanges, Vietnam Securities Depository and Clearing Corporation	0.8%
(3)	Credit institutions, financial institutions, and securities trading institutions which are established in OECD countries and have credit ratings in accordance with the internal policies of securities trading institutions	3.2%
(4)	Credit institutions, financial institutions, and securities trading institutions which are established in OECD countries and do not have credit ratings in accordance with the internal policies of securities trading institutions	4.8%
(5)	Credit institutions, financial institutions, and securities trading institutions being established and operating in Vietnam	6.0%
(6)	Other entities and individuals	8.0%

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 5. SETTLEMENT RISK VALUE (continued)

### 5.1 Risks of undue debts (continued)

(\*) Details:

	Carrying value VND	Value of collaterals VND	Carrying amount without collaterals/ Scale of risk VND	Settlement risk coefficient by counterparties %	Settlement risk value VND
Term deposits and certificates of deposits (include interest receivables)	2,205,917,806,592	-	2,205,917,806,592	6.0%	132,355,068,396
Receivables from margin	8,460,970,185,542	18,812,862,466,375	-	8.0%	-
Receivables from advances	243,479,026,616	-	243,479,026,616	0.8%	1,947,832,213
Receivables from sales of financial assets	49,257,161,000	-	49,257,161,000	0.8%	394,057,288
Other short-term receivables	12,655,496,860	-	12,655,496,860	6.0%	759,329,812
Receivables and accruals from dividends, interest on financial assets	366,332,557	-	366,332,557	8.0%	29,306,605
Receivables from services provided by the securities company	2,611,314,498	-	2,611,314,498	0.8%	20,890,516
Other receivables	1,366,942,573	-	1,366,942,573	8.0%	109,355,406
<b>Total</b>	<b>10,976,624,266,238</b>	<b>18,812,862,466,375</b>	<b>2,515,654,080,696</b>		<b>135,615,840,236</b>

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 5. SETTLEMENT RISK VALUE (continued)

### 5.2 Risks of overdue debts

No.	Overdue period	Settlement risk coefficient %	Scale of risk VND	Settlement risk value VND
1	0 - 15 days after payment due date or date of transferring securities	16	-	-
2	16 - 30 days after payment due date or date of transferring securities	32	-	-
3	31 - 60 days after payment due date or date of transferring securities	48	-	-
4	60 days and above after payment due date or date of transferring securities	100	171,447,059,821	171,447,059,821
<b>TOTAL SETTLEMENT RISK VALUE OF OVERDUE ITEMS</b>				<b>171,447,059,821</b>

### 5.3 Additional risk

No	Overdue period	Settlement risk coefficient %	Scale of risk VND	Settlement risk value VND
1	Term deposits at Joint Stock Commercial Bank for Investment and Development of Vietnam	20	68,648,966,203	13,729,793,241
<b>TOTAL ADDITIONAL RISK</b>				<b>13,729,793,241</b>

## 6. OPERATIONAL RISK VALUE

No	Items	Amount VND
I.	Total operating expenses incurring within 12 months period up to 31 December 2024	1,850,012,165,943
II.	Deductions from total expenses (Note 6.1)	553,834,531,316
III.	Total expenses after deductions (III = I – II)	1,296,177,634,627
IV.	25% of total expense after deductions (IV = 25% III)	324,044,408,657
V.	20% minimum charter capital for business operations of a securities business organization	180,000,000,000
<b>TOTAL OPERATIONAL RISK VALUE (Max {IV, V})</b>		<b>324,044,408,657</b>

### 6.1 Deductions from total expenses

	Amount VND
Depreciation expense	16,304,138,467
Provision expense for impairment of receivables	6,607,702,394
Downward revaluation of financial assets recognized through profit/loss	259,905,905,890
Interest expense	271,016,784,565
<b>TOTAL</b>	<b>553,834,531,316</b>

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 7. LIQUID CAPITAL

No.	Contents	Liquid Capital		
		Liquid Capital VND	Deductions VND	Increases VND
		(1)	(2)	(3)
<b>A</b>	<b>Equity</b>			
1	Owners' equity, excluding of redeemable preferred shares (if any)	3,761,579,550,000		
2	Share premium, other capital, excluding redeemable preference shares (if any)	-		
3	Treasury shares	-		
4	The convertible bonds – equity component	-		
5	Other owner's equity	-		
6	Difference form revaluation of financial assets at fair value	-		
7	Charter capital supplementary reverse	47,089,302,795		
8	Operational risk and financial reverse	47,089,302,795		
9	Other funds belonging to the owners' equity	-		
10	Undistributed profit	1,894,369,847,525		
11	Balance to provision for impairment of assets	171,447,059,821		
12	Difference from revaluation of fixed asset	-		
13	Foreign exchange rate differences	-		
14	Convertible debts			-
15	Total increase or decrease of securities in financial investments		-	-
16	Other capital (if any)	-		
<b>1A</b>	<b>Total</b>			<b>5,921,575,062,936</b>
<b>B</b>	<b>Short-term assets</b>			
<b>I</b>	<b>Financial assets</b>			
1	Cash and cash equivalents			
2	Financial assets at fair value through profit and loss (FVTPL)			
	- Securities exposed to market risk			
	- Securities deducted from liquid capital			-
3	Held-to-maturity (HTM) investments			
	- Securities exposed to market risk			
	- Securities deducted from liquid capital		142,655,890,622	



# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 7. LIQUID CAPITAL (continued)

No.	Contents	Liquid Capital		
		Liquid Capital VND	Deductions VND	Increases VND
		(1)	(2)	(3)
<b>B</b>	<b>Short-term assets (continued)</b>			
<b>I</b>	<b>Financial assets (continued)</b>			
4	Loans		-	
5	Available-for-sale (AFS) financial assets			
	- Securities exposed to market risk			
	- Securities deducted from liquid capital		-	
6	Provision for impairment of financial assets and mortgage assets			
7	Receivables (Receivables from disposal of financial assets, Receivables and accrual from dividend and interest income)			
	- Receivables due in 90 days or less			
	- Receivables due in more than 90 days		-	
8	Covered warrant not yet been issued			
9	The underlying securities for the purpose of hedging when issuing covered warrants			
10	Receivables from services provided from the Company			
	- Receivables due in 90 days or less (irrecoverable)			
	- Receivables due in more than 90 days		-	
11	Internal receivables			
	- Internal receivables due in 90 days or less			
	- Internal receivables due in more than 90 days		-	
12	Receivables due to errors in securities transaction			
	- Receivables due in 90 days or less			
	- Receivables due in more than 90 days		-	
13	Other receivables			
	- Other receivables due in 90 days or less			
	- Other receivables due in more than 90 days		-	
14	Provision for impairment of receivables			

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 7. LIQUID CAPITAL (continued)

No.	Contents	Liquid Capital		
		Liquid Capital VND	Deductions VND	Increases VND
		(1)	(2)	(3)
<b>B</b>	<b>Short-term assets (continued)</b>			
<b>II</b>	<b>Other short-term assets</b>			
1	Advances			
	- Advances with remaining repayment term of 90 days or less			
	- Advances with remaining repayment term of more than 90 days		138,530,000	
2	Office supplies, tools and materials		-	
3	Short-term prepaid expenses		11,293,231,355	
4	Short-term deposits, collaterals and pledges		-	
5	Deductible value added tax		-	
6	Tax and other receivables from the State		-	
7	Other current assets		1,739,408,445	
8	Provision for impairment of other current assets			
<b>1B</b>	<b>Total</b>			<b>155,827,060,422</b>
<b>C</b>	<b>Long-term assets</b>			
<b>I</b>	<b>Long-term financial assets</b>			
1	Long-term receivables		-	
2	Investments			
2.1	HTM investments			
	- Securities exposed to market risk			
	- Securities deducted from liquid capital		217,979,589,042	
2.2	Investments in subsidiaries		-	
2.3	Investment in associate		-	
2.4	Other long-term investment		-	
<b>II</b>	<b>Fixed assets</b>		<b>54,529,021,090</b>	
<b>III</b>	<b>Investment properties</b>		-	
<b>IV</b>	<b>Construction in progress</b>		<b>6,411,892,979</b>	
<b>V</b>	<b>Other long-term assets</b>			
1	Long-term deposits, collaterals and pledges		5,785,871,560	
2	Long-term prepaid expenses		4,925,898,193	
3	Deferred income tax		-	
4	Payment for Settlement Assistant Fund		21,204,360,186	
5	Other long-term assets		-	
<b>VI</b>	<b>Provision for impairment of non-current assets</b>			
	Assets as modified, adverse or disclaimed in audited financial statements that are not deducted in accordance with Article 5, Circular 91		-	
<b>1C</b>	<b>Total</b>			<b>310,836,633,050</b>

# KIS Vietnam Securities Corporation

NOTES TO THE FINANCIAL SAFETY RATIO REPORT (continued)  
as at 31 December 2024

## 7. LIQUID CAPITAL (continued)

No.	Contents	Liquid Capital		
		Liquid Capital VND	Deductions VND	Additions VND
		(1)	(2)	(3)
<b>D</b>	<b>Margin, collaterals assets</b>			
1	The value of the margin			
1.1	The value of contribution to Settlement Assistance Fund of Vietnam Securities Depository (for derivative market)		10,003,333,771	
1.2	The value of contribution to the clearing fund of the central settlement counterparty for the open position of the clearing member (for derivative market)		150,350,367,734	
1.3	The value of cash escrow and bank's guarantee for issuing covered warrants		126,400,000,000	
2	The value of collaterals for obligations due in more than 90 days		-	
<b>1D</b>	<b>Total</b>			<b>286,753,701,505</b>
<b>TOTAL LIQUID CAPITAL = 1A-1B-1C-1D</b>				<b>5,168,157,667,959</b>

Notes:

Non-applicable for the preparation of the financial safety ratio report

## 8. EVENTS AFTER THE BALANCE SHEET DATE

There is no event or circumstance that has arisen since 31 December 2024 that requires adjustment or disclosure in the financial safety ratio report of the Company.



Ms. Truong Thi Kim Dung  
Chief Accountant



Ms. Phan Tuyet Minh  
Head of  
Internal Control Department




Mr. Shin Hyun Jae  
General Director



Ho Chi Minh City, Vietnam

5 March 2025